

9. Describe your firm's corporate citizenship and commitment to the City, participation in charitable programs or scholarships in 2012, and policies with regard to the use of women-owned, minority-owned and disadvantaged business enterprises. Does your firm procure goods and services locally?

Together with the help of clients and vendors, our Firm and our employees for 2012 have contributed more than \$65.8 mm in donations toward a broad range of important causes including relief efforts for natural disasters around the world, Hurricane Sandy relief efforts in the NY/NJ area, cancer research, educational scholarships and youth programs. As a policy, Jefferies limits its corporate citizenship involvement to its educational grant program, the Jefferies Family Scholarship, and employee charitable gift-matching program. Charities must be non-political and non-denominational to be eligible for a Jefferies match. Jefferies' CA employees have historically shown a strong commitment to supporting non-profit and charitable organizations throughout California. In 2012, Jefferies' employee charitable gift matching program made contributions exceeding \$525,000 in California alone. This included contributions to the American Red Cross, Autism Speaks, Cedars-Sinai hospital, Children's Hunger Fund, Leukemia & Lymphoma Society, Pancreatic Cancer Action Network, the Revlon Run/Walk for Women, Special Olympics of Southern California and UCLA, to name a few.

As a firm, Jefferies encourages and routinely works with qualified woman and minority owned businesses around the world. This would include a range of services from product suppliers to service vendors, including legal counsel, printers, and marketing consultants for example. In Los Angeles specifically, Jefferies, for example, has several local law firms pre-qualified to work with us on municipal finance engagements as underwriter's counsel. Since January 1, 2012, Jefferies has procured over \$45.8 mm in goods and services in Los Angeles County, \$40.2 mm of which was in the City itself.

Jefferies LLC ("Jefferies") does not currently have a formal supplier diversity program. However, our firm makes every effort to provide minority and women-owned businesses ("M/WBE") with an opportunity to bid on services provided to our company. In our Requests for Proposals for business services, we include opportunities for M/WBE firms to respond and then verify their M/WBE status through the use of the W-9s that these companies provide. In addition, our firm makes every effort to provide M/WBE businesses with meaningful participation in our lines of business. Specifically, in our Municipal Securities Group, Jefferies frequently appoints M/WBE underwriters' counsel to serve on our senior managed transactions. For transactions of size, we frequently appoint co-underwriters' where one firm is a M/WBE. In these transactions, Jefferies strives to ensure meaningful participation by the M/WBE.