

**City of Los Angeles
Responsible Banking & Investment Monitoring Program
For Investment Banks**

Investment banks providing City investment banking services or seeking City investment banking business must complete and submit this form no later than July 1st of each year to the City Administrative Officer to comply with Chapter 5.1, Section 20.95.1 of the Los Angeles Administrative Code.

Contact Information:

Jefferies LLC

Name of Financial Institution

11100 Santa Monica Blvd., 12th Floor Los Angeles CA 90025

Street Address

City

State

Zip Code

John Gust, Senior Vice President

Contact Person Name and Title

310.575.5207

jgust@jefferies.com

Telephone No.

Email Address

SOCIAL RESPONSIBILITY

Please answer the following questions for the preceding calendar year.

1. Did your firm make monetary donations to charitable programs within the City limits?

Yes No

If yes, please complete the attached form, labeled at Exhibit 1.

2. Did your firm provide any scholarship awards to residents of the City of Los Angeles?

Yes No

- a. How many scholarships were awarded? 1
b. What was the total value of the awarded scholarships? \$12,500

3. Does your firm have internal policies regarding utilization of subcontractors which are designated as "women owned," "minority owned," or "disabled" business enterprises? Yes No

If yes, please provide a copy of your policies, labeled as Exhibit 2

CONSUMER PROTECTION

1. Is the financial institution currently in compliance with all applicable consumer financial protection laws?

Yes No

If no, please briefly explain: _____

2. Does the financial institution have policies to prevent the use of illegal predatory consumer adverse sales goals as the bases for evaluation, promotion, discipline or compensation of employees?

Yes No

If no, please briefly explain: Our Wealth Management
department prohibits sales goals.

3. Does the financial institution encourage and maintain whistleblower protection policies for its employees and/or customers to report suspected illegal practices, including predatory sales goals?

Yes No

If no, please briefly explain: _____

4. In the last five years, has the financial institution been subject to any disciplinary actions such as fines, suspensions, or settlements, undertaken by the Securities and Exchange Commission, the Consumer Financial Protection Bureau, the Municipal Securities Regulation Board, the Financial Industry Regulatory Agency and/or any State regulatory agency?

Yes No

5. If the answer to question no. 4 is yes, please provide in separate attachment labeled Exhibit 3, what the violation(s) are, the reason for the enforcement action, what government agencies are involved, the date of the enforcement action, what is the current status, and how were or will the issues be resolved?

Please refer to Exhibit 3.

CERTIFICATION UNDER PENALTY OF PERJURY (*)

I certify under penalty of perjury that I have read and understand the questions contained in this form and the responses contained in the form and on all the attachments. I further certify that I have provided full and complete answers to each question, and that all information provided in response to this form is true and accurate to the best of my knowledge and belief.

Kym Arnone	Managing Director, Joint-Head of Public Finance		6/19/2020
Print Name	Title	Signature	Date

(*) Signature must be that of the Head of Public Finance or equivalent corporate executive.

PLEASE SEND THE ORIGINAL SIGNED FORM TO THE ADDRESS BELOW AND EMAIL A COPY TO CAO.DEBT@LACITY.ORG.

**Office of the City Administrative Officer
200 North Main St. Room 1500
Los Angeles, CA 90012
Attention: Debt Management Group**

Attachment for Question #1 - Responsible Banking Investment Monitoring Program for Investment Banks

Name of Charitable Organization	Type	Amount (\$)
Adopt A Highway Litter Removal Service	Environment	12,100.00
Cedars Sinai Medical Center	Healthcare - General	10,000.00
Mercy for Animals	Animal Rights	1,250.00
Children's Bureau of Southern California	Children & Youth Development	500.00

Exhibit 3

In the normal course of business, we have been named as defendants or co-defendants in lawsuits involving primarily claims for damages. We are also involved in a number of judicial and regulatory matters arising out of the conduct of our business. Based on currently available information, we do not believe that any matter will have a material adverse effect on our financial condition nor has any prior matter had a material adverse effect on our financial condition or otherwise resulted in significant reputational or franchise risk. Additionally, our BrokerCheck Report, which contains any settled regulatory matters, may be obtained by following the links at: <https://brokercheck.finra.org/firm/summary/2347>. Please contact us with any questions about our BrokerCheck Report.

ADR Settlement

In December, 2019, the SEC and Jefferies settled charges that Jefferies: (i) improperly borrowed pre-released American Depositary Receipts (“ADRs”) from other broker-dealers, which Jefferies should have known did not own foreign shares needed to support the ADRs; and (ii) failed to supervise its securities lending desk concerning these pre-released ADRs. In settling this matter, Jefferies paid nearly \$4 million in disgorged gains, interest and penalties.

On February 2, 2016, Jefferies LLC (“Jefferies”) entered into a settlement with the Securities and Exchange Commission (“SEC”) pursuant to the SEC’s Municipalities Continuing Disclosure Cooperation (“MCDC”) initiative. Solely for the purpose of settling the proceedings and without admitting or denying the findings, Jefferies consented to the entry of an SEC order (“Order”) finding that Jefferies willfully violated Section 17(a)(2) of the Securities Act of 1933 in connection with its underwriting of certain municipal securities offerings. Specifically, the SEC found that Jefferies acted as either a senior or sole underwriter in certain municipal securities offerings for which official statements inaccurately represented material compliance with continuing disclosure undertakings pursuant to Rule 15c2-12.

The Order requires Jefferies to cease and desist from committing or causing any violations and any future violations of Section 17(a)(2) of the Securities Act. Additionally, the Order requires Jefferies to complete certain undertakings and pay a \$500,000 civil money penalty, which was paid on February 2, 2016. The MCDC initiative was a voluntary initiative in which the SEC encouraged municipal issuers and underwriters to investigate and self-report prior compliance with the continuing disclosure obligations specified in Rule 15c2-12 under the Securities Exchange Act of 1934.