STATE OF ILLINOIS
EXECUTIVE OFFICE OF THE GOVERNOR
GOVERNOR'S OFFICE OF MANAGEMENT AND BUDGET
SPRINGFIELD 62706

PAT QUINN
Governor

May 10, 2010

RECEIVED
MAY 11 2010
CGFA

Dan R. Long
Executive Director
Commission on Government Forecasting and Accountability
703 Stratton Office Building
Springfield, Illinois 62706

Dear Director Long,

Pursuant to Section 8 of the amended Illinois General Obligation Bond Act, 30 ILCS 330/8 and Section 21 of the amended Illinois General Obligation Bond Act, 30 ILCS 330/21, the Governor's Office of Management and Budget (GOMB) is hereby providing the required cost of issuance disclosure and truth in borrowing disclosure for each of the following transactions:

1. ***Competitive*** sale of State of Illinois General Obligation Bonds, Taxable Build America Bonds, Series March 2010.
2. ***Competitive*** sale of State of Illinois General Obligation Bonds, Taxable Build America Bonds, Series 2010-2.
3. ***Negotiated*** sale of the State of Illinois General Obligation Bonds, Taxable Build America Bonds, Series 2010-3

Copies of the cost of issuance disclosure and truth in borrowing disclosures have been posted on the GOMB web site and shall remain for 30 days. In addition, GOMB is providing copies of all contractual agreements under which costs of issuance were paid to contractors engaged in each of the three transactions listed above.

Should you have any inquiries into this information, please contact me at (312) 814-7279 or via e-mail at john.sinsheimer@illinois.gov.

Sincerely,

John Sinsheimer
Director of Capital Markets
Governors Office of Management and Budget

Attachment

RECEIVED
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STATE OF ILLINOIS
GOVERNOR'S OFFICE OF MANAGEMENT AND BUDGET
CONTRACTUAL AGREEMENT

THIS AGREEMENT, entered into by and between First Southwest Company, 250 West 57th Street, Suite 1420, New York, NY 10107 (the "Contractor"), and the Governor's Office of Management and Budget ("GOMB").

WHEREAS, in June 2009, GOMB conducted a competitive Request for Proposal process, in accordance with the Illinois Procurement Code, for financial advisory services related to the offering by the State of Illinois (the "State") of certain bonds and certificates, including General Obligation Bonds and Certificates and Build Illinois Bonds;

WHEREAS, the Contractor was selected among several firms to provide financial advisory services on the basis of its overall ability to perform such services and taking into consideration total cost to the State;

WHEREAS, GOMB has a need for professional and specialized financial advisory services with regard to the offering of the Taxable Build America Bonds, Series 2010-2 and 2010-3, and General Obligation Bonds, Taxable Series of March 2010 (the "Bonds"); and

WHEREAS, the Contractor is qualified and has agreed to perform such professional and specialized services.

WITNESSETH, that GOMB does hereby agree to retain the Contractor and the Contractor hereby accepts such retention upon the terms and conditions hereinafter provided.

ARTICLE 1, TERM: Subject to the provisions for termination as hereinafter provided, this Agreement shall become effective on February 23, 2010 and will terminate on May 31, 2010.

ARTICLE 2, DUTIES: The Contractor shall provide financial advisory services related to the offering of Bonds issued by the State and specified in this Agreement. The principal matters for which the State requires the Contractor's financial advisory services (collectively the "Services") are:

a. For the offerings of Taxable Build America Bonds, Series 2010-2 and General Obligation Bonds, Taxable Series of March 2010, the Contractor shall, in accordance with the Agreement:

   i. provide a third party verification of the bids submitted for the Bonds; and

   ii. provide other advisory services related to the offering of Bonds, as requested by GOMB or the State.

b. For the offerings of Taxable Build America Bonds, Series 2010-3, the Contractor shall, in accordance with the Agreement:

   i. advise GOMB concerning the security, structure, terms and conditions of the financing related to the issuance of the Bonds;

   ii. facilitate communication as requested between GOMB and the investment community, including rating agencies, underwriters and prospective purchasers;

   iii. advise GOMB in connection with any negotiations relating to the Bonds to be offered;

   iv. communicate with appropriate counsel, including bond counsel, on behalf of GOMB;

   v. facilitate the preparation of all necessary documentation related to the issuance of Bonds; and

   vi. take such incidental or related actions on behalf of GOMB or the State as may be appropriate.

c. The Contractor shall perform the Services in full compliance with all applicable federal and State law, regulation, tax rulings, judicial and administrative orders and decrees, and also subject to and in compliance with MSRB Rule G-38.

ARTICLE 3, COMPENSATION: The Contractor shall be compensated for Services as set forth in Appendix A, the terms of which are incorporated herein this Agreement, based on the total principal amount of each Series of Bonds issued during the term hereof this Agreement.

ARTICLE 4, TERMINATION/EXTENSION: Either party may terminate this Agreement at any time upon five (5) calendar day's written notice to the other party. Upon termination, the Contractor shall be paid for work satisfactorily completed prior to the date of termination. The term of this Agreement may be extended for a similar or lesser term if agreed to upon in writing and signed by both parties. Any such extension shall be attached to this Agreement and made a part hereof as though it were incorporated and included herein.

ARTICLE 5, BILLING: Contractor shall submit an invoice at or subsequent to the closing of the Bonds to the GOMB for services performed.

a. Each invoice shall be itemized, listing the services performed.

b. The amount shown for costs on all invoices shall be in accordance with the rates described in the "Compensation" provisions hereof.

c. All such invoices shall also contain a statement which reads substantially as follows: The Contractor hereby certifies that the services supplied and expenses incurred as stated in the attached invoice have met all of the required standards set forth in the Agreement for Services.

d. All such invoices shall be signed by the Contractor's authorized representative and shall include the Contractor's tax identification number as set forth in Article 20 hereof this Agreement.

e. All invoices for services performed and expenses incurred by the Contractor prior to July 1st of each contract year must be presented to GOMB no later than the following August 1st in order to ensure prompt payment under this Agreement.

f. Notwithstanding any other provision of this Agreement, GOMB shall not be obligated to make payment to the Contractor on invoices presented after August 1st following the end of a contract year. Contractor's failure to present such invoices prior to the above date may compel Contractor to seek payment of such invoices through the Illinois Court of Claims and the Illinois General Assembly (30 ILCS 105/25).

ARTICLE 6, PAYMENT: GOMB will use its best efforts to secure payment for Services within sixty (60) days after its receipt of an invoice as set forth above. Any prior partial payment shall be netted from the sum of the payment described herein.

a. Final payment shall be made upon GOMB's determination that all requirements hereunder have been met, which determination shall not be unreasonably withheld. Such final payment will be made subject to adjustment after completion of an audit of Contractor's records as provided for in this Agreement. GOMB may waive audit at its option.

b. All recordkeeping shall be in accordance with sound accounting standards.

ARTICLE 7, PROGRESS REPORTS: The Contractor shall keep the GOMB fully informed as to the progress of all matters covered by this Agreement. The Contractor shall promptly furnish the GOMB with copies of all documents prepared in connection with the services rendered under this Agreement.

ARTICLE 8, SUBCONTRACTING: Subcontracting, assignment, or transfer of any part of the interest of Contractor in the Services is prohibited without prior consent of GOMB.

a. In the event GOMB gives such consent, the terms and conditions of this Agreement shall apply to and bind the party or parties to whom such work is subcontracted, assigned, or transferred as fully and completely as the Contractor is hereby bound and obligated.

b. The names and addresses of all subcontractors utilized by the Contractor with GOMB consent shall be listed in an amendment to this Agreement together with the anticipated amount of compensation which the subcontractor is expected to receive pursuant to this Agreement (30 ILCS 500/35-40).

c. The Contractor shall not employ any person or persons employed by GOMB at any time during the term of this Agreement for any work required by the terms of this Agreement.

ARTICLE 9, WORK PRODUCT: All documents, data and records produced by the Contractor in carrying out its obligations and providing Services hereunder, without limitation and whether preliminary or final, shall become and remain the property of GOMB.

a. GOMB shall have the right to use all such documents, data and records without restriction, limitation or compensation to the Contractor and the Contractor shall have no right or interest therein.

b. Upon completion of the Services or upon termination hereof, all such documents, data and records shall, at GOMB's option be appropriately arranged, indexed and delivered to it by the Contractor.

c. Any documents, data and records given to or prepared by the Contractor under this Agreement shall not be made available to any outside person or entity by the Contractor without GOMB's prior written approval. Any confidential and proprietary, non-public information secured from GOMB by the Contractor in connection with providing the Services shall be kept confidential unless disclosure of such information is previously approved in writing by GOMB or is otherwise required by law.

ARTICLE 10, INABILITY TO PERFORM: The Contractor agrees that if, because of death or any other occurrence beyond Contractor's control, it becomes impossible for any principal of the Contractor to render the Services, neither Contractor nor any surviving principals shall be relieved of the obligation to complete performance thereunder. However, in such an occurrence, GOMB, at its own option, may immediately terminate the Agreement upon written notice to the Contractor.

ARTICLE 11, EMPLOYMENT STATUS:

a. Services rendered pursuant to this Agreement are not rendered as an employee of the State and amounts paid pursuant hereto do not constitute compensation paid to an employee.

b. GOMB assumes no liability for actions of the Contractor under this Agreement and this Agreement is not subject to the State Indemnification Act (5 ILCS 350/1, *et seq.*).

ARTICLE 12, AVAILABILITY OF APPROPRIATIONS (30 ILCS 500/20-60): GOMB's obligations hereunder shall cease immediately, without further payment being required, in any year for which the General Assembly of the State or other legally applicable funding source fails to make an appropriation sufficient to pay such obligation. GOMB shall give the Contractor notice of such termination for funding as soon as practicable after GOMB becomes aware of the failure of funding.

ARTICLE 13, LIABILITY: GOMB does not assume any liability for acts or omissions of the Contractor and such liability rests solely with the Contractor in accordance with applicable law.

ARTICLE 14, BREACH: GOMB may terminate this Agreement without penalty and shall have recourse to all relief available under applicable law in the event of any material breach hereof by Contractor. Failure to declare a breach on one occasion does not act as a waiver to declare a breach on another occasion.

ARTICLE 15, RIGHT TO AUDIT: The Contractor agrees that GOMB and its representatives shall have the right to examine any Contractor records which directly relate to this Agreement (30 ILCS 500/20-65).

ARTICLE 16, CONFLICT OF INTEREST: The Contractor agrees to comply with the provisions of the Illinois Procurement Code prohibiting conflicts of interest (30 ILCS 500/50-13 and 50-35) and the terms, conditions and provisions of such Sections shall apply hereto and are made a part hereof this

Agreement as though they were incorporated and included herein. If any State officer or employee has a prohibited interest, this Agreement may be cancelled without charge or penalty to GOMB or the State.

ARTICLE 17, LEGAL ABILITY TO CONTRACT: The Contractor certifies that it is under no legal prohibition on contracting with GOMB or the State, has no known conflicts of interest and further specifically certifies that:

a. The Contractor will comply with applicable provisions of the U.S. Civil Rights Act, Section 504 of the Federal Rehabilitation Act, the Americans with Disabilities Act (42 U.S.C. 12101, *et seq.*) and applicable rules in performance under this Agreement.

b. Neither the Contractor nor any of its principals is in default on an educational loan (5 ILCS 385/3).

c. The Contractor has informed the GOMB Director in writing if any of its employees was formerly employed by GOMB and received an early retirement incentive prior to 1993 under Section 14-108.3 or 16-133.3 of the Illinois Pension Code, and acknowledges that contracts made without the appropriate filing with the Auditor General are not payable from the "contractual services" or other appropriation line items. No principal of Contractor received an early retirement incentive in or after 2002 under Section 14-108.3 or 16-133.3 of the Pension Code, and Contractor acknowledges that contracts in violation of Section 15a of the State Finance Act are not payable from the "contractual services" or other appropriation line items (30 ILCS 105/15a).

d. The Contractor has been convicted of bribing or attempting to bribe an officer or employee of the State or any other governmental unit, nor has the Contractor or any of its principals made an admission on the record of having so bribed or attempted to bribe (30 ILCS 500/50-5).

e. If the Contractor has been convicted of a felony, at least 5 years have passed since completion of the sentence therefor, unless no person held responsible by a prosecutor's office for the facts upon which the conviction was based continues to have any involvement with the business (30 ILCS 500/50-10).

f. The Contractor is not barred from being awarded a contract because the Contractor is delinquent in the payment of any debt to the State (or if delinquent has entered into a deferred payment plan to pay the debt), and the Contractor acknowledges that GOMB may declare the Agreement void if this certification is false (30 ILCS 500/50-11) or if the Contractor later becomes delinquent and has not entered into a deferred payment plan to pay off the debt. (30 ILCS 500/50-60).

g. The Contractor shall collect and remit Illinois Use Tax on all sales of tangible personal property into the State in accordance with provisions of the Illinois Use Tax Act and acknowledges that failure to comply can result in the contract being declared void (30 ILCS 500/50-12).

h. The Contractor has not paid any money or valuable thing to induce any person to refrain from bidding on a State contract, nor has the Contractor accepted any money or other valuable thing, or acted upon the promise of same, for not bidding on a State contract (30 ILCS 500/50-25).

i. The Contractor is not in violation of the "Revolving Door" section of the Illinois Procurement Code (30 ILCS 500/50-30).

j. The Contractor will report to the Illinois Attorney General and GOMB's Chief Procurement Officer any suspected collusion or other anticompetitive practice among any bidders, offerors, contractors, proposers or employees of the State (30 ILCS 500/50-40, /50-45, /50-50).

k. The Contractor will, pursuant to the Drug Free Workplace Act, provide a drug free workplace, and shall not engage in the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance in the performance of the Agreement. This certification applies to: all contracts of $5,000 or more with individuals; and, to entities with 25 or more employees (30 ILCS 580).

l. The Contractor is not participating and shall not participate in an international boycott in violation of the U.S. Export Administration Act of 1979 or the applicable regulations of the U.S. Department of Commerce. This certification applies to all contracts exceeding $10,000 (30 ILCS 582).

m. The Contractor has not been convicted of the offense of bid rigging or bid rotating or any similar offense of any state or of the United States (720 ILCS 5/33E-3, 5/33E-4).

n. The Contractor complies with the Illinois Department of Human Rights Act and rules applicable to public contracts, including equal employment opportunity, refraining from unlawful discrimination, and having written sexual harassment policies (775 ILCS 5/2-105).

o. The Contractor does not pay dues to, or reimburse or subsidize payments by its employees for, any dues or fees to any "discriminatory club" (775 ILCS 25/2).

p. The Contractor complies with the State of Illinois Prohibition of Goods from Forced Labor Act and acknowledges that no foreign-made equipment, materials, or supplies furnished under the Agreement may be produced in whole or in part by forced labor, convict labor, or indentured labor under penal sanction (PA 93-0307).

q. The Contractor certifies that none of its officers, directors, partners or other managerial agents has been convicted of a felony under the Sarbanes-Oxley Act of 2003 or a Class 3 or Class 2 felony under the Illinois Securities Law of 1953 for a period of 5 years prior to the date of its bid or this Agreement. The Contractor acknowledges that GOMB shall declare the Agreement void if this certification is false (30 ILCS 500/50-10.5).

r. The Contractor certifies that it has not committed a willful or knowing violation of the Environmental Protection Act (relating to Civil Penalties under the Environmental Protection Act) within the last five (5) years, and is therefore not barred from being awarded a contract by the State. If GOMB later determines that this certification was falsely made by the Contractor, the Contractor acknowledges that GOMB may declare the contract void. (30 ILCS 500/50-14).

s. The Contractor certifies that no foreign-made equipment, materials, or supplies furnished to the State hereunder was produced in whole or part by the labor of any child under the age of 12 (PA 94-0264).

t. The Contractor certifies that it is not in violation of Section 50-14.5 of the Illinois Procurement Code, which states: "Owners of residential buildings who have committed a willful or knowing violation of the Lead Poisoning Prevention Act are prohibited from doing business with the State of Illinois or any State agency until the violation is mitigated" (410 ILCS 45).

u. The Contractor warrants and certifies that it and, to the best of its knowledge, its subcontractors have and will comply with Executive Order No. 1 (2007). The Order generally prohibits contractors and subcontractors from hiring the then-serving Governor's family members to lobby procurement activities of the State, or any other unit of government in Illinois including local governments if that procurement may result in a contract valued at over $25,000. This prohibition also applies to hiring for that same purpose any former State employee who had procurement authority at any time during the one-year period preceding the procurement lobbying activity.

v. The Contractor certifies that it has read, understands, and is in compliance with Public Act 95-971 and will not make or solicit a contribution that will violate the Act. In general, Public Act 95-971 contains new registration and reporting requirements for certain vendors, as well as limitations on political contributions by certain vendors and their affiliates. These requirements shall be effective for the duration of the term of office of the incumbent Governor or for a period of 2 years after the end of the contract term, whichever is longer.

The Contractor further certifies, in accordance with Public Act 95-971, as applicable:

☐ The Contractor is not required to register as a business entity with the State Board of Elections.

or

☐ The Contractor has registered as a business entity with the State Board of Elections and acknowledges a continuing duty to update the registration as required by the Act. A copy of the official certificate of registration as issued by the State Board of Elections is attached.

The Contractor acknowledges that the State may declare this Contract void without any additional compensation due to the Contractor if this certification is false or if the Contractor (or any of its affiliated persons or entities) engages in conduct that violates Public Act 95-971.

ARTICLE 18. RECORDS AND DOCUMENTATION: The Contractor shall maintain, for a minimum of three (3) years after the completion of the contract, adequate books, records, and supporting documents to verify the amounts, recipients, and uses of all disbursements of funds passing in conjunction with the contract; the contract and all books, records, and supporting documents related to the contract shall be available for review and audit by the Auditor General; and the Contractor agrees to cooperate fully with any audit conducted by the Auditor General and to provide full access to all relevant materials. Failure to maintain the books, records, and supporting documents required by this Section shall establish a presumption in favor of the State for the recovery of any funds it has paid under the Agreement for which adequate books, records, and supporting documentation are not available to support their purported disbursement (30 ILCS 500/20-65).

ARTICLE 19. SOLICITATION FOR EMPLOYMENT: The Contractor agrees to give notice to GOMB's Ethics Officer if the Contractor or any person associated with the Contractor solicits or intends to solicit for employment any of GOMB's employees during any part of the procurement process or during the term of the contract.

ARTICLE 20. FEDERAL TAXPAYER IDENTIFICATION NUMBER AND LEGAL STATUS DISCLOSURE: Under penalties of perjury, I certify that the name, taxpayer identification number, and legal status listed below are correct.

Name: **First Southwest Company**

EIN: **75-0708002**

Legal Status

_____Individual

_____Owner of sole proprietorship

_____Partnership

_____Tax-exempt hospital or extended care facility

X Corporation NOT providing or billing medical and/or health care services

_____Governmental entity

_____Nonresident alien individual

_____Estate or legal trust

_____Foreign corporation, partnership, estate, or trust

_____Other_____

ARTICLE 21. NOTICES: All notices required under the terms of this Agreement shall be delivered in person or by certified or registered mail with return receipt to the last known address of the parties hereto.

ARTICLE 22. LAWS OF ILLINOIS: This Agreement shall be governed in all respects by the laws of the State of Illinois. Any claim against the GOMB or the State of Illinois arising out of this Agreement must be filed exclusively with the Illinois Court of Claims.

ARTICLE 23. ENTIRE AGREEMENT: This instrument contains the entire agreement of the parties. The Agreement may not be changed orally, but only by agreement in writing signed by the party whom enforcement of any waiver, modification, extension, or discharge is sought.

IN WITNESS WHEREOF, the parties hereunto set their hands and seals, on the day and in the year written below.

<SIGNATURE PAGE FOLLOWS>

IN WITNESS WHEREOF, the parties hereto duly authorize this Agreement by affixing their signatures below.

STATE OF ILLINOIS
GOVERNOR'S OFFICE OF MANAGEMENT AND BUDGET

David H. Vaught
Director
Date: 2/26/10

FIRST SOUTHWEST COMPANY

Name: Angela M. Rodell
Title: Senior Vice President
Date: 02/25/2010

APPENDIX A

COMPENSATION:

The Contractor's total compensation for Services shall not exceed $155,000.

For all Services defined in paragraph (a) of Article 2 of this Agreement related to the offering of Taxable Build America Bonds, Series 2010-2 and General Obligation Bonds, Taxable Series of March 2010, the Contractor shall be paid a total fee of $20,000, plus an amount not to exceed $5,000 for reimbursement of out-of-pocket expenses paid by the Contractor and approved in advance by GOMB.

In addition, for all Services defined in paragraph (b) of Article 2 of this Agreement related to the offering of Taxable Build America Bonds, Series 2010-3, the Contractor shall be paid a fee of $125,000; plus, an amount not to exceed $5,000 for reimbursement of out-of-pocket expenses paid by the Contractor and approved in advance by GOMB.

Compensation for all Services shall be paid from proceeds of Bonds issued during the term of this Agreement.

CERTIFICATE OF FINANCIAL ADVISOR

The undersigned is an authorized representative of First Southwest Company, New York, New York, ("First Southwest"), and as an authorized representative I hereby certify as follows:

1. First Southwest is serving as Financial Advisor in connection with the issuance of Taxable Build America Bonds, Series 2010-2 and 2010-3, and General Obligation Bonds, Taxable Series of March 2010 (the "Bonds").

2. First Southwest did not and will not pay a contingent fee, whether directly or indirectly, to a third party for having promoted the award of the contract to serve as Financial Advisor for the Bonds.

Dated: February 25, 2010

Very truly yours,

First Southwest Company

By: _____
Angela M. Rodell
Senior Vice President

RECEIVED
MAY 11 2010
CGFA

STATE OF ILLINOIS
GOVERNOR'S OFFICE OF MANAGEMENT AND BUDGET
CONTRACTUAL AGREEMENT

THIS AGREEMENT, entered into by and between Freeborn & Peters LLP, 217 East Monroe Street, Suite 202, Springfield, Illinois 62701 (the "Contractor"), and the Governor's Office of Management and Budget ("GOMB").

WHEREAS, GOMB, in accordance with the Illinois Procurement Code, conducted a competitive Request for Proposal process in June 2009 for legal services with regard to the offering of its State of Illinois Bonds and Certificates, including General Obligation Bonds and Certificates and Build Illinois Bonds;

WHEREAS, the Contractor was selected among several firms on the basis of overall ability to perform such legal services, and taking into consideration total cost to the State of Illinois;

WHEREAS, GOMB has a need, as specified in Appendix A, for professional and legal services with regard to the offering of the Taxable Build America Bonds, Series 2010-3 (the "Bonds"); and

WHEREAS, the Contractor is qualified to and has agreed to perform such professional and specialized services.

WITNESSETH, that GOMB does hereby agree to retain the Contractor and the Contractor hereby accepts such retention upon the terms and conditions hereinafter provided.

ARTICLE 1, TERM: Subject to the provisions for termination as hereinafter provided, this Agreement shall become effective on February 23, 2010 and will terminate on May 31, 2010.

ARTICLE 2, DUTIES: The Contractor shall provide the services specified in Appendix B.

ARTICLE 3, COMPENSATION: The Contractor shall be compensated by GOMB for the services contracted for in accordance with the provisions established in Appendix C of this Agreement.

ARTICLE 4, TERMINATION/EXTENSION: Either party may terminate this Agreement at any time upon five (5) calendar days written notice to the other party. Upon termination the Contractor shall be paid for work satisfactorily completed prior to the date of termination. The term of this Agreement may be extended for a similar or lesser term if agreed to upon in writing and signed by both parties. Any such extension shall be attached to this Agreement and made a part herein as though it were incorporated and included herein.

ARTICLE 5, BILLING: The Contractor shall submit an invoice at or subsequent to the closing of the Bonds to GOMB for services performed.

a. Each invoice shall be itemized, listing the services performed.

b. The amount shown on each invoice for labor costs shall be in accordance with the rates described herein under "Compensation".

c. All such invoices shall also contain a statement which reads substantially as follows: The Contractor hereby certifies that the services supplied and expenses incurred as stated in the attached invoice have met all of the required standards set forth in the Contractual Agreement for Legal Services.

d. All such invoices shall be signed by the Contractor and shall set out the Contractor's tax identification number as set forth in Article 20 hereof this Agreement.

e. All invoices for services performed and expenses incurred by the Contractor prior to July 1st of each contract year must be presented to GOMB no later than the following August 1st in order to ensure prompt payment under this Agreement.

f. Notwithstanding any other provision of this Agreement, GOMB shall not be obligated to make payment to the Contractor on invoices presented after August 1st following the end of a contract year. Failure by the Contractor to present such invoices prior to August 1st may require the Contractor to seek payment of such invoices through the Illinois Court of Claims and the Illinois General Assembly (**30 ILCS 105/25**).

ARTICLE 6, PAYMENT: GOMB will use its best efforts to secure payment for the services furnished and expenses incurred under this Agreement within sixty (60) days after the date of closing. Payment will be made in the amount earned to date of invoice less previous partial payments.

a. Final payment shall be made upon determination by GOMB that all requirements under this Agreement have been completed, which determination shall not be unreasonably withheld. Such final payment will be made subject to adjustment after completion of an audit of the Contractor's records as provided for in this Agreement. GOMB may waive audit at its option.

b. All recordkeeping shall be in accordance with sound accounting standards.

ARTICLE 7, PROGRESS REPORTS: The Contractor shall keep GOMB fully informed as to the progress of all matters covered by this Agreement. The Contractor shall promptly furnish GOMB with copies of all documents prepared in connection with the services rendered under this Agreement.

ARTICLE 8, SUBCONTRACTING: Subcontracting, assignment, or transfer of all or part of the interests of the Contractor in the work covered by this Agreement shall be prohibited without prior consent of GOMB.

a. In the event GOMB gives such consent, the terms and conditions of this Agreement shall apply to and bind the party or parties to whom such work is subcontracted, assigned, or transferred as fully and completely as the Contractor is hereby bound and obligated.

b. Where the Contractor is providing professional and artistic services, the names and addresses of all subcontractors utilized by the Contractor with the consent of GOMB shall be listed in an amendment to this Agreement together with the anticipated amount of money which the subcontractor is expected to receive pursuant to this Agreement (**30 ILCS 500/35-40**).

c. The Contractor shall not employ any person or persons employed by GOMB at any time during the term of this Agreement for any work required by the terms of this Agreement.

ARTICLE 9, WORK PRODUCT: All documents, data and records produced by the Contractor in carrying out the Contractor's obligations and services hereunder, without limitation and whether preliminary or final, shall become and remain the property of GOMB.

a. GOMB shall have the right to use all such documents, data and records without restriction or limitation and without compensation to the Contractor and the Contractor shall have no right or interest therein.

b. Upon completion of the services hereunder or at the termination of this Agreement, all such documents, data and records shall, at the option of GOMB, be appropriately arranged, indexed and delivered to GOMB by the Contractor.

c. Any documents, data and records given to or prepared by the Contractor under this Agreement shall not be made available to any outside individual or organization by the Contractor without prior written approval of GOMB. Any confidential and proprietary, non-public information

secured by the Contractor from GOMB in connection with carrying out the services under this Agreement shall be kept confidential unless disclosure of such information is approved in writing by GOMB or unless disclosure otherwise is required by law.

ARTICLE 10, INABILITY TO PERFORM: The Contractor agrees that if, because of death or any other occurrence beyond the control of the Contractor, it becomes impossible for any principal or principals of the Contractor to render the services set forth in the Agreement, neither the Contractor nor the surviving principals shall be relieved of their obligations to complete performance thereunder. However, in such an occurrence, GOMB, at its own option, may immediately terminate the Agreement upon written notice to the Contractor.

ARTICLE 11, EMPLOYMENT STATUS:

a. Services rendered pursuant to this Agreement are not rendered as an employee of the State of Illinois and amounts paid pursuant to this Agreement do not constitute compensation paid to an employee.

b. GOMB assumes no liability for actions of the Contractor under this Agreement and this Agreement is not subject to the State Indemnification Act (**5 ILCS 350/1, et seq.**).

ARTICLE 12, AVAILABILITY OF APPROPRIATIONS (30 ILCS 500/20-60): GOMB's obligations hereunder shall cease immediately, without further payment being required, in any year for which the General Assembly of the State of Illinois or other legally applicable funding source fails to make an appropriation sufficient to pay such obligation. GOMB shall give the Contractor notice of such termination for funding as soon as practicable after GOMB becomes aware of the failure of funding.

ARTICLE 13, LIABILITY: GOMB does not assume any liability for acts or omissions of the Contractor and such liability rests solely with the Contractor in accordance with applicable law.

ARTICLE 14, BREACH: Any material breach of this Agreement by the Contractor will allow GOMB to terminate this Agreement without penalty and have other available relief in accordance with applicable law. Failure to declare a breach on one occasion does not act as a waiver to declare a breach on another occasion.

ARTICLE 15, RIGHT TO AUDIT: The Contractor agrees that GOMB or its representative(s) shall have the right to examine any of the Contractor's records which directly relate to this Agreement (**30 ILCS 500/20-65**).

ARTICLE 16, CONFLICT OF INTEREST: The Contractor agrees to comply with the provisions of the Illinois Procurement Code prohibiting conflicts of interest (**30 ILCS 500/50-13 and 50-35**) and the terms, conditions and provisions of those Sections apply to this Agreement and are made a part of this Agreement the same as though they were incorporated and included herein. If any State of Illinois officer or employee has a prohibited interest, this Agreement may be cancelled without charge or penalty to GOMB or the State of Illinois.

ARTICLE 17, LEGAL ABILITY TO CONTRACT: The Contractor certifies it is under no legal prohibition on contracting with GOMB or the State of Illinois, has no known conflicts of interest and further specifically certifies that:

a. The Contractor will comply with applicable provisions of the U.S. Civil Rights Act, Section 504 of the Federal Rehabilitation Act, the Americans with Disabilities Act (42 U.S.C. 12101 et seq.) and applicable rules in performance under this Agreement.

b. Neither the Contractor nor any person associated with the Contractor is in default on an educational loan (**5 ILCS 385/3**).

c. The Contractor has informed the Director of GOMB in writing if any person associated with the Contractor was formerly employed by that agency and has received an early retirement incentive prior to 1993 under Section 14-108.3 or 16-133.3 of the Illinois Pension Code, and acknowledges that contracts made without the appropriate filing with the Auditor General are not payable from the "contractual services" or other appropriation line items. The Contractor has not received an early retirement incentive in or after 2002 under Section 14-108.3 or 16-133.3 of the Illinois Pension Code, and acknowledges that contracts in violation of Section 15a of the State Finance Act are not payable from the "contractual services" or other appropriation line items. **(30 ILCS 105/15a).**

d. Neither the Contractor nor any person associated with the Contractor has been convicted of bribing or attempting to bribe an officer or employee of the State or any other state, nor has made an admission on the record of having so bribed or attempted to bribe **(30 ILCS 500/50-5).**

e. If the Contractor or any person associated with the Contractor has been convicted of a felony, at least five years have passed after the date of completion of the sentence for such felony, unless no person held responsible by a prosecutor's office for the facts upon which the conviction was based continues to have any involvement with the business **(30 ILCS 500/50-10).**

f. Neither the Contractor nor any person associated with it is barred from being awarded a contract because the Contractor or any person associated with it is delinquent in the payment of any debt to the State (or if delinquent has entered into a deferred payment plan to pay the debt), and the Contractor acknowledges that GOMB may declare this Agreement void if this certification is false **(30 ILCS 500/50-11)** or if the Contractor or any person associated with it later becomes delinquent and has not entered into a deferred payment plan to pay off the debt. **(30 ILCS 500/50-60).**

g. The Contractor shall collect and remit Illinois Use Tax on all sales of tangible personal property into the State in accordance with provisions of the Illinois Use Tax Act **(30 ILCS 500/50-12)** and acknowledges that failure to comply can result in the contract being declared void.

h. Neither the Contractor nor any person associated with it has paid any money or valuable thing to induce any person to refrain from bidding on a State contract, nor has the Contractor or any person associated with it accepted any money or other valuable thing, or acted upon the promise of same, for not bidding on a State contract **(30 ILCS 500/50-25).**

i. Neither the Contractor nor any person associated with it is in violation of the "Revolving Door" Section of the Illinois Procurement Code **(30 ILCS 500/50-30).**

j. The Contractor will report to the Illinois Attorney General and the Chief Procurement Officer any suspected collusion or other anticompetitive practice among any bidders, offerors, contractors, proposers or employees of the State **(30 ILCS 500/50-40; 50-45; 50-50).**

k. The Contractor will, pursuant to the Drug Free Workplace Act, provide a drug free workplace, and shall not permit any person associated with the Contractor to engage in the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance in the performance of the Agreement. This certification applies to contracts of $5,000 or more with individuals; and, to entities with twenty-five (25) or more employees **(30 ILCS 580).**

l. The Contractor does not and shall not participate in an international boycott in violation of the U.S. Export Administration Act of 1979 or the applicable regulations of the U.S. Department of Commerce. This certification applies to contracts that exceed $10,000 **(30 ILCS 582).**

m. Neither the Contractor nor any person associated with it has been convicted of the offense of bid rigging or bid rotating or any similar offense of any state or of the United States **(720 ILCS 5/33E-3; E-4)**.

n. The Contractor complies with the Illinois Department of Human Rights Act and rules applicable to public contracts, including equal employment opportunity, refraining from unlawful discrimination, and having written sexual harassment policies **(775 ILCS 5/2-105)**.

o. The Contractor does not pay dues to, or reimburse or subsidize payments by its employees for, any dues or fees to any "discriminatory club" **(775 ILCS 25/2)**.

p. The Contractor complies with the State Prohibition of Goods from Forced Labor Act that in relation to a public works projects, no foreign-made equipment, materials, or supplies furnished to GOMB or the State under the Agreement may be produced in whole or in part by forced labor, convict labor, or indentured labor under penal sanction **(PA 93-0307)**.

q. The Contractor certifies that no officer, director, partner or other managerial agent of the contracting business has been convicted of a felony under the Sarbanes-Oxley Act of 2003 or a Class 3 or Class 2 felony under the Illinois Securities Law of 1953 for a period of five years prior to the date of the bid or Agreement. The Contractor acknowledges that GOMB shall declare the Agreement void if this certification is false **(30 ILCS 500/50-10.5)**.

r. The Contractor certifies that it has not committed a willful or knowing violation of the Environmental Protection Act (relating to Civil Penalties under the Environmental Protection Act) within the last five (5) years, and is therefore not barred from being awarded a contract. The Contractor acknowledges that if GOMB later determines that this certification was falsely made, GOMB may declare the contract void. **(30 ILCS 500/50-14)**.

s. The Contractor certifies in accordance with **Public Act 94-0264** that no foreign-made equipment, materials, or supplies furnished to the State under the contract have been produced in whole or in part by the labor of any child under the age of 12.

t. The Contractor certifies that it is not in violation of Section 50-14.5 of the Illinois Procurement Code, which states: "Owners of residential buildings who have committed a willful or knowing violation of the Lead Poisoning Prevention Act **(410 ILCS 45)** are prohibited from doing business with the State of Illinois or any State agency until the violation is mitigated."

u. The Contractor warrants and certifies that it and, to the best of its knowledge, its subcontractors have and will comply with **Executive Order No. 1 (2007)**. The Order generally prohibits contractors and subcontractors from hiring the then-serving Governor's family members to lobby procurement activities of the State, or any other unit of government in Illinois including local governments if that procurement may result in a contract valued at over $25,000. This prohibition also applies to hiring for that same purpose any former State employee who had procurement authority at any time during the one-year period preceding the procurement lobbying activity.

v. The Contractor certifies that it has read, understands, and is in compliance with **Public Act 95-971** and will not make or solicit a contribution that will violate the Act. In general, **Public Act 95-971** contains new registration and reporting requirements for certain vendors, as well as limitations on political contributions by certain vendors and their affiliates. These requirements shall be effective for the duration of the term of office of the incumbent Governor or for a period of 2 years after the end of the contract term, whichever is longer.

The Contractor further certifies, in accordance with **Public Act 95-971**, as applicable:

☐ The Contractor is not required to register as a business entity with the State Board of Elections.

or

☐ The Contractor has registered as a business entity with the State Board of Elections and acknowledges a continuing duty to update the registration as required by the Act. A copy of the official certificate of registration as issued by the State Board of Elections is attached.

The Contractor acknowledges that the State may declare this Contract void without any additional compensation due to the Contractor if this certification is false or if the Contractor (or any of its affiliated persons or entities) engages in conduct that violates **Public Act 95-971.**

ARTICLE 18, RECORDS AND DOCUMENTATION: The Contractor shall maintain, for a minimum of three (3) years after the completion of the contract, adequate books, records, and supporting documents to verify the amounts, recipients, and uses of all disbursements of funds passing in conjunction with the contract; the contract and all books, records, and supporting documents related to the contract shall be available for review and audit by the Auditor General; and the Contractor agrees to cooperate fully with any audit conducted by the Auditor General and to provide full access to all relevant materials. Failure to maintain the books, records, and supporting documents required by this Section shall establish a presumption in favor of the State of Illinois for the recovery of any funds paid by the State of Illinois under the contract for which adequate books, records, and supporting documentation are not available to support their purported disbursement **(30 ILCS 500/20-65).**

ARTICLE 19, SOLICITATION FOR EMPLOYMENT: The Contractor agrees to give notice to GOMB's Ethics Officer if the Contractor or any person associated with the Contractor solicits or intends to solicit for employment any of GOMB's employees during any part of the procurement process or during the term of the contract.

ARTICLE 20, FEDERAL TAXPAYER IDENTIFICATION NUMBER AND LEGAL STATUS DISCLOSURE: Under penalties of perjury, I certify that the name, taxpayer identification number, and legal status listed below are correct.

Name: **Freeborn & Peters LLP**

EIN: **36-3238755**

Legal Status

_____ Individual

_____ Owner of sole proprietorship

__X__ **Partnership**

_____ Legal Services Corporation

_____ Tax-exempt

_____ Corporation providing or billing medical and/or health care services

_____ Corporation NOT providing or billing medical and/or health care services

_____ Governmental entity

_____ Nonresident alien individual

_____ Estate or legal trust

_____ Pharmacy (Non-Corp.)

_____ Pharmacy/Funeral Home/Cemetery (Corp.)

_____ Limited Liability Company (select applicable tax classification)

_____ D = disregarded entity

_____ C = corporation

_____ P = partnership

ARTICLE 21, NOTICES: All notices required under the terms of this agreement shall be delivered in person or by certified or registered mail with return receipt to the last known address of the parties hereto.

ARTICLE 22, LAWS OF ILLINOIS: This agreement shall be governed in all respects by the laws of the State of Illinois. Any claim against GOMB or the State of Illinois arising out of this Agreement must be filed exclusively with the Illinois Court of Claims.

ARTICLE 23, ENTIRE AGREEMENT: This instrument contains the entire agreement of the parties. The Agreement may not be changed orally, but only by agreement in writing signed by the party whom enforcement of any waiver, modification, extension, or discharge is sought.

IN WITNESS WHEREOF, the parties hereunto set their hands and seals.

<SIGNATURE PAGE FOLLOWS>

IN WITNESS WHEREOF, the parties hereto duly authorize this Agreement by affixing their signatures below.

STATE OF ILLINOIS
GOVERNOR'S OFFICE OF
MANAGEMENT AND BUDGET

_____

David H. Vaught

Director

Date: _____

FREEBORN & PETERS LLP

_____

Name: Louis S. Bury

Title: Executive Director

Date: 3.1.10

APPENDIX A

NEED FOR SERVICE:

GOMB is responsible for the issuance of all State of Illinois Bonds and Certificates.

The financial community requires an approving opinion by a qualified bond counsel as to the legality of the Bonds.

Therefore, it is necessary for GOMB to obtain these specialized legal services and opinions from a qualified bond counsel.

APPENDIX B

DESCRIPTION OF SERVICES:

The role of the Contractor is that of underwriter's counsel and, as such, the Contractor shall assist and advise GOMB and the underwriter(s) as necessary or appropriate, and at the direction of both or either, throughout the course of the transaction. Such services may include the following:

a. Providing such legal counsel to GOMB with respect to the planning, drafting, format and content of the Official Statement and Official Notice of Bond Sale, if applicable, for the Bond sale undertaken by GOMB.

b. Drafting and preparation of supporting documents included in the transcript with respect to Bond issue, including Bond Order authorizing the issuance of Bonds, proceedings of the Director of GOMB and Governor confirming sale of the Bonds, and other miscellaneous and closing documents.

c. Furnishing Bond printer with Bond forms and text of approving opinions, examining printer's proof, approving final printer's proof, authorizing printer to proceed with printing Bonds, if applicable.

d. Examination of all executed documents evidencing the proceedings authorizing the issuance and sale of the Bonds.

e. Attendance at the sale and delivery of the Bonds.

f. Providing final approving legal opinions to GOMB and the purchaser of the Bonds.

g. Providing such other legal counsel and review as may be requested by GOMB with respect to the Bonds and sale of the Bonds.

h. Advise GOMB with respect to the disclosure rules of the SEC.

i. Consult with other attorneys at the request of GOMB regarding preparation of Continuing Disclosure Undertakings to ensure consistency.

APPENDIX C

COMPENSATION FOR SERVICES:

For Services under this Agreement, the Contractor shall be paid a fee of $95,000.

Compensation for all Services shall be paid from proceeds of Bonds issued during the term of this Agreement.

RECEIVED
MAY 11 2010
CGFA

STATE OF ILLINOIS
GOVERNOR'S OFFICE OF MANAGEMENT AND BUDGET
CONTRACTUAL AGREEMENT

THIS AGREEMENT, entered into by and between Mayer Brown LLP, 71 South Wacker Drive, Chicago, Illinois 60606-4637 (the "Contractor"), and the Governor's Office of Management and Budget ("GOMB").

WHEREAS, GOMB, in accordance with the Illinois Procurement Code, conducted a competitive Request for Proposal process in June 2009 for legal services with regard to the offering of its State of Illinois Bonds and Certificates, including General Obligation Bonds and Certificates and Build Illinois Bonds;

WHEREAS, the Contractor was selected among several firms on the basis of overall ability to perform such legal services, and taking into consideration total cost to the State of Illinois;

WHEREAS, GOMB has a need, as specified in Appendix A, for professional and legal services with regard to the offering of the Taxable Build America Bonds, Series 2010-2 and 2010-3, and General Obligation Bonds, Taxable Series of March 2010 (the "Bonds"); and

WHEREAS, the Contractor is qualified to and has agreed to perform such professional and specialized services.

WITNESSETH, that GOMB does hereby agree to retain the Contractor and the Contractor hereby accepts such retention upon the terms and conditions hereinafter provided.

ARTICLE 1, TERM: Subject to the provisions for termination as hereinafter provided, this Agreement shall become effective on February 23, 2010 and will terminate on May 31, 2010.

ARTICLE 2, DUTIES: The Contractor shall provide the services specified in Appendix B.

ARTICLE 3, COMPENSATION: The Contractor shall be compensated by GOMB for the services contracted for in accordance with the provisions established in Appendix C of this Agreement.

ARTICLE 4, TERMINATION/EXTENSION: Either party may terminate this Agreement at any time upon five (5) calendar days written notice to the other party. Upon termination the Contractor shall be paid for work satisfactorily completed prior to the date of termination. The term of this Agreement may be extended for a similar or lesser term if agreed to upon in writing and signed by both parties. Any such extension shall be attached to this Agreement and made a part herein as though it were incorporated and included herein.

ARTICLE 5, BILLING: The Contractor shall submit an invoice at or subsequent to the closing of the Bonds to GOMB for services performed.

a. Each invoice shall be itemized, listing the services performed.

b. The amount shown on each invoice for labor costs shall be in accordance with the rates described herein under "Compensation".

c. All such invoices shall also contain a statement which reads substantially as follows: The Contractor hereby certifies that the services supplied and expenses incurred as stated in the attached invoice have met all of the required standards set forth in the Contractual Agreement for Legal Services.

d. All such invoices shall be signed by the Contractor and shall set out the Contractor's tax identification number as set forth in Article 20 hereof this Agreement.

e. All invoices for services performed and expenses incurred by the Contractor prior to July 1st of each contract year must be presented to GOMB no later than the following August 1st in order to ensure prompt payment under this Agreement.

f. Notwithstanding any other provision of this Agreement, GOMB shall not be obligated to make payment to the Contractor on invoices presented after August 1st following the end of a contract year. Failure by the Contractor to present such invoices prior to August 1st may require the Contractor to seek payment of such invoices through the Illinois Court of Claims and the Illinois General Assembly (**30 ILCS 105/25**).

ARTICLE 6, PAYMENT: GOMB will use its best efforts to secure payment for the services furnished and expenses incurred under this Agreement within sixty (60) days after the date of closing. Payment will be made in the amount earned to date of invoice less previous partial payments.

a. Final payment shall be made upon determination by GOMB that all requirements under this Agreement have been completed, which determination shall not be unreasonably withheld. Such final payment will be made subject to adjustment after completion of an audit of the Contractor's records as provided for in this Agreement. GOMB may waive audit at its option.

b. All recordkeeping shall be in accordance with sound accounting standards.

ARTICLE 7, PROGRESS REPORTS: The Contractor shall keep GOMB fully informed as to the progress of all matters covered by this Agreement. The Contractor shall promptly furnish GOMB with copies of all documents prepared in connection with the services rendered under this Agreement.

ARTICLE 8, SUBCONTRACTING: Subcontracting, assignment, or transfer of all or part of the interests of the Contractor in the work covered by this Agreement shall be prohibited without prior consent of GOMB.

a. In the event GOMB gives such consent, the terms and conditions of this Agreement shall apply to and bind the party or parties to whom such work is subcontracted, assigned, or transferred as fully and completely as the Contractor is hereby bound and obligated.

b. Where the Contractor is providing professional and artistic services, the names and addresses of all subcontractors utilized by the Contractor with the consent of GOMB shall be listed in an amendment to this Agreement together with the anticipated amount of money which the subcontractor is expected to receive pursuant to this Agreement (**30 ILCS 500/35-40**).

c. The Contractor shall not employ any person or persons employed by GOMB at any time during the term of this Agreement for any work required by the terms of this Agreement.

ARTICLE 9, WORK PRODUCT: All documents, data and records produced by the Contractor in carrying out the Contractor's obligations and services hereunder, without limitation and whether preliminary or final, shall become and remain the property of GOMB.

a. GOMB shall have the right to use all such documents, data and records without restriction or limitation and without compensation to the Contractor and the Contractor shall have no right or interest therein.

b. Upon completion of the services hereunder or at the termination of this Agreement, all such documents, data and records shall, at the option of GOMB, be appropriately arranged, indexed and delivered to GOMB by the Contractor.

c. Any documents, data and records given to or prepared by the Contractor under this Agreement shall not be made available to any outside individual or organization by the Contractor without prior written approval of GOMB. Any confidential and proprietary, non-public information

secured by the Contractor from GOMB in connection with carrying out the services under this Agreement shall be kept confidential unless disclosure of such information is approved in writing by GOMB or unless disclosure otherwise is required by law.

ARTICLE 10, INABILITY TO PERFORM: The Contractor agrees that if, because of death or any other occurrence beyond the control of the Contractor, it becomes impossible for any principal or principals of the Contractor to render the services set forth in the Agreement, neither the Contractor nor the surviving principals shall be relieved of their obligations to complete performance thereunder. However, in such an occurrence, GOMB, at its own option, may immediately terminate the Agreement upon written notice to the Contractor.

ARTICLE 11, EMPLOYMENT STATUS:

a. Services rendered pursuant to this Agreement are not rendered as an employee of the State of Illinois and amounts paid pursuant to this Agreement do not constitute compensation paid to an employee.

b. GOMB assumes no liability for actions of the Contractor under this Agreement and this Agreement is not subject to the State Indemnification Act (**5 ILCS 350/1, et seq.**).

ARTICLE 12, AVAILABILITY OF APPROPRIATIONS (30 ILCS 500/20-60): GOMB's obligations hereunder shall cease immediately, without further payment being required, in any year for which the General Assembly of the State of Illinois or other legally applicable funding source fails to make an appropriation sufficient to pay such obligation. GOMB shall give the Contractor notice of such termination for funding as soon as practicable after GOMB becomes aware of the failure of funding.

ARTICLE 13, LIABILITY: GOMB does not assume any liability for acts or omissions of the Contractor and such liability rests solely with the Contractor in accordance with applicable law.

ARTICLE 14, BREACH: Any material breach of this Agreement by the Contractor will allow GOMB to terminate this Agreement without penalty and have other available relief in accordance with applicable law. Failure to declare a breach on one occasion does not act as a waiver to declare a breach on another occasion.

ARTICLE 15, RIGHT TO AUDIT: The Contractor agrees that GOMB or its representative(s) shall have the right to examine any of the Contractor's records which directly relate to this Agreement (**30 ILCS 500/20-65**).

ARTICLE 16, CONFLICT OF INTEREST: The Contractor agrees to comply with the provisions of the Illinois Procurement Code prohibiting conflicts of interest (**30 ILCS 500/50-13 and 50-35**) and the terms, conditions and provisions of those Sections apply to this Agreement and are made a part of this Agreement the same as though they were incorporated and included herein. If any State of Illinois officer or employee has a prohibited interest, this Agreement may be cancelled without charge or penalty to GOMB or the State of Illinois.

ARTICLE 17, LEGAL ABILITY TO CONTRACT: The Contractor certifies it is under no legal prohibition on contracting with GOMB or the State of Illinois, has no known conflicts of interest and further specifically certifies that:

a. The Contractor will comply with applicable provisions of the U.S. Civil Rights Act, Section 504 of the Federal Rehabilitation Act, the Americans with Disabilities Act (42 U.S.C. 12101 et seq.) and applicable rules in performance under this Agreement.

b. Neither the Contractor nor any person associated with the Contractor is in default on an educational loan (**5 ILCS 385/3**).

c. The Contractor has informed the Director of GOMB in writing if any person associated with the Contractor was formerly employed by that agency and has received an early retirement incentive prior to 1993 under Section 14-108.3 or 16-133.3 of the Illinois Pension Code, and acknowledges that contracts made without the appropriate filing with the Auditor General are not payable from the "contractual services" or other appropriation line items. The Contractor or any person associated with the Contractor have not received an early retirement incentive in or after 2002 under Section 14-108.3 or 16-133.3 of the Illinois Pension Code, and acknowledges that contracts in violation of Section 15a of the State Finance Act are not payable from the "contractual services" or other appropriation line items. **(30 ILCS 105/15a)**.

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e. If the Contractor or any person associated with the Contractor has been convicted of a felony, at least five years have passed after the date of completion of the sentence for such felony, unless no person held responsible by a prosecutor's office for the facts upon which the conviction was based continues to have any involvement with the business **(30 ILCS 500/50-10)**.

f. Neither the Contractor nor any person associated with it is barred from being awarded a contract because the Contractor or any person associated with it is delinquent in the payment of any debt to the State (or if delinquent has entered into a deferred payment plan to pay the debt), and the Contractor acknowledges that GOMB may declare this Agreement void if this certification is false **(30 ILCS 500/50-11)** or if the Contractor or any person associated with it later becomes delinquent and has not entered into a deferred payment plan to pay off the debt. **(30 ILCS 500/50-60)**.

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Name: **Mayer Brown LLP**

EIN: **36-1447220**

Legal Status

_____ Individual

_____ Owner of sole proprietorship

__X__ **Partnership**

_____ Legal Services Corporation

_____ Tax-exempt

_____ Corporation providing or billing medical and/or health care services

_____ Corporation NOT providing or billing medical and/or health care services

_____ Governmental entity

_____ Nonresident alien individual

_____ Estate or legal trust

_____ Pharmacy (Non-Corp.)

_____ Pharmacy/Funeral Home/Cemetery (Corp.)

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_____ P = partnership

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IN WITNESS WHEREOF, the parties hereunto set their hands and seals.

<SIGNATURE PAGE FOLLOWS>

IN WITNESS WHEREOF, the parties hereto duly authorize this Agreement by affixing their signatures below.

STATE OF ILLINOIS
GOVERNOR'S OFFICE OF
MANAGEMENT AND BUDGET

_____

David H. Vaught

Director

Date: _____

MAYER BROWN LLP

Mayer Brown LLP

Name: David Nacefsky

Title: Partner

Date: 2/25/10

APPENDIX A

NEED FOR SERVICE:

GOMB is responsible for the issuance of all State of Illinois Bonds and Certificates.

The financial community requires an approving opinion by a qualified bond counsel as to the legality of the Bonds.

Therefore, it is necessary for GOMB to obtain these specialized legal services and opinions from a qualified bond counsel.

APPENDIX B

DESCRIPTION OF SERVICES:

a. Providing such legal counsel to GOMB with respect to the planning, drafting, format and content of the Official Statement and Official Notice of Bond Sale, if applicable, for the Bond sale undertaken by GOMB.

b. Drafting and preparation of supporting documents included in the transcript with respect to Bond issue, including Bond Order authorizing the issuance of Bonds, proceedings of the Director of GOMB and Governor confirming sale of the Bonds, and other miscellaneous and closing documents.

c. Furnishing Bond printer with Bond forms and text of approving opinions, examining printer's proof, approving final printer's proof, authorizing printer to proceed with printing Bonds, if applicable.

d. Examination of all executed documents evidencing the proceedings authorizing the issuance and sale of the Bonds.

e. Attendance at the sale and delivery of the Bonds.

f. Providing final approving legal opinions to GOMB and the purchaser of the Bonds.

g. Providing such other legal counsel and review as may be requested by GOMB with respect to the Bonds and sale of the Bonds.

h. Advise GOMB with respect to the disclosure rules of the SEC.

i. Consult with other attorneys at the request of GOMB regarding preparation of Continuing Disclosure Undertakings to ensure consistency.

APPENDIX C

COMPENSATION FOR SERVICES:

The Contractor shall receive, as full payment for services under this Agreement, reimbursement of the Contractor's reasonable, actual direct costs incurred in fulfilling the terms of this Agreement, in accordance with the rates and provisions established below, to an amount not to exceed $175,000, during the term of this Agreement.

The Contractor shall be paid a total fee of $20,000 for Taxable Build America Bonds, Series 2010-2 and the Taxable Series of March 2010; plus, the Contractor shall be paid an amount not to exceed $5,000 for reimbursement of out-of-pocket expenses paid by the Contractor, including reimbursement of transcript costs as well as costs related to the publishing of notices, as approved in advance by GOMB.

The Contractor shall be paid a total fee of $145,000 for Taxable Build America Bonds, Series 2010-3; plus, the Contractor shall be paid an amount not to exceed $5,000 for reimbursement of out-of-pocket expenses paid by the Contractor, including reimbursement of transcript costs as well as costs related to the publishing of notices, as approved in advance by GOMB.

Payment for legal fees shall be made from proceeds of Bonds issued during the term of this Agreement.

CERTIFICATE OF COUNSEL

The undersigned is an authorized representative of Mayer Brown LLP, Chicago, Illinois, ("Mayer Brown"), and as an authorized representative I hereby certify as follows:

1. Mayer Brown is serving as Counsel in connection with the issuance of Taxable Build America Bonds, Series 2010-2 and 2010-3, and General Obligation Bonds, Taxable Series of March 2010 (the "Bonds").

2. Mayer Brown did not and will not pay a contingent fee, whether directly or indirectly, to a third party for having promoted the award of the contract to serve as Counsel for the Bonds.

Dated: February 26, 2010

Very truly yours,

Mayer Brown LLP

By: Mayer Brown LLP
[TYPED NAME BELOW]

By: David Nanfeldt
David Nanfeldt

STANDARD
&POOR'S

Moma Lebron
Manager Fee Administration
55 Water Street, 38th Floor
New York, NY 10041-0003
tel 212 438-6808
moma_lebron@standardandpoors.com

Sarah Ward Eubanks
Managing Director
130 East Randolph Street
Suite 2900
Chicago, IL 60601
tel 312 233-7039
sarah_eubanks@standardandpoors.com

RECEIVED
MAY 11 2010
CGFA

August, 2009

State of Illinois
Governor's Office of Management and Budget
207 State House
Springfield, IL 62706
Attention: Mr. Phillip Culpepper, Debt Manager

Re: ***US$ State of Illinois, General Obligation Bonds, Build Illinois Bonds (Sales Tax Revenue Bonds), Revenue Anticipation Certificates, General Obligation Certificates and other bonds and certificates as may be issued by the State between the dates of August 15, 2009 through June 30, 2010***

Dear Mr. Culpepper:

Thank you for your application for a Standard & Poor's rating for the above-referenced obligations. In accepting a Standard & Poor's rating, you agree to accept and comply with this letter and the enclosed Terms and Conditions. Standard & Poor's agrees: (i) to the Certifications attached as Appendix A; (ii) that the information in the Standard & Poor's Taxpayer Identification Number Form attached is correct; and the fees for bond ratings requested by the State of Illinois shall not exceed the amounts indicated on the attached Fee Schedule (Appendix B).

We will make every effort to provide you with the high level of analytical performance and knowledgeable service for which we've become known worldwide. The analytic team from Standard & Poor's is Robin Prunty and John Kenward. If you have any questions at any time, please feel free to contact Robin at 212-438-2081 or by email at robin_prunty @standardandpoors.com. John can be reached at 312-233-7003 or by email at john_kenward@standardandpoors.com.

If you have not already done so, please forward a set of all pertinent information to each analyst at the following address:

Standard & Poor's Ratings Services
Public Finance Department
55 Water Street, 38th Floor
New York, NY 10041-0003

In consideration of our analytic review and issuance of the rating, you agree to pay us the following fees:

Rating Fee. Refer to attached Fee Schedule (Exhibit B) Standard & Poor's reserves the right to adjust the rating fee if the proposed par amount changes. Payment of the fee is not conditioned on Standard & Poor's issuance of any particular rating.

Derivatives Products analysis fee. Standard & Poor's charges a separate fee for our review of derivative products. This separate fee is applicable for derivative products secured by any of the issuer/obligor's revenues. Derivative products include, but are not limited to, interest rate swaps, caps, collars, floors, and swaptions. Derivative products analysis fees will be determined on a case-by-case basis based on the number and complexity of the derivative products.

Other fees and expenses. You will reimburse Standard & Poor's for reasonable travel and legal expenses if such expenses are not included in the fee. In the event the analytical process is not completed due to a withdrawal or cancellation on the part of the issuer, a fee will be charged based on Standard & Poor's time, effort, and charges incurred through the date upon which it is determined that the rating or credit assessment will not be issued, provided however that such compensation shall not exceed 60% of the amount payable had the rating been issued.

Please sign below to indicate your acceptance of this letter and the enclosed terms and conditions and return the signed original of this letter to me as soon as possible.

Please feel free to call me at 212 438-6808 if you have any questions or suggestions about our fee policies. Should you have any analytical questions, you may direct them to your assigned analytical team. In addition, please visit our web site at www.standardandpoors.com for our ratings definitions and criteria, research highlights, and related information. We appreciate your business and look forward to working with you.

Sincerely yours,

Standard & Poor's Ratings Services
a division of The McGraw-Hill Companies, Inc.

Morna Lebron

By: Morna Lebron
Manager Fee Administration

sb

CONFIRMED, AGREED AND ACCEPTED
AS OF THE DATE FIRST ABOVE WRITTEN

State of Illinois Governor's Office of Management and Budget

By: _____
Name:
Title:

STANDARD
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Standard & Poor's Ratings Services
Terms and Conditions
Applicable To
U.S. Public Finance Ratings

Request for a rating. Standard & Poor's issues public finance ratings for a fee upon request from an issuer, or from an underwriter, financial advisor, investor, insurance company, or other entity, provided that the obligor and issuer (if different from the obligor) each has knowledge of the request. The term "issuer/obligor" in these Terms and Conditions means the issuer and the obligor if the obligor is different from the issuer.

Agreement to Accept Terms and Conditions. Standard & Poor's assigns Public Finance ratings subject to the terms and conditions stated herein and in the rating letter. The issuer/obligor's use of a Standard & Poor's public finance rating constitutes agreement to comply in all respects with the terms and conditions contained herein and in the rating letter and acknowledges the issuer/obligor's understanding of the scope and limitations of the Standard & Poor's rating as stated herein and in the rating letter.

Fees and expenses. In consideration of our analytic review and issuance of the rating, the issuer/obligor agrees to pay Standard & Poor's a rating fee. Payment of the fee is not conditioned on Standard & Poor's issuance of any particular rating. In most cases an annual surveillance fee will be charged for so long as we maintain the rating. The issuer/obligor will reimburse Standard & Poor's for reasonable travel and legal expenses if such expenses are not included in the fee. Should the rating not be issued, the issuer/obligor agrees to compensate Standard & Poor's based on the time, effort, and charges incurred through the date upon which it is determined that the rating will not be issued.

Scope of Rating. The issuer/obligor understands and agrees that (i) an issuer rating reflects Standard & Poor's current opinion of the issuer/obligor's overall financial capacity to pay its financial obligations as they come due, (ii) an issue rating reflects Standard & Poor's current opinion of the likelihood that the issuer/obligor will make payments of principal and interest on a timely basis in accordance with the terms of the obligation, (iii) a rating is an opinion and is not a verifiable statement of fact, (iv) ratings are based on information supplied to Standard & Poor's by the issuer/obligor or by its agents and upon other information obtained by Standard & Poor's from other sources it considers reliable, (v) Standard & Poor's does not perform an audit in connection with any rating and a rating does not represent an audit by Standard & Poor's, (vi) Standard & Poor's relies on the issuer/obligor, its accountants, counsel, and other experts for the accuracy and completeness of the information submitted in connection with the rating and surveillance process, (vii) Standard & Poor's undertakes no duty of due diligence or independent verification of any information, (viii) Standard & Poor's does not and cannot guarantee the accuracy, completeness, or timeliness of the information relied on in connection with a rating or the results obtained from the use of such information, (ix) Standard & Poor's may raise, lower, suspend, place on CreditWatch, or withdraw a rating at any time, in Standard & Poor's sole discretion, and (x) a rating is not a "market" rating nor a recommendation to buy, hold, or sell any financial obligation.

Publication. Standard & Poor's reserves the right to publish, disseminate, or license others to publish or disseminate the rating and the rationale for the rating unless the issuer/obligor specifically requests that the rating be assigned and maintained on a confidential basis. If a confidential rating subsequently becomes public through disclosure by the issuer/obligor or a third party other than Standard & Poor's, Standard & Poor's reserves the right to publish it. Standard & Poor's may publish explanations of Standard & Poor's ratings criteria from time to time and nothing in this Agreement shall be construed as limiting Standard & Poor's ability to modify or refine Standard & Poor's criteria at any time as Standard & Poor's deems appropriate.

Information to be Provided by the Issuer/obligor. The issuer/obligor shall meet with Standard & Poor's for an analytic review at any reasonable time Standard & Poor's requests. The issuer/obligor also agrees to provide Standard & Poor's promptly with all information relevant to the rating and surveillance of the rating including information on material changes to information previously supplied to Standard & Poor's. The rating may be affected by Standard & Poor's opinion of the accuracy, completeness, timeliness, and reliability of information received from the issuer/obligor or its agents. Standard & Poor's undertakes no duty of due diligence or independent verification of

information provided by the issuer/obligor or its agents. Standard & Poor's reserves the right to withdraw the rating if the issuer/obligor or its agents fails to provide Standard & Poor's with accurate, complete, timely, or reliable information.

Standard & Poor's Not an Advisor, Fiduciary, or Expert. The issuer/obligor understands and agrees that Standard & Poor's is not acting as an investment, financial, or other advisor to the issuer/obligor and that the issuer/obligor should not and cannot rely upon the rating or any other information provided by Standard & Poor's as investment or financial advice. Nothing in this Agreement is intended to or should be construed as creating a fiduciary relationship between Standard & Poor's and the issuer/obligor or between Standard & Poor's and recipients of the rating. The issuer/obligor understands and agrees that Standard & Poor's has not consented to and will not consent to being named an "expert" under the applicable securities laws, including without limitation, Section 7 of the U.S. Securities Act of 1933.

Limitation on Damages. The issuer/obligor agrees that Standard & Poor's, its officers, directors, shareholders, and employees shall not be liable to the issuer/obligor or any other person for any actions, damages, claims, liabilities, costs, expenses, or losses in any way arising out of or relating to the rating or the related analytic services provided for in an aggregate amount in excess of the aggregate fees paid to Standard & Poor's for the rating, except for Standard & Poor's gross negligence or willful misconduct. In no event shall Standard & Poor's, its officers, directors, shareholders, or employees be liable for consequential, special, indirect, incidental, punitive or exemplary damages, costs, expenses, legal fees, or losses (including, without limitation, lost profits and opportunity costs). In furtherance and not in limitation of the foregoing, Standard & Poor's will not be liable in respect of any decisions made by the issuer/obligor or any other person as a result of the issuance of the rating or the related analytic services provided by Standard & Poor's hereunder or based on anything that appears to be advice or recommendations. The provisions of this paragraph shall apply regardless of the form of action, damage, claim, liability, cost, expense, or loss, whether in contract, statute, tort (including, without limitation, negligence), or otherwise. The issuer/obligor acknowledges and agrees that Standard & Poor's does not waive any protections, privileges, or defenses it may have under law, including but not limited to, the First Amendment of the Constitution of the United States of America.

Term. This Agreement shall terminate when the ratings are withdrawn. Notwithstanding the foregoing, the paragraphs above, "Standard & Poor's Not an Advisor, Fiduciary, or Expert" and "Limitation on Damages", shall survive the termination of this Agreement or any withdrawal of a rating.

Third Parties. Nothing in this Agreement, or the rating when issued, is intended or should be construed as creating any rights on behalf of any third parties, including, without limitation, any recipient of the rating. No person is intended as a third party beneficiary to this Agreement or to the rating when issued.

Binding Effect. This Agreement shall be binding on, and inure to the benefit of, the parties hereto and their successors and assigns.

Severability. In the event that any term or provision of this Agreement shall be held to be invalid, void, or unenforceable, then the remainder of this Agreement shall not be affected, impaired, or invalidated, and each such term and provision shall be valid and enforceable to the fullest extent permitted by law.

Complete Agreement. This Agreement constitutes the complete agreement between the parties with respect to its subject matter. This Agreement may not be modified except in a writing signed by authorized representatives of both parties.

Governing Law. This Agreement and the rating letter shall be governed by the internal laws of the State of New York. The parties agree that the state and federal courts of New York shall be the exclusive forums for any dispute arising out of this Agreement and the parties hereby consent to the personal jurisdiction of such courts.

AGREEMENT FOR SERVICES

The State of Illinois (the "State") through its Governor's Office of Management and Budget ("GOMB") hereby applies for bond and certificate ratings to be issued by Standard & Poor's Rating Services, a division of The McGraw-Hill Companies, Inc. ("Standard & Poor's"), 55 Water Street, New York, New York 10041-0003, for all new issues of State of Illinois General Obligation Bonds, Build Illinois Bonds (Sales Tax Revenue Bonds), Revenue Anticipation Certificates, General Obligation Certificates and other bonds and certificates as may be issued by the State between the dates of August 15, 2009 through June 30, 2010. All such bonds and certificates may be issued from time to time and in such amounts as determined by the State.

The State will promptly furnish to Standard & Poor's pertinent financial reports and other data normally provided rating agencies, in order that Standard & Poor's may appraise the various bond or certificate issues.

The State agrees to pay Standard & Poor's a rating fee in association with each issuance of bonds or certificates for which the State requests such rating, as set forth on the Fee Schedule attached hereto and incorporated herein as Exhibit B (the "Fee Schedule"). The rating fees for each issuance will be based on the aggregate principal amount issued in accordance with the Fee Schedule.

Standard & Poor's agrees to assign ratings to the bond and certificate issues, or inform the undersigned if the bond or certificate issues are not eligible for rating, in which latter event no fee is payable.

It is understood that such ratings are subject to revision or withdrawal by Standard & Poor's if subsequent information (or lack of information) requires such action.

All invoices for services performed and expenses incurred by Standard & Poor's prior to July 1, 2010, must be presented to GOMB no later than August 1, 2010, in order to ensure payment under this Agreement. Notwithstanding any other provision of this Agreement, GOMB shall not be obligated to make payment to Standard & Poor's on invoices presented after August 1, 2010. Failure by Standard & Poor's to present such invoices prior to August 1, 2010, may require Standard & Poor's to seek payment of such invoices through the Illinois Court of Claims and the Illinois General Assembly.

Obligations of the State will cease immediately without penalty of further payment being required if in any fiscal year the Illinois General Assembly fails to appropriate or otherwise make available sufficient funds for this Agreement.

This Agreement may be renewed on up to three occasions for the same or lesser length of term as the initial term and otherwise on the same terms and conditions herein upon mutual written agreement by the parties in each case.

GOMB posted notice on the State's Procurement Bulletin of its intention to enter into this Agreement with Standard & Poor's as a "sole source."

STANDARD
& POOR'S

The undersigned certifies its compliance with the statutes, regulations and orders described in Exhibit A (wherein Standard & Poor's is referred to as "VENDOR") attached hereto and incorporated herein by affixing its signature thereon.

The State agrees that the "Standard & Poor's Rating Services Terms and Conditions Applicable To U.S. Public Finance Ratings" attached applies to all services provided by Standard & Poor's to the State pursuant to this agreement to the extent not inconsistent with applicable law.

(Signature Page Follows)

This Agreement is hereby entered into between the State and Standard & Poor's by the undersigned.

For the State –
Governor's Office of Management and Budget:

Director

Date: 1-15-2010

For Standard & Poor's Rating Services,
a Standard & Poor's Financial Services LLC business

Its: Managing Fee Services

Date: 11/23/09

STANDARD
& POOR'S

EXHIBIT A

CERTIFICATIONS AND DISCLOSURES

VENDOR certifies it is under no legal prohibition on contracting with the State of Illinois, has no known conflicts of interest and further specifically certifies that:

a) VENDOR, its employees and subcontractors will comply with applicable provisions of the U.S. Civil Rights Act, Section 504 of the Federal Rehabilitation Act, the Americans with Disabilities Act (42 U.S.C. 12101 et seq.) and applicable rules in performance under this AGREEMENT.

b) VENDOR is not in default on an educational loan **(5 ILCS 385/3)**.

c) VENDOR has informed the Director of GOMB in writing if he/she was formerly employed by GOMB and has received an early retirement incentive prior to 1993 under section 14-108.3 or 16-133.3 of the Illinois Pension Code, and acknowledges that contracts made without the appropriate filing with the Auditor General are not payable from the "contractual services" or other appropriation line items. VENDOR has not received an early retirement incentive in or after 2002 under section 14-108.3 or 16-133.3 of the Illinois Pension Code, and acknowledges that contracts in violation of Section 15a of the State Finance Act are not payable from the "contractual services" or other appropriation line items **(30 ILCS 105/15a)**.

d) VENDOR has not been convicted of bribing or attempting to bribe an officer or employee of the State of Illinois or any other State, nor has made an admission on the record of having so bribed or attempted to bribe **(30 ILCS 500/50-5)**.

e) If VENDOR has been convicted of a felony, at least five years have passed after the date of completion of the sentence for such felony, unless no person held responsible by a prosecutor's office for the facts upon which the conviction was based continues to have any involvement with the business **(30 ILCS 500/50-10)**.

f) VENDOR and its affiliates are not delinquent in the payment of any debt to the State (or if delinquent has entered into a deferred payment plan to pay the debt), and VENDOR and its affiliates acknowledge the contracting state agency may declare the contract void if this certification is false **(30 ILCS 500/50-11)** or if VENDOR or an affiliate later becomes delinquent and has not entered into a deferred payment plan to pay off the debt **(30 ILCS 500/50-60)**.

g) VENDOR and all affiliates shall collect and remit Illinois Use Tax on all sales of tangible personal property into the State of Illinois in accordance with provisions of the Illinois Use Tax Act and acknowledge that failure to comply can result in the contract being declared void **(30 ILCS 500/50-12)**.

h) VENDOR has not paid any money or valuable thing to induce any person to refrain from bidding on a State contract, nor has VENDOR accepted any money or other valuable thing, or acted upon the promise of same, for not bidding on a State contract **(30 ILCS 500/50-25)**.

i) VENDOR is not in violation of the "Revolving Door" section of the Illinois Procurement Code **(30 ILCS 500/50-30)**.

j) VENDOR will report to the Illinois Attorney General and the Chief Procurement Officer any suspected collusion or other anticompetitive practice among any bidders, offerors, contractors, proposers or employees of the State **(30 ILCS 500/50-40, /50-45, /50-50)**.

STANDARD FORMS

k) VENDOR will, pursuant to the Drug Free Workplace Act, provide a drug free workplace, and, if an individual, shall not engage in the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance in the performance of this AGREEMENT. This certification applies to contracts of $5,000 or more with individuals; and to entities with twenty-five (25) or more employees **(30 ILCS 580)**.

l) Neither VENDOR nor any substantially owned affiliate is participating or shall participate in an international boycott in violation of the U.S. Export Administration Act of 1979 or the applicable regulations of the U.S. Department of Commerce. This certification applies to contracts that exceed $10,000 **(30 ILCS 582)**.

m) VENDOR has not been convicted of the offense of bid rigging or bid rotating or any similar offense of any State or of the United States **(720 ILCS 5/33E-3, 5/33E-4)**.

n) VENDOR complies with the Illinois Department of Human Rights Act and rules applicable to public contracts, including equal employment opportunity, refraining from unlawful discrimination, and having written sexual harassment policies **(775 ILCS 5/2-105)**.

o) VENDOR does not pay dues to, or reimburse or subsidize payments by its employees for, any dues or fees to any "discriminatory club" **(775 ILCS 25/2)**.

p) VENDOR complies with the State Prohibition of Goods from Forced Labor Act, and certifies that no foreign-made equipment, materials, or supplies furnished to the State under the contract have been or will be produced in whole or in part by forced labor, convict labor, or indentured labor under penal sanction **(PA 93-0307)**.

q) VENDOR certifies that no officer, director, partner or other managerial agent of the contracting business has been convicted of a felony under the Sarbanes-Oxley Act of 2003 or a Class 3 or Class 2 felony under the Illinois Securities Law of 1953 for a period of five years prior to the date of the bid or Agreement. VENDOR acknowledges that the STATE shall declare this AGREEMENT void if this certification is false **(30 ILCS 500/50-10.5)**.

r) VENDOR certifies that it has not committed a willful or knowing violation of the Environmental Protection Act (relating to Civil Penalties under the Environmental Protection Act) within the last five (5) years, and is therefore not barred from being awarded a contract. If the STATE later determines that this certification was falsely made by VENDOR, VENDOR acknowledges that the STATE may declare this AGREEMENT void **(30 ILCS 500/50-14)**.

s) VENDOR certifies that no foreign-made equipment, materials or supplies furnished to GOMB or the STATE under this AGREEMENT have been produced in whole or in part by the labor of any child under the age of 12 **(30 ILCS 584)**.

t) VENDOR certifies that it is not in violation of Section 50-14.5 of the Illinois Procurement Code, which states: "Owners of residential buildings who have committed a willful or knowing violation of the Lead Poisoning Prevention Act **(410 ILCS 45)** are prohibited from doing business with the State of Illinois or any State agency until the violation is mitigated."

u) VENDOR warrants and certifies that it and, to the best of its knowledge, its subcontractors have and will comply with **Executive Order No. 1 (2007)**. The Order generally prohibits vendors and subcontractors from hiring the then-serving Governor's family members to lobby procurement activities of the STATE, or any other unit of government in Illinois including local governments if that procurement may result in a contract valued at over $25,000. This prohibition also applies to hiring for that same purpose any former State employee who had procurement authority at any time during the one-year period preceding the procurement lobbying activity.

v) VENDOR has disclosed if required, on forms provided by the STATE, and agrees it is under a continuing obligation to disclose to the STATE, financial or other interests (public or private, direct or indirect) that may be a potential conflict of interest or which would prohibit VENDOR from having or continuing this AGREEMENT. This includes, but is not limited to conflicts under the "Infrastructure Task Force Fee Prohibition" section of the State Finance Act **(30 ILCS 105/8.40)**, Article 50 of the Illinois Procurement Code **(30 ILCS 500/50)**, or those which may conflict in any manner with the VENDOR'S obligation under this AGREEMENT. VENDOR shall not employ any person with a conflict to perform under this AGREEMENT. If any elected or appointed State officer or employee, or the spouse or minor child of same has any ownership or financial interest in the VENDOR or this AGREEMENT, VENDOR certifies it has disclosed that information to the STATE if required, on forms provided by the STATE, and any waiver of the conflict has been issued in accordance with applicable law and rule.

w) VENDOR certifies that it has read, understands, and is in compliance with **Public Act 95-971** and will not make or solicit a contribution that will violate the Act. In general, **Public Act 95-971** contains new registration and reporting requirements for certain vendors, as well as limitations on political contributions by certain vendors and their affiliates. These requirements shall be effective for the duration of the term of office of the incumbent Governor or for a period of 2 years after the end of the AGREEMENT term, whichever is longer.

VENDOR further certifies, in accordance with **Public Act 95-971**, that either (check the following that applies):

☑ VENDOR is not required to register as a business entity with the State Board of Elections.

or

☐ VENDOR has registered as a business entity with the State Board of Elections and acknowledges a continuing duty to update the registration as required by the Act. A copy of the certificate of registration is attached.

VENDOR acknowledges that the STATE may declare this AGREEMENT void without any additional compensation due to VENDOR if this certification is false or if the Act is violated.

VENDOR (show Company name and D/B/A)

Standard + Poor's Financial Services LLC

Signature Morna Lobron

Printed Name MORNA LOBRON

Title Mgr Fee Services Date 11/23/09

Address 55 WATER Street

New York, NY 10041

STANDARD RECORDS

TAXPAYER IDENTIFICATION NUMBER

I certify that:

The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), **and**

I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and

I am a U.S. person (including a U.S. resident alien).

Name: _____

Taxpayer Identification Number: _____

Social Security Number: _____

or

Employer Identification Number: 26-3740348

(If you are an individual, enter your name and SSN as it appears on your Social Security Card. If completing this certification for a sole proprietorship, enter the owner's name followed by the name to the business and the owner's SSN or EIN. For all other entities, enter the name of the entity as used to apply for the entity's EIN and the EIN.)

Legal Status (check one):

____ Individual

____ Sole Proprietor

____ Partnership/Legal Corporation

____ Tax-exempt

____ Corporation providing or billing medical and/or health care services

✓ Corporation NOT providing or billing medical an/or health care services

____ Government

____ Nonresident Alien

____ Estate or Trust

____ Pharmacy (Non-Corp.)

____ Pharmacy/Funeral Home/Cemetery (Corp)

____ Other: _____

EXHIBIT B

FEE SCHEDULE

GENERAL OBLIGATION BONDS

The rating fee for each issue of General Obligation bonds or General Obligation refunding bonds will be based on the aggregate principal amount of the bonds issued in accordance with the following:

Par Amount	Fee
$0 to under $150 million	$20,000
$150 million to under $300 million	$25,000
$300 million to under $350 million	$30,000
$350 million and over	Case By Case

BUILD ILLINOIS BONDS

Par Amount	Fee
$0 to under $150 million	$20,000
$150 million to under $300 million	$25,000
$300 million to under $350 million	$30,000
$350 million and over	Case By Case

CERTIFICATES

The rating fee for each issue of Revenue Anticipation Certificates or General Obligation Certificates will be $30,000.

Note: The foregoing fees apply to issuances of the above-referenced fixed rate bonds and certificates. In the event of variable rate or other issuances or interest rate exchange agreements, specific rating fees will be agreed between the parties and reflected on an addendum to this Fee Schedule.

____ Pharmacy (Non Corp.)

____ Pharmacy/Funeral Home Cemetery (Corp.)

____ Other: _____

STANDARD
POOR'S

RENEWAL OF AGREEMENT FOR SERVICES

Pursuant to the terms and conditions of that certain Agreement for Services, by and between the State of Illinois Governor's Office of Management and Budget ("GOMB") and Moody's Investors Service ("Moody's"), dated as of August 18, 2009, a copy of which is attached hereto (the "Agreement"), GOMB and Moody's mutually agree to the terms of this Renewal of Agreement for Services (the "Renewal").

WHEREAS, Moody's and GOMB have executed that certain Agreement as described above; and,

WHEREAS, the Contractor and GOMB agree that additional services are necessary, are germane to the Agreement, and that such services are best performed by Moody's; and,

WHEREAS, the parties intend that Moody's be compensated for such services for the extended period as described herein; and,

NOW THEREFORE, the parties agree as follows regarding Moody's continued provision of Services pursuant to the Agreement:

1. TERM:

   This Renewal shall be effective January 1, 2010 through June 30, 2010.

2. COMPENSATION:

   Exhibit A to the Agreement is hereby amended to modify the fees payable as set forth in Exhibit A attached hereto.

3. TERMS, CONDITIONS AND CERTIFICATIONS:

   All terms and conditions of and certifications applicable to the Agreement, except to the extent expressly varied by the terms set forth herein this Renewal, shall remain in full force and effect and govern this Renewal.

(SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF, GOMB and the Contractor have caused this Renewal of Agreement for Services to be executed by duly authorized representatives of the respective parties on the dates shown below.

For the State:

Governor's Office of Management and Budget

David H. Vaught
Director

Date: December 31, 2009

For Moody's:

Gregory Hefner
Vice President and Head of US Issuer Relations

Date: December 31, 2009

EXHIBIT A

FEE SCHEDULE

MOODY'S
INVESTORS SERVICE

RECEIVED
MAY 11 2010
CGFA

Moody's Investors Service
7 WTC at 250 Greenwich Street
New York, NY 10007
Phone: 212-553-4055
Fax: 212-298-6761
PFGRatingApplications@moodys.com

MOODY'S APPLICATION FOR
FREQUENT ISSUER FOR STATE & HIGH PROFILE ISSUERS

The undersigned hereby applies for a Moody's rating, as described in this Application.

_____
ISSUER NAME

_____
PROGRAM NAME

The undersigned agrees to furnish to Moody's and/or where the undersigned is not the Issuer, will procure that the Issuer furnishes Moody's with pertinent financial reports and other information and data required by Moody's, in its sole discretion, in order that Moody's may appraise the Issuer or the specific issue. The undersigned also agrees on an ongoing basis to provide or procure the provision of updated information, including periodic financial reports, and copies of compliance certificates, amendments or waivers, and any other pertinent information which may be necessary for the purposes of monitoring the rating. The undersigned agrees and acknowledges that Moody's will rely on such information in its analysis and will not verify, audit or validate independently any information provided by the undersigned to Moody's. The undersigned warrants that all information supplied is true, accurate and complete in all respects. The terms of this Application supersede any other terms and conditions relating to the information, including terms and conditions of any website or electronic data room in which any of the information is posted, which terms and conditions will not apply to Moody's.

The undersigned agrees to pay or where the undersigned is not the Issuer will ensure that the Issuer will pay and, if the Issuer does not pay, will itself pay fees in accordance with the attached Fee Schedule. Moody's reserves the right to revise this Application and Fee Schedule.

This Application will renew annually on the anniversary of the date executed unless Moody's or the undersigned provides thirty (30) days prior written notice. Any termination of this Application shall not restrict Moody's from maintaining, revising or withdrawing any rating on the undersigned or any third party.

It is understood that Moody's rating, if assigned, will be subject to revision or withdrawal by Moody's at any time, without notice if information (or lack of information) warrants such action, in the sole opinion of Moody's.

Moody's is not providing and shall not provide any financial, legal, tax, advisory, consultative or business services to the undersigned or the Issuer, or advice on structuring transactions or drafting or negotiating transaction documentation. The Issuer and/or the undersigned should take their own legal, tax, financial and other advice when structuring, negotiating and documenting transactions. A rating opinion or discussions with Moody's analysts shall not be deemed as rendering advice on business operations. Any rating must be construed solely as a statement of opinion and not a statement of fact, an offer, invitation, inducement or recommendation to purchase, sell or hold any securities or otherwise act in relation to the Issuer or any other entity or otherwise in connection with any associated transaction or any other matter.

This Fee Schedule sets out Moody's fees for the period 1/1/2010 to 12/31/2010. Moody's reserves the right to revise this Fee Schedule from time to time. If Moody's does not revise this Fee Schedule, the current Fee Schedule will also apply in subsequent periods. Please request a current Fee Schedule at the time of your rating assignment.

Moody's does not guarantee the correctness of any information, rating or communication relating to the undersigned or the Issuer. Moody's shall not be liable in contract, tort or otherwise to the Issuer or the undersigned or any other third party for any loss, injury or cost caused to the Issuer or the undersigned or any other third party, in whole or in part, including by any negligence (but excluding fraud, dishonesty and/or willful misconduct or any other type of liability that by law cannot be excluded) on the part of, or any contingency beyond the control of, Moody's or any of its employees or agents, in the procuring, compilation, analysis, interpretation, communication, dissemination, or delivery of any information or rating relating to the undersigned or the Issuer. The undersigned will indemnify and hold harmless Moody's and all of its directors, officers, employees, agents and affiliates from any claims of whatever nature (whether foreseeable or not) arising from or in connection with this Application and Fee Schedule or the delivery to the undersigned or the Issuer of, or reliance by the undersigned or the Issuer or by any third party on, the rating or any breach of this Application and Fee Schedule by the undersigned or the Issuer, save that the terms of this paragraph shall not apply to the extent that any such claim arises by reason of any fraud or wilful misconduct on the part of Moody's other than to the extent such claim derives from the misuse of the rating or from any reliance otherwise acknowledged as inappropriate.

The undersigned agrees that any rating requested and assigned shall only be used for its intended purpose. For the avoidance of doubt and as an example, an issuer that requests and is assigned an Issuer rating shall not represent such rating as the rating which would be applicable to any of its securities.

It is understood that Moody's may use third party contractors or agents bound by confidentiality obligations to assist in the ratings process and its related business and research activities. In this Application, Moody's refers to the Moody's entity specified above and all its relevant group companies, unless otherwise specified. Moody's may assign this Application to any other Moody's group company and Moody's group companies are entitled to the benefit of the protective provisions in this Application.

Except where prohibited by law, the undersigned warrants that neither it nor the Issuer is owned or controlled, directly or indirectly, by any person or government from countries that are subject to economic, trade, or transactional sanctions imposed by the United States Government, including but not limited to Burma, Cuba, Iran, North Korea, Syria, or Sudan and that neither it nor the Issuer or any of their owners, directors, officers, employees, or group companies appears on any lists of known or suspected terrorists, terrorist organizations or other prohibited persons made publicly available or published by any agency of the government of the United States or any other jurisdiction in which the undersigned or the Issuer or any of their group companies are doing business, including but not limited to the List of Specially Designated Nationals and Blocked Persons ("SDNs") maintained by the Office of Foreign Assets Control ("OFAC") of the U.S. Department of the Treasury. The undersigned agrees that it will notify Moody's if these circumstances change.

To the extent Moody's publishes written research or press releases specifically regarding the Issuer, as a direct result of this Application, and Issuer desires to link to or post same on its website, the undersigned agrees to the terms and conditions contained in Appendix A.

This Application shall be governed by and construed in accordance with the laws of the State of New York in the United States of America and subject to the exclusive jurisdiction of the courts of the State of New York in the United States of America.

MOODY'S APPLICATION FOR
FREQUENT ISSUER FOR STATE & HIGH PROFILE ISSUERS

(Please Print or Type)

APPLICANT: _____

BY: _____ TITLE: _____

MAILING ADDRESS: _____

CITY: _____ STATE: _____ ZIP CODE: _____

TELEPHONE NUMBER: _____ FAX NUMBER: _____ EMAIL: _____

AUTHORIZED BY: _____ DATE: _____
Signature

Payment of fees is due on receipt of an invoice.

Please do not return this Application or Fee Schedule to any member of the analytic team involved in the rating process (including managers). Please return this application to Moody's Issuer Relations team.

If you have any questions, please contact Moody's Issuer Relations at (212) 553-4055.

This Fee Schedule sets out Moody's fees for the period 1/1/2010 to 12/31/2010. Moody's reserves the right to revise this Fee Schedule from time to time. If Moody's does not revise this Fee Schedule, the current Fee Schedule will also apply in subsequent periods. Please request a current Fee Schedule at the time of your rating assignment.

Moody's Public Finance Group
2010 Frequent Issuer Rating Fee Schedule
State & High Profile Issuers

Moody's Code of Professional Conduct states we "will not have Analysts who are directly involved in the rating process initiate, or participate in, discussions regarding fees or payments with any entity they rate." Therefore, please do not return this rating application or fee schedule to any member of the analytic team involved in the rating process (including managers), or include the analytic team (including managers) in any fee-related correspondence. Moody's maintains a separate, dedicated group not involved in the rating process for handling Applications, Fee Schedules and fee and payment discussions. If you have any questions regarding this Application or Fee Schedule, please contact Moody's Issuer Relations.

Moody's rating fees are shown in the schedule below.
Initial fees for Long Term Fixed Rate transactions are as follows:

Issue Size	Long-Term Debt Issues	Short-Term Debt Issues (excludes BANs)
Less than $3 mil.	$4,000	$3,500
$3 mil. to $4,999,999 mil.	$5,000	$3,500
$5 mil. to $9,999,999 mil	$6,200	$3,500
$10 mil. to $14,999,999 mil.	$7,200	$4,600
$15 mil. to $19,999,999 mil.	$8,000	$5,300
$20 mil. to $24,999,999 mil.	$9,400	$6,400
$25 mil. to $34,999,999 mil.	$10,700	$7,300
$35 mil. to $44,999,999 mil.	$11,800	$8,500
$45 mil. to $54,999,999 mil.	$13,300	$9,100
$55 mil. to $64,999,999 mil.	$14,700	$9,900
$65 mil. to $74,999,999 mil.	$16,000	$10,700
$75 mil. to $84,999,999 mil.	$18,200	$11,900
$85 mil. to $99,999,999 mil.	$21,300	$13,200
$100 mil. up to $1 bil.		1.30 basis points of final par to a max of $44,100
$100 mil. to $199,999,999 mil.	$30,300	
$200 mil. to $399,999,999 mil.	$34,800	
$400 mil. to $499,999,999 mil.	$39,400	
$500 mil. to $999,999,999 mil.	$44,000 + 1.0 basis points on the increment over $500m to a max of $88,200	
$1 bil. and over	Case by case	Case by case

This Fee Schedule sets out Moody's fees for the period 1/1/2010 to 12/31/2010. Moody's reserves the right to revise this Fee Schedule from time to time. If Moody's does not revise this Fee Schedule, the current Fee Schedule will also apply in subsequent periods. Please request a current Fee Schedule at the time of your rating assignment.

Moody's Public Finance Group
2010 Frequent Issuer Rating Fee Schedule
State & High Profile Issuers

Bond Anticipation Notes:

Less than $25m	$1,050
$25m - $99,999,999m	$2,100
$100m and over	$3,150

Variable Rate Issues:
Initial and annual fees for Variable Rate issues are as follows:

Initially: Additional $5000 added to the long term fees.

Annual Fees - based on principal amount (Excludes self-liquidity):

Less than $5m	$2,500
$5m - $9.9m	$4,500
$10m and over	$6,500
Self Liquidity	$11,000

Annual Fees are non-refundable.

Amendments to Existing Transactions
A fee will be charged for certain changes or amendments to existing transactions. Examples of such changes or amendments and their related fees include, but are not limited to, the following:

$1,000	Applies to extension of credit or liquidity enhancement
$1,000 - $2,500	Applies to confirmation of rating.
$5,500	Applies to substitution of credit or liquidity enhancement. When there are multiple deals with identical documents, the fee for the first deal will be $5,500. The fee for each additional deal will be $2,750.
80% of new issuance fee	Applies to restructuring of security and complex substitutions, i.e., when the replacement credit or liquidity enhancement is a different type of enhancement vehicle.

Bank Bonds
A $5,000 fee will be charged for Bank Bond Ratings assigned in conjunction with the rating of the initial bonds.

Commercial Paper
The initial and annual fee for program sizes less than $100m is $9,300 and $10,800 if $100m or greater. Annual fees may be discounted for multiple programs.

Termination of Rating Process
Applicable when substantial analytical research is provided, but the rating process is terminated. The fee is 70% of what the fee would have been if the rating process had not been terminated. This fee is payable at the time of the termination of the rating process. However, if the issue is reactivated and a rating is assigned within six months of the termination of the rating process, this fee will be credited against the applicable rating fee.

Postponed/Canceled Sales
The fee for an issue that has been assigned a rating and is subsequently canceled or postponed will be 70%of that which would have been applicable had the issue sold. The fee is payable at the time of cancellation or postponement. If the issue sells within six months of the postponed sale, the balance of the original fee will be credited against the applicable rating fee.

This Fee Schedule sets out Moody's fees for the period 1/1/2010 to 12/31/2010. Moody's reserves the right to revise this Fee Schedule from time to time. If Moody's does not revise this Fee Schedule, the current Fee Schedule will also apply in subsequent periods. Please request a current Fee Schedule at the time of your rating assignment.

Moody's Public Finance Group
2010 Frequent Issuer Rating Fee Schedule
State & High Profile Issuers

Indicative Rating Service
The fee for an issue that has been assigned a preliminary rating indicator will be 70% of the standard fee. If an application for a public underlying and/or insured rating is received within six months of the assignment of the indicative rating, the indicative rating fee will be credited against the charges outlined on the current fee schedule. Moody's reserves the right to publish its ratings upon any public disclosure of the ratings.

Frequent Issuer Pricing
Frequent Issuer Pricing is applied only in circumstances where Moody's has rated an issue during the prior 12 months, all of the issuer's obligations are rated by Moody's or if not rated, the issuer has agreed that all future debt issues will be rated by Moody's, and there are no outstanding unpaid rating fees. Moody's normal BAN rating fees are discounted for preferred pricing clients.

Preferred Pricing clients issuing bonds in the amount of $500,000 or less would be charged $1,500.

Complex Financings and New Structures
Moody's may charge an additional fee of up to $100,000 for certain new or complex financings. For example, an additional fee may be charged for the first issue sold under a new indenture. Please contact the Issuer Relations Team to discuss whether such complex deal fees apply to a planned financing.

Rapid Turnaround Fee
A fee of up to $5,000 may be charged at Moody's sole discretion if there is a request for expedient delivery of a rating.

Pooled financings, letters of credit and structured issues are not included in any of the above rates.

Moody's reserves the right to change rating fees without prior notification.

All inquiries may be directed to the Issuer Relations Team at (212) 553-4055.

This Fee Schedule sets out Moody's fees for the period 1/1/2010 to 12/31/2010. Moody's reserves the right to revise this Fee Schedule from time to time. If Moody's does not revise this Fee Schedule, the current Fee Schedule will also apply in subsequent periods. Please request a current Fee Schedule at the time of your rating assignment.

Appendix A

Web Posting / Linking Terms and Conditions

To the extent Moody's publishes written research or press releases specifically regarding the Issuer, as a direct result of this Application ("Issuer Research"), and Issuer desires to link to or post same on its website, the following terms will apply.

The undersigned is hereby granted a royalty-free, non-sublicensable (except as to the Issuer, if the undersigned is not the Issuer), revocable license to post Issuer Research on the Issuer's website (or to post a link to the page on Moody's website where such Issuer Research appears), subject in all cases to the following restrictions. Where the undersigned is not the Issuer, the undersigned agrees that it shall procure that the Issuer complies with all the conditions pertaining to posting or linking to Issuer Research as set forth herein. All Issuer Research and all trademarks and logos contained therein are the intellectual property of Moody's or its affiliates, and all rights not expressly granted herein are reserved.

In no event shall the Issuer Research include any pre-sale reports (prior to initial sale of the relevant security), non-public, or unmonitored ratings. Only the most recent Issuer Research may be posted, in the exact form and format provided by Moody's without any alterations or editing whatsoever (including all disclaimers, logos, and proprietary rights notices thereon). All outdated Issuer Research must be promptly deleted and updated Issuer Research posted promptly after it is published by Moody's. Any links to or posting of Issuer Research shall be indicated by Moody's corporate name only in plain text font, and may not display Moody's logo under any circumstances. Issuer Research or links to Issuer Research may only be displayed on the investor relations portion of the relevant website (or an analogous area where general corporate information is displayed) and not on any portion of the site (or in any hard copy form) for the purpose of marketing, promotion or advertising. Issuer Research may not be posted, linked to, displayed, or otherwise used in connection with a prospectus, "road show" deck, or any other document related to the offering of securities.

The undersigned, on behalf of itself and the Issuer, agrees and acknowledges that it is solely responsible for compliance with all laws, rules, and regulations including but not limited to applicable securities laws, in connection with the posting or linking to the Issuer Research. The undersigned (on behalf of itself and Issuer, if different entities) hereby agrees to indemnify and hold Moody's, its affiliates, and all of their respective employees, officers, directors, representatives, agents, successors, and assigns, harmless against any and all losses, claims, damages, costs or injury (including without limitation attorneys' fees), in whole or in part caused by, resulting from or relating to, posting or linking to the Issuer Research.

This license shall terminate as of the date that the undersigned and/or this Issuer are no longer active Moody's clients; or upon advance written notice from Moody's at any time. Upon termination, all posting and linking to Issuer Research permitted hereunder must cease immediately.

This Fee Schedule sets out Moody's fees for the period 1/1/2010 to 12/31/2010. Moody's reserves the right to revise this Fee Schedule from time to time. If Moody's does not revise this Fee Schedule, the current Fee Schedule will also apply in subsequent periods. Please request a current Fee Schedule at the time of your rating assignment.

RECEIVED
MAY 11 2010
CGFA

AGREEMENT FOR SERVICES

The State of Illinois (the "State") through its Governor's Office of Management and Budget ("GOMB") hereby applies for bond and certificate ratings to be issued by Fitch Inc. ("Fitch"), One State Street Plaza, New York, New York 10004, for State of Illinois General Obligation Bonds, Build Illinois Bonds (Sales Tax Revenue Bonds), Revenue Anticipation Certificates, General Obligation Certificates and other bonds and certificates as may be issued by the State between the dates of August 15, 2009 through June 30, 2010. All such bonds and certificates may be issued from time to time and in such amounts as determined by the State.

The State will promptly furnish to Fitch pertinent financial reports and other information and data required by Fitch, in its sole discretion, in order that Fitch may appraise the bond or certificate issue.

The State agrees to pay Fitch a rating fee in association with each issuance of bonds or certificates for which the State requests such rating, as set forth on the Fee Schedule attached hereto and incorporated herein as Exhibit A (the "Fee Schedule"). The rating fees for each issuance will be based on the aggregate principal amount issued in accordance with the Fee Schedule.

Fitch agrees to assign ratings to the bond and certificate issues, or inform the undersigned if the bond or certificate issues are not eligible for rating, in which latter event no fee is payable.

It is understood that such ratings, if assigned, will be subject to revision or withdrawal by Fitch at any time, without notice, if any information (or lack of information), in the sole opinion of Fitch warrants such action.

Ratings assigned by Fitch are based on documents and information provided to Fitch by issuers, obligors, and/or their experts and agents, and are subject to receipt of the final closing documents. Fitch does not audit or verify the truth or accuracy of such information. Ratings are not recommendations to buy, sell or hold securities. Ratings do not comment on the adequacy of market price, the suitability of any security for a particular investor, or the tax-exempt nature or taxability of payments made in respect of any security.

Fitch does not guarantee the correctness of any information, rating or communication relating to the undersigned issuer. Fitch shall not be liable to such issuer for any loss or injury caused, in whole or in part, either by its negligence or by contingencies beyond its control, involving the procuring, compiling, analyzing, interpreting, communicating or delivering of any information, publication or rating relating to such issue or issuer.

All invoices for services performed and expenses incurred by Fitch prior to July 1, 2010, must be presented to GOMB no later than August 1, 2010, in order to ensure payment under this Agreement. Notwithstanding any other provision of this Agreement, GOMB shall not be obligated to make payment to Fitch on invoices presented after August 1, 2009. Failure by Fitch to present such invoices prior to August 1, 2010, may require Fitch to seek payment of such invoices through the Illinois Court of Claims and the Illinois General Assembly.

Obligations of the State will cease immediately without penalty of further payment being required if in any fiscal year the Illinois General Assembly fails to appropriate or otherwise make available sufficient funds for this Agreement.

This Agreement may be renewed on up to three occasions for the same or lesser length of term as the initial term and otherwise on the same terms and conditions herein upon mutual written agreement by the parties in each case.

GOMB posted notice on the State's Procurement Bulletin of its intention to enter into this Agreement with Fitch as a "sole source."

The undersigned certifies its compliance with the statutes, regulations and orders described in Exhibit B (wherein Fitch is referred to as "VENDOR") attached hereto and incorporated herein by affixing its signature thereon.

(Signature Page Follows)

This Agreement is hereby entered into between the State and Fitch by the undersigned.

For the State –
Governor's Office of Management and Budget:

_____

Director

Date: 18 Aug 09

For Fitch:

_____

Its: _____

Date: _____

This Agreement is hereby entered into between the State and Fitch by the undersigned.

For the State –
Governor's Office of Management and Budget:

_____

Director

Date: _____

For Fitch:

_____

Its: Senior Director

Date: 8-18-09

EXHIBIT A

FEE SCHEDULE

GENERAL OBLIGATION AND BUILD ILLINOIS BONDS

The rating fee for each issue of General Obligation, General Obligation refunding bonds and Build Illinois Sales Tax Revenue bonds will be based on the aggregate principal amount of the bonds issued in accordance with the following:

The rating fee shall be calculated as a base fee in the amount of $10,000, plus incremental fees at the rates of $0.15 per $1,000 of the first $50,000,000 issued, plus $0.10 per $1,000 of the next $50,000,000 issued up to $100,000,000, plus $0.03 per $1,000 of the amount of principal issued over $100,000,000. The fee calculated according to the previous sentence shall then be multiplied by 0.75, reflecting a 25 percent discount allowed for frequent issuers, with the final result being rounded to the nearest $500.00. For exceptionally large issuances, it is contemplated that the parties may negotiate this formula to reduce Fitch's fees to a figure mutually agreed to be appropriate under the circumstances of any such issuance.

Note: The foregoing fees apply to issuances of State of Illinois General Obligation bonds, General Obligation refunding bonds and Build Illinois Sales Tax Revenue bonds only. In the event of an issuance other than the bonds specifically referenced in the preceding sentence, the terms of this contract will govern how the pricing for the issuance is generally established, but specific rating fees will be agreed between the parties and the fees will be reflected on an addendum to this Fee Schedule.

EXHIBIT B

CERTIFICATIONS AND DISCLOSURES

VENDOR certifies it is under no legal prohibition on contracting with the State of Illinois, has no known conflicts of interest and further specifically certifies that:

a) VENDOR, its employees and subcontractors will comply with applicable provisions of the U.S. Civil Rights Act, Section 504 of the Federal Rehabilitation Act, the Americans with Disabilities Act (42 U.S.C. 12101 et seq.) and applicable rules in performance under this AGREEMENT.

b) VENDOR is not in default on an educational loan **(5 ILCS 385/3)**.

c) VENDOR has informed the Director of GOMB in writing if he/she was formerly employed by GOMB and has received an early retirement incentive prior to 1993 under section 14-108.3 or 16-133.3 of the Illinois Pension Code, and acknowledges that contracts made without the appropriate filing with the Auditor General are not payable from the "contractual services" or other appropriation line items. VENDOR has not received an early retirement incentive in or after 2002 under section 14-108.3 or 16-133.3 of the Illinois Pension Code, and acknowledges that contracts in violation of Section 15a of the State Finance Act are not payable from the "contractual services" or other appropriation line items **(30 ILCS 105/15a)**.

d) VENDOR has not been convicted of bribing or attempting to bribe an officer or employee of the State of Illinois or any other State, nor has made an admission on the record of having so bribed or attempted to bribe **(30 ILCS 500/50-5)**.

e) If VENDOR has been convicted of a felony, at least five years have passed after the date of completion of the sentence for such felony, unless no person held responsible by a prosecutor's office for the facts upon which the conviction was based continues to have any involvement with the business **(30 ILCS 500/50-10)**.

f) VENDOR and its affiliates are not delinquent in the payment of any debt to the State (or if delinquent has entered into a deferred payment plan to pay the debt), and VENDOR and its affiliates acknowledge the contracting state agency may declare the contract void if this certification is false **(30 ILCS 500/50-11)** or if VENDOR or an affiliate later becomes delinquent and has not entered into a deferred payment plan to pay off the debt **(30 ILCS 500/50-60)**.

g) VENDOR and all affiliates shall collect and remit Illinois Use Tax on all sales of tangible personal property into the State of Illinois in accordance with provisions of the Illinois Use Tax Act and acknowledge that failure to comply can result in the contract being declared void **(30 ILCS 500/50-12)**.

h) VENDOR has not paid any money or valuable thing to induce any person to refrain from bidding on a State contract, nor has VENDOR accepted any money or other valuable thing, or acted upon the promise of same, for not bidding on a State contract **(30 ILCS 500/50-25)**.

i) VENDOR is not in violation of the "Revolving Door" section of the Illinois Procurement Code **(30 ILCS 500/50-30)**.

j) VENDOR will report to the Illinois Attorney General and the Chief Procurement Officer any suspected collusion or other anticompetitive practice among any bidders, offerors, contractors, proposers or employees of the State **(30 ILCS 500/50-40, /50-45, /50-50)**.

k) VENDOR will, pursuant to the Drug Free Workplace Act, provide a drug free workplace, and, if an individual, shall not engage in the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance in the performance of this AGREEMENT. This certification applies to contracts of $5,000 or more with individuals, and to entities with twenty-five (25) or more employees **(30 ILCS 580)**.

l) Neither VENDOR nor any substantially owned affiliate is participating or shall participate in an international boycott in violation of the U.S. Export Administration Act of 1979 or the applicable regulations of the U.S. Department of Commerce. This certification applies to contracts that exceed $10,000 **(30 ILCS 582)**.

m) VENDOR has not been convicted of the offense of bid rigging or bid rotating or any similar offense of any State or of the United States **(720 ILCS 5/33E-3, 5/33E-4)**.

n) VENDOR complies with the Illinois Department of Human Rights Act and rules applicable to public contracts, including equal employment opportunity, refraining from unlawful discrimination, and having written sexual harassment policies **(775 ILCS 5/2-105)**.

o) VENDOR does not pay dues to, or reimburse or subsidize payments by its employees for, any dues or fees to any "discriminatory club" **(775 ILCS 25/2)**.

p) VENDOR complies with the State Prohibition of Goods from Forced Labor Act, and certifies that no foreign-made equipment, materials, or supplies furnished to the State under the contract have been or will be produced in whole or in part by forced labor, convict labor, or indentured labor under penal sanction **(PA 93-0307)**.

q) VENDOR certifies that no officer, director, partner or other managerial agent of the contracting business has been convicted of a felony under the Sarbanes-Oxley Act of 2003 or a Class 3 or Class 2 felony under the Illinois Securities Law of 1953 for a period of five years prior to the date of the bid or Agreement. VENDOR acknowledges that the STATE shall declare this AGREEMENT void if this certification is false **(30 ILCS 500/50-10.5)**.

r) VENDOR certifies that it has not committed a willful or knowing violation of the Environmental Protection Act (relating to Civil Penalties under the Environmental Protection Act) within the last five (5) years, and is therefore not barred from being awarded a contract. If the STATE later determines that this certification was falsely made by VENDOR, VENDOR acknowledges that the STATE may declare this AGREEMENT void **(30 ILCS 500/50-14)**.

s) VENDOR certifies that no foreign-made equipment, materials or supplies furnished to GOMB or the STATE under this AGREEMENT have been produced in whole or in part by the labor of any child under the age of 12 **(30 ILCS 584)**.

t) VENDOR certifies that it is not in violation of Section 50-14.5 of the Illinois Procurement Code, which states: "Owners of residential buildings who have committed a willful or knowing violation of the Lead Poisoning Prevention Act **(410 ILCS 45)** are prohibited from doing business with the State of Illinois or any State agency until the violation is mitigated."

u) VENDOR warrants and certifies that it and, to the best of its knowledge, its subcontractors have and will comply with **Executive Order No. 1 (2007)**. The Order generally prohibits vendors and subcontractors from hiring the then-serving Governor's family members to lobby procurement activities of the STATE, or any other unit of government in Illinois including local governments if that procurement may result in a contract valued at over $25,000. This prohibition also applies to hiring for that same purpose any former State employee who had procurement authority at any time during the one-year period preceding the procurement lobbying activity.

v) VENDOR has disclosed if required, on forms provided by the STATE, and agrees it is under a continuing obligation to disclose to the STATE, financial or other interests (public or private, direct or indirect) that may be a potential conflict of interest or which would prohibit VENDOR from having or continuing this AGREEMENT. This includes, but is not limited to conflicts under the "Infrastructure Task Force Fee Prohibition" section of the State Finance Act **(30 ILCS 105/8.40)**, Article 50 of the Illinois Procurement Code **(30 ILCS 500/50)**, or those which may conflict in any manner with the VENDOR'S obligation under this AGREEMENT. VENDOR shall not employ any person with a conflict to perform under this AGREEMENT. If any elected or appointed State officer or employee, or the spouse or minor child of same has any ownership or financial interest in the VENDOR or this AGREEMENT, VENDOR certifies it has disclosed that information to the STATE if required, on forms provided by the STATE, and any waiver of the conflict has been issued in accordance with applicable law and rule.

w) VENDOR certifies that it has read, understands, and is in compliance with **Public Act 95-971** and will not make or solicit a contribution that will violate the Act. In general, **Public Act 95-971** contains new registration and reporting requirements for certain vendors, as well as limitations on political contributions by certain vendors and their affiliates. These requirements shall be effective for the duration of the term of office of the incumbent Governor or for a period of 2 years after the end of the AGREEMENT term, whichever is longer.

VENDOR further certifies, in accordance with **Public Act 95-971**, that either (check the following that applies):

☐ VENDOR is not required to register as a business entity with the State Board of Elections.

or

☑ VENDOR has registered as a business entity with the State Board of Elections and acknowledges a continuing duty to update the registration as required by the Act. A copy of the certificate of registration is attached.

VENDOR acknowledges that the STATE may declare this AGREEMENT void without any additional compensation due to VENDOR if this certification is false or if the Act is violated.

VENDOR (show Company name and D/B/A)

Fitch Ratings Inc.

Signature [illegible]

Printed Name John C. Archibald Jr.

Title Senior Director Date

Address 1 State Street Plaza

New York, NY 10004

TAXPAYER IDENTIFICATION NUMBER

I certify that:

The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), **and**

I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, **and**

I am a U.S. person (including a U.S. resident alien).

Name: Fitch Ratings Inc.

Taxpayer Identification Number: _____

Social Security Number: _____

or

Employer Identification Number: 13-397-4563

(If you are an individual, enter your name and SSN as it appears on your Social Security Card. If completing this certification for a sole proprietorship, enter the owner's name followed by the name to the business and the owner's SSN or EIN. For all other entities, enter the name of the entity as used to apply for the entity's EIN and the EIN.)

Legal Status (check one):

____ Individual

____ Sole Proprietor

____ Partnership/Legal Corporation

____ Tax-exempt

____ Corporation providing or billing medical and/or health care services

✓ Corporation NOT providing or billing medical an/or health care services

____ Government

____ Nonresident Alien

____ Estate or Trust

____ Pharmacy (Non-Corp.)

____ Pharmacy/Funeral Home/Cemetery (Corp)

____ Other: _____