

Fiscal Year Underwriters' Quarterly Reports for Regulatory Compliance Regarding Underwriters' Participation in Credit default Swaps (CDS)

NBR	Firm name	Due October			
		2011	Due January 2012	Due April 2012	Due July 2012
1	Barclays	X			
2	Bmo Capital Markets	X			
3	BoA, Merrill Lynch	X			
4	Cabrera	X			
5	Citigroup	X			
6	City Securities Corporation	X			
7	Duncan Williams, Inc / Rice	X			
8	Edward Jones	X			
9	Estrada Hinojosa	X			
10	Fifth Third Securities	X			
11	George K. Baum And Co	X			
12	Goldman Sachs	X			
13	Guggenheim Securities	X			
14	Jackson Securities	X			
15	Janney Montgomery Scott	X			
16	Jefferies	X			
17	JP Morgan	X			
18	Key Banc Capital Markets	X			
19	Lebenthal	X			
20	Loop Capital	X			
21	M. R. Beal	X			
22	Mesrow Financial	X			
23	Morgan Keegan	X			
24	Morgan Stanley	X			
25	North South Capital	X			
26	Northern Trust	X			
27	Oppenheimer and Co Inc	X			
28	Piper Jaffray & Co	X			
29	PNC Bank	X			
30	Podesta & Co	X			
31	Ramirez & Co, Inc /US Bank	X			
32	Raymond James	X			
33	RBC Capital Markets	X			
34	Rice / Duncan	X			
35	Robert W. Baird	X			
36	Siebert Bradford Shank	X			
37	Stern Brothers	X			
38	Sterne Agee	X			
39	Stifel, Nicolaus	X			
40	Wells Fargo	X			
41	William Blair And Co.	X			
42	Williams Capital Group	X			

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42,000

GLOBAL MARKETS

Merrill Lynch, Pierce, Fenner & Smith Incorporated

October 31, 2011

Mr. John Sinsheimer
Director of Capital Markets
State of Illinois
Governor's Office of Management and Budget
JRTC, Suite 15-100
100 W. Randolph
Chicago, IL 60601

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Governor's Office of Management and Budget

Dear Mr. Sinsheimer:

Thank you for your letter dated October 17, 2011 to Philip Rooney. I am responding on behalf of Bank of America Corporation and its affiliates, including Merrill Lynch, Pierce, Fenner & Smith Incorporated (collectively "BofAML"). We value our relationship with the State of Illinois and are pleased to provide the following information. For purposes of this letter, we are providing information for the three months ended September 30, 2011. For ease of reference, we have restated your questions before each response.

Disclose whether your firm has participated in credit default swap market-making activities related to any State of Illinois credit default swaps ("CDS") within the past 3 months. Please include and/or indicate the following:

In the event of your firm's participation in State of Illinois CDS activities within the past 3 months please disclose your firm's cumulative notional volume of State of Illinois CDS trades and the firm's outstanding gross and net notional amount of State of Illinois CDS, as of the end of the current 3-month period.

By way of background, BofAML does not take and maintain unhedged long or short positions, unrelated to market making, of Illinois General Obligation ("GO") CDS. Instead, BofAML is a swaps market maker and in that capacity makes regular two-way markets in municipal CDS, including CDS on Illinois GO bonds, and acts as a swaps dealer with respect to Illinois GO CDS. BofAML's trading of Illinois GO CDS, while effected as principal for our own account, is in response to the flow of actual and anticipated counterparty market making transactions, and while BofAML's Illinois GO CDS exposure on a net basis at any given time may be modestly long (BofAML being a net purchaser of unhedged credit protection) or short (BofAML being a net seller of unhedged credit protection), BofAML seeks to maintain, over time, a more or less balanced book of long and short transactions. For the quarter ending September 30, 2011 the cumulative notional volume of Illinois GO CDS purchases was \$35,000,000 and sales was \$19,300,000. As of September 30, 2011, BofAML's outstanding gross notional amount of Illinois GO CDS was \$777,200,000 and the outstanding net notional amount

of Illinois GO CDS was a net short position of \$68,400,000 (that is, BofAML was a net seller of Illinois CDS protection as of that date, and thus net long Illinois GO risk, as it would be if it were a holder of Illinois GO bonds).

In addition, we have prime brokerage positions which represent our "back-to back" intermediation of trades between certain hedge fund clients and their counterparties. These transactions are custodial in nature and do not represent risk positions of our firm. As of September 30, 2011 BofAML's prime brokerage outstanding gross notional amount of Illinois GO CDS was \$160,000,000 and the outstanding net notional amount of Illinois GO CDS was \$0 (that is, prime brokerage accounts were flat Illinois GO CDS protection as of that date).

Disclose whether your firm has entered into any proprietary trades for its own account in State of Illinois CDS, as of the end of the current 3-month period.

As discussed above, BofAML does not engage in proprietary trading by taking and maintaining unhedged long or short positions, unrelated to market making, of Illinois GO CDS. The activity conducted for BofAML's own account is undertaken (a) to hedge specific, identified State credit exposures held by BofAML, such as State general obligation (GO) bonds, credit facilities or derivative credit exposures, or (b) pursuant to BofAML's ongoing, client-driven market-making activities.

Disclose your firm's outstanding gross and net notional amount of proprietary State of Illinois CDS and whether the net position is short or long credit protection, as of the end of the current 3-month period.

As discussed above, the question is not applicable as BofAML did not engage in proprietary trading.

List all time periods during the past 3 months during which the firm held net long or net short State of Illinois CDS proprietary credit protection positions, the amount of such positions, and whether those positions were net long or net short credit protection positions.

As discussed above, the question is not applicable as BofAML did not engage in proprietary trading.

Indicate whether within the previous 3 months, the firm released any publicly available research or marketing reports that reference State of Illinois CDS and include those research or marketing reports as attachments.

BofAML is a co-placement agent in connection with the private placement of trust certificates each of which evidences an interest corresponding to CDS Contracts referencing municipal States (including Illinois GO CDS) owned by a trust created by the Lehman Brothers estate. BofAML distributed marketing material in connection with its role as a co-placement agent in connection with this offering. BofAML is not in a

position to include a copy of this document because the public filing of this material could negatively impact the private placement exemption that is being utilized in connection with the transaction.

In addition, the Municipal Markets group at BofAML would have included information about generic Illinois CDS spreads along with information about other state spreads in certain marketing materials, but did not specifically highlight them.

We are not aware that municipal research analysts at BofAML published any research reports referencing State of Illinois CDS during this period.

This letter is being submitted to you with the request that you keep it confidential and not provide or otherwise disclose it to any party, unless you are required to do so by law. If your office should decide to disclose any of the information to any other government agency or person, we also ask that you notify us immediately and provide that agency or person with notice of this request. Furthermore, if any person should request the opportunity to inspect or copy this letter, we ask to be notified immediately and given advance notice of any intended release.

If you have additional questions, please do not hesitate to contact me.

Very truly yours,



Susan Jun

cc: Sophia Ronis



CAROLE BROWN
MANAGING DIRECTOR

October 31, 2011

Mr. John Sinsheimer
Director of Capital Markets
State of Illinois
Governor's Office of Management and Budget
JRTC, Suite 15-100
100 W. Randolph
Chicago, IL 60601

Dear Mr. Sinsheimer:

Thank you for your letter dated October 17, 2011 regarding our firm's State of Illinois credit default swap activities for the period July 1, 2011 through September 30, 2011. We are pleased to provide the following information in response to the questions referenced therein:

Disclose whether your firm has participated in credit default swap market-making activities related to any State of Illinois credit default swaps ("CDS") within the past 3 months. Please include and/or indicate the following:

1. *In the event of your firm's participation in State of Illinois CDS activities within the past 3 months please disclose your firm's cumulative notional volume of State of Illinois CDS trades and the firm's outstanding gross and net notional amount of State of Illinois CDS, as of the end of the current 3-month period.*

Barclays does not actively make a market in credit default swaps ("CDS"). The firm did not engage in any State of Illinois CDS trades during the period from July 1, 2011 through September 30, 2011.

As we have previously noted in our submissions to the State, in January 2011, Barclays' Credit Risk Management group, a group separate from Barclays Bond Department, erroneously entered into an Illinois CDS trade in order to hedge counterparty risk. This trade was unwound a few days later since it had been put on in error. The two trades consisted of \$10 million buy and sell. Other than those trades, the firm has entered into no Illinois CDS trades since August 2009.

Below is the most recent data regarding our gross and net positions for the period July 1, 2011 through September 30, 2011.

- Gross notional of trades from July 1, 2011 through September 30, 2011 = \$0
- Net notional of trades from July 1, 2011 through September 30, 2011 = \$0
- Net notional of trades outstanding as of September 30, 2011 = \$0

2. *Disclose whether your firm has entered into any proprietary trades for its own account in State of Illinois CDS, as of the end of the current 3-month period.*

Please see our response to #1.

3. *Disclose your firm's outstanding gross and net notional amount of proprietary State of Illinois CDS and whether the net position is short or long credit protection, as of the end of the current 3-month period.*

Please see our response to #1.

BARCLAYS CAPITAL
190 SOUTH LASALLE STREET, 27TH FLOOR | CHICAGO, IL 60603
TEL: (312) 609-8508 | FAX: (312) 609-8371
EMAIL: CAROLE.BROWN@BARCAP.COM

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Governor

4. *List all time periods during the past 3 months during which the firm held net long or net short State of Illinois CDS proprietary credit protection positions, the amount of such positions, and whether those positions were net long or net short credit protection positions.*

Please see our response to #1.

5. *Indicate whether within the previous 3 months, the firm released any publicly available research or marketing reports that reference State of Illinois CDS and include those research or marketing reports as attachments.*

Prior to February 2011, Barclays published a monthly municipal research report that referenced CDS market activity for a group of fifteen major issuers including the State of Illinois. Barclays ceased publishing research that referenced Illinois CDS pricing in February 2011. Our firm did not release any public available research or marketing reports referencing State of Illinois CDS during the period of July 1, 2011 through September 30, 2011.

We are available at your convenience to discuss this information further. I may be reached at (312) 609-8508. Thank you.

Sincerely,



Carole Brown

Managing Director

cc: Ms. Sophia Ronis, State of Illinois

December 6, 2011

Mr. John Sinsheimer
Director of Capital Markets
State of Illinois
Governor's Office of Management and Budget
JRTC, 100 West Randolph, Suite 15-100
Chicago, IL 60606

Dear Mr. Sinsheimer:

Enclosed please find our firm's response to the questions regarding State of Illinois Credit Default Swap Activity. If you have any questions or need additional information, please let me know. I can be reached at (312) 845-2005 or marylee.corrigan@bmo.com.

Sincerely,



Mary Lee Corrigan
Managing Director
Chief Financial Officer
Administration

MLC/mlm

Enclosure

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Governor's Chicago Office

State of Illinois Credit Default Swap Questions

Disclose whether your firm has participated in credit default swap market-making activities related to any State of Illinois credit default swaps ("CDS") within the past 3 months. Please include and/or indicate the following:

- In the event of your firm's participation in State of Illinois CDS activities within the past 3 months please disclose your firm's cumulative notional volume of State of Illinois CDS trades and the firm's outstanding gross and net notional amount of State of Illinois CDS, as of the end of the current 3-month period.

BMO Capital Markets GKST, Inc. has not participated in any State of Illinois CDS Activity within the past three months ending September 30, 2011.

- Disclose whether your firm has entered into any proprietary trades for its own account in State of Illinois CDS, as of the end of the current 3-month period.

No trades were done.

- Disclose your firm's outstanding gross and net notional amount of proprietary State of Illinois CDS and whether the net position is short or long credit protection, as of the end of the current 3-month period.

Not applicable.

- List all time periods during the past 3 months during which the firm held net long or net short State of Illinois CDS proprietary credit protection positions, the amount of such positions, and whether those positions were net long or net short credit protection positions.

None.

- Indicate whether within the previous 3 months, the firm released any publicly available research or marketing reports that reference State of Illinois CDS and include those research or marketing reports as attachments.

No research or marketing reports were done referencing State of Illinois CDS.



CABRERA CAPITAL MARKETS, LLC

BOSTON • CHICAGO • LOS ANGELES • MIAMI • NEW YORK • PEPPER PIKE • PHILADELPHIA • SAN ANTONIO • TAMPA

October 24, 2011

Mr. John Sinsheimer
Director of Capital Markets
State of Illinois
Governors Office of Management and Budget
100 W. Randolph, Suite 16-100
Chicago, IL. 60601

Dear Mr. Sinsheimer,

In response to your letter dated October 17, 2011, Cabrera Capital Markets, LLC has not participated in any credit default swap market making activities related to any State of Illinois credit default swaps within the past three (3) months.

If there are any questions in this regard, please contact the undersigned.

Robert Aguilar
Chief Operating Officer

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Governor's Office



October 31, 2011

Mr. John Sinsheimer
Director of Capital Markets
State of Illinois
Governor's Office of Management
and Budget
James R. Thompson Center
100 West Randolph – Suite 15-100
Chicago, IL 60601

Re: Illinois Credit Default Swaps

Dear Mr. Sinsheimer:

In response to your letter dated October 17, below are responses for Citi's market activities related to credit default swaps per State Statute on State of Illinois General Obligation Bonds and Build Illinois bonds from July 1, 2011 through September 30, 2011:

- Citi cumulative (gross) notional volume of State of Illinois CDS trades for the period of July 1st - September 30th was 90,500,000 USD.
- Citi outstanding gross Notional Amount of State of Illinois CDS as of September 30 was 720,500,000 MM Gross Notional.
- Citi outstanding net Notional amount of State of Illinois CDS as of September 30 was 301,300,000 MM Net] Long Notional.
- Citi did not hold State of Illinois CDS proprietary credit protection positions during the 3rd quarter of 2011.
- No research done in connection with Illinois single-name Muni CDS.

This letter will be sent via special messenger today. I also have attached a copy of your letter and list of questions.

Sincerely,



Rade Ray Kljajic
Managing Director

Attachments

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citysecurities.com

October 21, 2011

Mr. John Sinsheimer
Director of Capital Markets
State of Illinois
Governor's Office of Management and Budget
James R. Thompson Center, Suite 15-100
100 W. Randolph St.
Chicago, IL 60601

Dear Mr. Sinsheimer:

City Securities Corporation does not, and has never, participated in any credit-default swap market-making activities, and thus has not participated in any State of Illinois CDS activities over the past three months. Further, City Securities Corporation has never released any publically available research or marketing reports that reference State of Illinois CDS. Please let us know if you have any additional requests.

Sincerely,

A handwritten signature in blue ink, appearing to read "Mike Schumaker".

Mike Schumaker
Vice President

Cc: Sophia Ronis

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OCT 27 2011

Governor's Chicago Office

Richard A. Ryffel
Managing Director, Investment Banking
12555 Manchester Road
St. Louis, MO 63131-3729
314-515-2672 Tel
314-515-2674 Fax
richard.ryffel@edwardjones.com
www.edwardjones.com

Edward Jones[®]

November 2, 2011

Mr. John Sinsheimer
Director of Capital Markets
State of Illinois
Governor's Office of Management and Budget
JRTC, Suite 15-100
100 West Randolph
Chicago IL 60601

Dear John:

In response to your letter dated October 17, 2011, I offer this response per the instructions provided. Hard copy of same follows by overnight mail.

With respect to Credit Default Swaps ("CDS"), Edward Jones does not participate in this market in any way. We are not a provider of CDS and do not make any markets in CDS. For completeness, however, I have provided below a response to each interrogatory you submitted.

Disclose whether your firm has participated in credit default swap market-making activities related to any State of Illinois credit default swaps ("CDS") within the past three months. Please include and/or indicate the following:

- In the event of your firm's participation in State of Illinois CDS activities within the past 3 months please disclose your firm's cumulative notional volume of State of Illinois CDS trades and the firm's outstanding gross and net notional amount of State of Illinois CDS as of the end of the current 3-mo. period.

Edward Jones has not participated in any State of Illinois CDS activities over the requested three-month periods.

- Disclose whether your firm has entered into any proprietary trades for its own account in State of Illinois CDS, as of the end of the current 3-mo. period.

Edward Jones has not entered into any proprietary State of Illinois CDS trades over the requested period.

- Disclose your firm's outstanding gross and net notional amount of proprietary State of Illinois CDS and whether the net position is short or long credit protection, as of the end of the current 3-mo period.

Edward Jones has no outstanding proprietary State of Illinois CDS positions as of the end of the requested three-month period.

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- List all time periods during the past 3 mo. during which the firm held net long or net short State of Illinois CDS proprietary credit protection positions, the amount of such positions, and whether those positions were net long or net short credit protection positions.

Edward Jones has not during the past three months held any net long or net short positions of State of Illinois CDS.

- Indicate whether within the previous 3 mo. the firm released any publicly available research or marketing reports that reference State of IL CDS and include those research or marketing reports or attachments.

Edward Jones has not published any publicly available research regarding the State of Illinois which references State of Illinois CDS.

I appreciate the opportunity to address your questions. Should you have additional questions, please do not hesitate to contact me at richard.ryffel@edwardjones.com or 314.515.2672.

Thank you for your confidence in Edward Jones.

Sincerely,



Richard A. Ryffel
Managing Director
Investment Banking

cc: Sophia Ronis

ESTRADA • HINOJOSA

INVESTMENT BANKERS

October 25, 2011

Mr. John Sinsheimer, Director of Capital Markets
State of Illinois
JRTC, Suite 15-100
100 W. Randolph
Chicago, Illinois 60601

Dear Mr. Sinsheimer:

Estrada Hinojosa & Company, Inc. is pleased to respond to your letter of October 17, 2011 addressed to Mr. Fernando Grillo, Manager of our Firm's Illinois office.

Estrada Hinojosa is a FINRA-registered broker engaged solely in municipal bond underwritings and has never participated in credit default swap ("CDS") market-making activities related to the State of Illinois or any other bond issuer, and the Firm has no intention to deal in CDS activities at any time in the future. Estrada Hinojosa does not publish research reports related to the CDS market.

Please do not hesitate to contact us if you have any other questions. Best wishes for your continued success.

Sincerely,



Robert A. Estrada
Chief Compliance Officer

Cc: Sophia Ronis, State of Illinois

Thomas B. Nolan, Firm
Fernando Grillo, Firm
Carlos Buentello, Firm

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Governor's Chicago Office

ESTRADA HINOJOSA & COMPANY, INC.

1717 Main Street • Suite 4700, Lockbox 47 • Dallas, Texas 75201
(214) 658-1670 • (800) 676-5352 • Fax (214) 658-1671

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FAX (312) 704-7394
E-MAIL DOUG.DEANGELIS@53.COM

October 31 2011

John Sinsheimer
Director of Capital Markets
State of Illinois
Governor's Office of Management and Budget
JRTC, 100 W. Randolph St. Suite 16-100
Chicago, Illinois 60601

Re: State of Illinois Credit Default Swap Questions

Dear Mr. Sinsheimer,

Enclosed you will find responses to Fifth Third Securities, Inc's market activities related to credit default swaps, as outlined by the State Statute on State of Illinois General Obligation bonds and Build Illinois bonds, from July 1, 2011 through September 30, 2011

Should you have any questions or if I can assist you in any way, please contact me at (312) 704-4025. We look forward to working with the State and the underwriting team on the State's upcoming financing transactions.

Sincerely,

A handwritten signature in cursive script that reads 'Douglas P. DeAngelis'.

Douglas P. DeAngelis
Managing Director
Illinois Public Finance

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Governor's Chicago Office



State of Illinois Credit Default Swap Questions

Disclose whether your firm has participated in credit default swap market-making activities related to any State of Illinois credit default swaps ("CDS") within the past 3 months. Please include and/or indicate the following:

- In the event of your firm's participation in State of Illinois CDS activities within the past 3 months please disclose your firm's cumulative notional volume of State of Illinois CDS trade and the firm's outstanding gross and notional amount of State of Illinois CDS as of the end of the current 3-month period.

Fifth Third Securities, Inc. and related entities have not participated in any activities related to credit default swaps, including those related to the State of Illinois.

- Disclose whether your firm has entered into any proprietary trades for its own account in State of Illinois CDS as of the end of the current 3 month period.

Fifth Third Securities, Inc. and related entities have not entered into any proprietary trades for its own account in State of Illinois CDS.

- Disclose your firm's outstanding gross and net notional amount of proprietary State of Illinois CDS and whether the net position is short of long credit protection as of the end of the current 3-month period.

Fifth Third Securities, Inc. and related entities have no positions in any CDS, including those related to the State of Illinois.

- List at all times during the past 3 months during which the firm held net long or short State of Illinois proprietary credit protection positions, the amount of such positions, and whether those positions were net long or short credit protection positions.

Fifth Third Securities, Inc. and related entities have not held State of Illinois proprietary credit protection positions during the past 3 months.

- Indicate whether within the past 3 months, the firm has released any publicly available research or marketing reports that reference State of Illinois CDS and include copies of such research or report in your response.

Fifth Third Securities, Inc. and related entities have not released any publicly available research or marketing report that reference State of Illinois CDS.



George K. Baum & Company

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October 24, 2011

Mr. John Sinsheimer
Director of Capital Markets
State of Illinois
Governor's Office of Management and Budget
JRTC, Suite 15-100
100 W. Randolph
Chicago, IL 60601

Re: State of Illinois
Credit Default Swap Questions and Answers

Dear John,

Enclosed are George K. Baum & Company's responses to your Credit Default Swap Questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'Anthony N. Fratto', written over a horizontal line.

Anthony N. Fratto
Executive Vice President & Manager

ANF/cb

Enclosure

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Governor's Chicago Office



State of Illinois Credit Default Swap Questions and Answers

- a) *In the event of your firm's participation in State of Illinois CDS activities within the past 3 months please disclose your firm's cumulative notional volume of State of Illinois CDS trades and the firm's outstanding gross and net notional amount of State of Illinois CDS, as of the end of the current 3-month period.*

None. George K. Baum & Company has never participated in State of Illinois CDS activities.

- b) *Disclose whether your firm has entered into any proprietary trades for its own account in State of Illinois CDS, as of the end of the current 3-month period.*

None. George K. Baum & Company has never entered into any such trades.

- c) *Disclose your firm's outstanding gross and net notional amount of proprietary State of Illinois CDS and whether the net position is short or long credit protection, as of the end of the current 3-month period.*

None. George K. Baum & Company has never participated in any such trading activity.

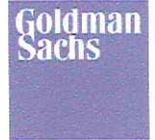
- d) *List all time periods during the past 3 months during which the firm held net long or net short State of Illinois CDS proprietary credit protection positions, the amount of such positions, and whether those positions were net long or net short credit protection positions.*

None. George K. Baum & Company has never participated in State of Illinois CDS activities.

- e) *Indicate whether within the previous 3 months, the firm released any publicly available research or marketing reports that reference State of Illinois CDS and include those research or marketing reports as attachments.*

None. George K. Baum & Company has never generated any such reports.

October 24, 2011



October 31, 2011

John Sinsheimer
Director of Capital Markets
State of Illinois
Governor's Office of Management and Budget
JRTC, Suite 15-100
100 W. Randolph
Chicago, Illinois 60601

Dear Mr. Sinsheimer:

I am pleased to respond on behalf of Goldman, Sachs & Co. to the questions posed in your letter dated October 17, 2011 regarding our firm's activities related to State of Illinois municipal credit default swaps ("CDS").

Disclose whether your firm has participated in credit default swap market-making activities related to any State of Illinois credit default swaps ("CDS") within the past 3 months.

Please include and/or indicate the following:

- ***In the event of your firm's participation in State of Illinois CDS activities within the past 3 months please disclose your firm's cumulative notional volume of State of Illinois CDS trades and the firm's outstanding gross and net notional amount of State of Illinois CDS, as of the end of the current 3-month period.***

As it has done in respect of many states' CDS, Goldman Sachs participated in market-making activities with respect to State of Illinois CDS the past fiscal quarter (July 1, 2011 through September 30, 2011). Goldman Sachs's cumulative notional volume of trades in State of Illinois CDS during that time was \$275.8 million. Goldman Sachs's net notional position as of September 30, 2011 in Illinois CDS was \$260.1 million, and our gross notional position in Illinois CDS was \$2.129 billion.

It is not feasible to assess whether Goldman Sachs is long or short exposure to State of Illinois credit solely by reference to notional amounts of CDS, as other considerations, including the various maturities of our CDS positions and our risks related to market-making activities in the State's bonds, are key determinants and drivers of the firm's risk profile.

- ***Disclose whether your firm has entered into any proprietary trades for its own account in State of Illinois CDS, as of the end of the current 3-month period.***

Goldman Sachs has not entered into any trades for its own proprietary account in State of Illinois CDS during the past fiscal quarter. As noted above, Goldman Sachs has entered into Illinois CDS contracts from time to time, stepping in with its own capital to execute client trades as a principal in order to promote market liquidity in a market-making capacity.

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- **Disclose your firm's outstanding gross and net notional amount of proprietary State of Illinois CDS and whether the net position is short or long credit protection, as of the end of the current 3-month period.**

Please see the above answers.

- **List all time periods during the past 3 months during which the firm held net long or net short State of Illinois CDS proprietary credit protection positions, the amount of such positions, and whether those positions were net long or net short credit protection positions.**

Please see the above answers.

- **Indicate whether within the previous 3 months, the firm released any publicly available research or marketing reports that reference State of Illinois CDS and include those research or marketing reports as attachments.**

During the previous fiscal quarter, Goldman Sachs has not published any research or marketing reports concerning State of Illinois CDS. In that regard, the firm's Global Investment Research Division does not create or publish research on municipal issuers. From time to time, various groups within the firm's Securities Division have provided marketing materials to clients to educate them generally about the municipal asset class and the products available to gain or limit exposure to that asset class, including tax-exempt bonds, interest rate derivatives, CDS and, most recently, BABs. These materials are available to the firm's institutional sales force and are on occasion in turn provided to certain investing clients.

Thank you for the opportunity to respond to your questions. We look forward to continuing to serve the State of Illinois and the larger municipal market.

Sincerely,



Kathleen Brown
Chairman of Investment Banking for the Midwest

Guggenheim's Response to the State of Illinois Credit Default Swap Questionnaire, October 26, 2011

State of Illinois Credit Default Swap Questions

For the period from July 1, 2011 through September 30, 2011

- Disclose whether your firm has participated in credit default swap market-making activities related to any State of Illinois credit default swaps ("CDS") within the past 3 months. Please include and/or indicate the following:

Guggenheim has never participated in credit default swap market-making activities related to municipal securities and Guggenheim has not participated in credit default swap market-making activities related to any State of Illinois CDS within the past 3 months.

- In the event of your firm's participation in State of Illinois CDS activities within the past 3 months please disclose your firm's cumulative notional volume of State of Illinois CDS trades and the firm's outstanding gross and notional amount of State of Illinois CDS as of the end of the current 3 month period.

Not applicable (see above)

- Disclose whether your firm has entered into any proprietary trades for its own account in State of Illinois CDS as of the end of the current 3-month period.

Not applicable (see above)

- Disclose your firm's outstanding gross and net notional amount of proprietary State of Illinois CDS and whether the net position is short of long credit protection as of the end of the current 3-month period.

Not applicable (see above)

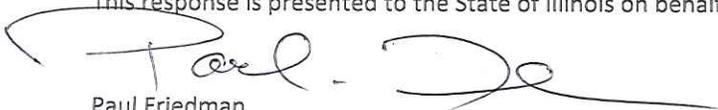
- List at all times during the past 3 months during which the firm held net long or short State of Illinois proprietary credit protection positions, the amount of such positions, and whether those positions were net long or short credit protection positions.

Not applicable (see above)

- Indicate whether within the previous 3 months, the firm has released any publicly available research or marketing reports that reference State of Illinois CDS and include those research or marketing reports as attachments.

Guggenheim has not released any publically available research or marketing reports that reference State of Illinois CDS.

This response is presented to the State of Illinois on behalf of Guggenheim Securities, LLC.



Paul Friedman
 Senior Managing Director,
 Guggenheim Securities, LLC

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 OCT 27 2011

Governor's Chicago Office

JACKSON SECURITIES

An Atlanta Life Financial Group Company

Atlanta ■ Chicago ■ Dallas ■ Los Angeles ■ Miami ■ New York ■ Red Bank ■ San Francisco ■ Stamford

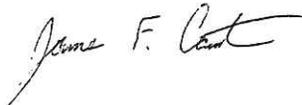
Tuesday, November 22, 2011

John Sinsheimer
Director of Capital Markets
State of Illinois
Governor's Office of Management and Budget

Dear Mr. Sinsheimer,

Jackson Securities has no market activities related to credit default swaps per State Statute on State of Illinois General Obligation bonds and Build Illinois bonds from July 1, 2011 through September 30, 2011.

Sincerely,



James Carter
Vice President
Jackson Securities LLC

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NOV 22 2011

Governor's Chicago Office

Jefferies

Jefferies & Company, Inc.

Municipal Securities Group
155 N. Wacker Drive, Suite 4200
Chicago, IL 60606
tel 321.750.4470
Jefferies.com

October 25, 2011

John Sinsheimer
State of Illinois
Governor's Office of Management and Budget
JRTC, Suite 15-100
100 W. Randolph
Chicago, Illinois 60601

Dear Mr. Sinsheimer,

Enclosed please find Jefferies & Company's response to the State's market activity questions related to credit default swaps for the period from July 1, 2011 through September 30, 2011.

Sincerely,



Samantha Costanzo
Senior Vice President
Jefferies & Company
155 N. Wacker Dr., Suite 4200
Chicago, IL 60606
tel: (312) 750-4401

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Governor's Chicago Office

Re: State of Illinois General Obligation bonds and Build Illinois bonds for the period of July 1, 2011 through September 30, 2011.

State of Illinois Credit Default Swap Questions

Disclose whether your firm has participated in credit default swap market-making activities related to any State of Illinois credit default swaps ("CDS") within the past 3 months. Please include and/or indicate the following:

- In the event of your firm's participation in State of Illinois CDS activities within the past 3 months please disclose your firm's cumulative notional volume of State of Illinois CDS trades and the firm's outstanding gross and net notional amount of State of Illinois CDS, as of the end of the current 3-month period.

Jefferies reports: **NONE**

- Disclose whether your firm has entered into any proprietary trades for its own account in State of Illinois CDS, as of the end of the current 3-month period.

Jefferies reports: **NONE**

- Disclose your firm's outstanding gross and net notional amount of proprietary State of Illinois CDS and whether the net position is short or long credit protection, as of the end of the current 3-month period.

Jefferies reports: **NONE**

- List all time periods during the past 3 months during which the firm held net long or net short State of Illinois CDS proprietary credit protection positions, the amount of such positions, and whether those positions were net long or net short credit protection positions.

Jefferies reports: **NONE**

- Indicate whether within the previous 3 months, the firm released any publicly available research or marketing reports that reference State of Illinois CDS and include those research or marketing reports as attachment.

Jefferies reports: **NONE**

Thomas Coverick
Managing Director
312-730-2715 Phone
312-730-2759 Fax
tcoverick@keybanccm.com



October 27, 2011

Governor's Office of Management and Budget
Attn: John Sinsheimer, Director of Capital Markets
James R. Thompson Center
Suite 15-100
100 W. Randolph Street
Chicago, Illinois 60601

Mr. Sinsheimer:

I provide herein response to your letter dated October 17, 2011 requesting KeyBanc Capital Markets' activities related to State of Illinois credit default swaps.

Specifically and in direct response to the following query:

State of Illinois Credit Default Swap Questions

Disclose whether your firm has participated in credit default swap market-making activities related to any State of Illinois credit default swaps ("CDS") within the past 3 months. Please include and/or indicate the following:

- *In the event of your firm's participation in State of Illinois CDS activities within the past 3 months, please disclose your firm's cumulative notional volume of State of Illinois CDS trades and the firm's outstanding gross and notional amount of State of Illinois CDS as of the end of the current 3-month period.*
- *Disclose whether your firm has entered into any proprietary trades for its own account in State of Illinois CDS as of the end of the current 3-month period.*
- *Disclose your firm's outstanding gross and net notional amount of proprietary State of Illinois CDS and whether the net position is short of long credit protection as of the end of the current 3-month period.*
- *List at all times during the past 3 months during which the firm held net long or short State of Illinois proprietary credit protection positions, the amount of such positions, and whether those positions were net long or short credit protection positions.*
- *Indicate whether within the previous 3 months, the firm released any publicly available research or marketing reports that reference State of Illinois CDS and include those research or marketing reports as attachments.*

Neither KeyCorp nor any of its subsidiaries, including KeyBanc Capital Markets Inc., participate in, make markets in or provide research for municipal credit default swaps.

Sincerely,

A handwritten signature in blue ink that reads "Thomas M. Coverick".

Thomas Coverick
Managing Director
KeyBanc Capital Markets Inc.

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OCT 31 2011
Governor's Chicago Office



Member FINRA, SIPC & SIFMA

LEBENTHAL & CO., LLC
521 Fifth Avenue, 20th Floor
New York, NY 10175

(212) 697-3420 *direct*
(877) 425-6006 *toll free*
(646) 626-5592 *fax*

October 27, 2011

John Sinsheimer, Director of Capital Markets
State of Illinois
Governor's Office of Management and Budget
JRTC, Suite 15-100
100 W. Randolph
Chicago, IL 60601

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OCT 31 2011

Governor's Chicago Office

Dear Mr. Sinsheimer:

Pursuant to your request for information dated October 17, 2011, Lebenthal & Co. **has not** participated in credit default swap market-making activities related to any State of Illinois credit default swaps ("CDS") within the past three months, nor in any prior period. Please find below our responses to the State of Illinois Credit Default Swap Questions for the period from July 1, 2011 through September 30, 2011.

In the event of your firm's participation in State of Illinois CDS activities within the past 3 months please disclose your firm's cumulative notional volume of State of Illinois CDS trades and the firm's outstanding gross and net notional amount of State of Illinois CDS, as of the end of the current 3-month period.

Lebenthal does not participate in the Credit Default Swap market. Lebenthal has had no notional volume of State of Illinois CDS trades and has no outstanding gross or net notional amount of State of Illinois CDS as of the end of the current 3-month period.

Disclose whether your firm has entered into any proprietary trades for its own account in State of Illinois CDS, as of the end of the current 3-month period.

Lebenthal has not entered into any proprietary trades for its own account in State of Illinois CDS, as of the end of the current 3-month period.

Disclose your firm's outstanding gross and net notional amount of proprietary State of Illinois CDS and whether the net position is short or long credit protection as of the end of the current 3-month period.

Lebenthal has no proprietary positions in State of Illinois CDS as of the end of the current 3-month period.

List all time periods during the past 3 months during which the firm held net long or net short State of Illinois CDS proprietary credit protection positions, the amount of such positions, and whether those positions were net long or net short credit protection positions.

At no time during the past three months did Lebenthal hold net long or net short State of Illinois CDS proprietary credit protection positions.



LEBENTHAL

Indicate whether within the previous 3 months, the firm released any publicly available research or marketing reports that reference State of Illinois CDS and include those research or marketing reports as attachments.

Lebenthal & Co. has not released any publicly available research or marketing reports that reference State of Illinois CDS within the previous 3 months.

Lebenthal is pleased to have been appointed by the State of Illinois as a Co-Senior Managing Underwriter. If you should need any additional information, please feel free to call either Matthew Deane at (212) 697-3420 or Gregory Anderson at (212) 697-3286.

Sincerely,



Matthew Deane
Co-Head of Public Finance



Gregory Anderson
Co-Head of Public Finance

cc: Sophia Ronis





200 West Jackson Blvd., Suite 1600
Chicago, IL 60606
T 312.913.4900 F 312.913.4928
Toll Free 888.294.8898
www.loopcapital.com

October 24, 2011

John Sinsheimer
Director of Capital Markets
State of Illinois – Governor's Office of Management and Budget
JRTC, Suite 15-100
100 W. Randolph
Chicago, IL 60601

Dear Mr. Sinsheimer:

Please be advised that during the last three months Loop Capital Markets LLC has not engaged in any market making activities related to any State of Illinois credit default swaps. If you need any additional information please feel free to call me at (312) 356 – 5009.

Sincerely,

A handwritten signature in black ink that reads "Clarence Bourne". The signature is fluid and cursive, with a long, sweeping underline.

Clarence Bourne
Managing Director
Phone: 312.356.5009
Email: clarenceb@loopcap.com

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OCT 25 2011

Governor's Chicago Office



353 North Clark Street, Chicago, Illinois 60654
312.595.6000 • mesirofinancial.com

October 31, 2011

John Sinsheimer
Director of Capital Markets
State of Illinois
Governor's Office of Management and Budget
JRTC, Suite 15-100
100 West Randolph
Chicago, Illinois 60601

Dear Mr. Sinsheimer,

Mesirow Financial has not participated in any credit default swap market activities related to State of Illinois General Obligation bonds and Build Illinois bonds. Our responses to your questions sent on October 17, 2011 are enclosed. Please contact me if you require any additional information or clarification.

Sincerely,

A handwritten signature in black ink, appearing to read 'S. Hoopes', with a long horizontal line extending to the right.

Stephen Hoopes
Senior Managing Director
Mesirow Financial, Inc.
Department of Public Finance

Enclosure

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OCT 31 2011
Governor's Chicago Office

State of Illinois Credit Default Swap Questions

Disclose whether your firm has participated in credit default swap market-making activities related to any State of Illinois credit default swaps ("CDS") within the past 3 months. Please include and/ or indicate the following:

- In the event of your firm's participation in State of Illinois CDS activities within the past 3 months please disclose your firm's cumulative notional volume of State of Illinois CDS trades and the firm's outstanding gross and net notional amount of State of Illinois CDS, as of the end of the current 3-month period.

Mesirow Financial has not held any State of Illinois CDS securities within the past 3 months.

- Disclose whether your firm has entered into any proprietary trades for its own account in State of Illinois CDS, as of the end of the current 3-month period.

Mesirow Financial has not entered into any proprietary trades for its own account in State of Illinois CDS as of the end of the current 3-month period.

- Disclose your firm's outstanding gross and net notional amount of proprietary State of Illinois CDS and whether the net position is short or long credit protection, as of the end of the current 3-month period.

Mesirow Financial does not have any outstanding State of Illinois CDS as of the end of the current 3-month period.

- List all time periods during the past 3 months during which the firm held net long or net short State of Illinois CDS proprietary credit protection positions, the amount of such positions, and whether those positions were net long or net short credit protection positions.

Mesirow Financial has not held State of Illinois CDS proprietary credit positions during the past 3 months.

- Indicate whether within the previous 3 months, the firm released any publicly available research or marketing reports that reference State of Illinois CDS and include those research or marketing reports as attachments.

Mesirow Financial has not released any publicly available research or marketing reports that reference State of Illinois CDS in the past 3 months.

Morgan Keegan

M E M B E R S N E W Y O R K S T O C K E X C H A N G E

Morgan Keegan & Company, Inc.
Morgan Keegan Tower
Fifty Front Street
Memphis, Tennessee 38103
901/524-4100 Telex 69-74324
WATS 800/366-7426

October 24, 2011

Mr. John Sinsheimer
Director of Capital Markets
State of Illinois
Governor's Office of Management and Budget
JRTC, 100 W. Randolph, Suite 16-100
Chicago, Illinois 60601

Dear Mr. Sinsheimer:

Thank you for the opportunity to respond regarding Morgan Keegan's market activities related to credit default swaps as referenced in your letter of April 18, 2011.

First, I want to emphasize that Morgan Keegan does not trade credit default swaps (CDS), either on a proprietary account basis or for the accounts of others. Neither do we publish investment recommendations advising clients to hold positions of CDS. As a large firm, we do circulate market updates both internally and externally, which may have included a summary statement regarding trading levels of Illinois CDS at the time such information was published. These statements are summaries of news articles and in some cases are approved for institutional account distribution.

Historically we have had minimal proprietary trading and currently have no ongoing proprietary trading programs. At one time we had a small variable rate-to-variable rate tender option bond program, but it was unwound during the liquidity crisis. The variable rate-to-variable rate structure of that type program highlights the conservative nature of our firm. It is this conservative approach that has led our consistent growth to the \$1.3 billion in revenues we have today, along with almost \$1 billion in equity capital. Our fiscal 2010 was no exception, producing another record revenue year marking at least 20 years of steady growth.

Our public finance practice is built on relationships, ideas and execution. The concept is simple: our priority is to build strong client relationships, bring those clients innovative, problem solving ideas, and execute the ideas better than any of our competitors. These principles are the driving force behind our banking team, which serves your State.

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OCT 31 2011

Governor's Chicago Office

Page 2
Mr. Sinsheimer

We are proud to be a part of the State's underwriting team as we continue to grow our presence there. If at any time you feel the financing needs of Illinois are not being met by our firm, please feel free to call me directly. It is our privilege to have the opportunity to serve your State.

Best regards,

A handwritten signature in black ink, appearing to read 'Kevin Thompson', written over a dotted line.

Kevin Thompson
Managing Director
Public Finance Investment Banking

cc: Rob Baird
President, Investment Banking

Oct 20, 2011

By Email and Overnight Mail

John Sinsheimer
Director of Capital Markets
State of Illinois
JRTC, Suite 15-100
100 W. Randolph
Chicago, Illinois 60601

Re: Request for CDS Information

Dear Mr. Sinsheimer:

We write on behalf of Morgan Stanley & Co., LLC. ("MSCO") to provide information regarding MSCO's activity in single-name credit default swaps related to the State of Illinois for the period of July, 1 2011 through September 30, 2011 as required by Illinois statute.

The CDS transactions referenced herein were not effected by MSCO. Rather, they were effected by affiliates of MSCO known as Morgan Stanley Capital Services, LLC. and Morgan Stanley International, PLC, neither of which act as an underwriter for State transactions. The cumulative notional volume¹ of State of Illinois CDS trades during the Review Period was \$144,900,000. The outstanding gross and net notional amount² of State of Illinois CDS as of the end of the Review Period is \$1,774,331,000 and \$77,669,000, respectively. There were no proprietary transactions in State of Illinois CDS effected during the review period, and there were no research or marketing reports created during the review period.

Respectfully submitted,



Carly Scales
Executive Director

cc: Kacy Bassett

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¹ This number reflects the sum of the absolute value of the notional of all purchases and sales for CDS related to the State of Illinois.

² We interpret gross notional value to mean the sum of the absolute values of the notional of the individual transactions. We interpret the net notional value to mean the net amount of underlying exposure on the State of Illinois when transacting in CDS.

M·R·BEAL & COMPANY
Investment Bankers & Financial Advisors

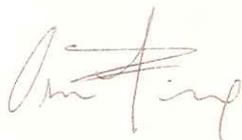
Dear Mr. Sinsheimer and Ms. Ronis,

Thank you for inviting M.R. Beal to submit information regarding the firm's market activities related to credit default swaps on State of Illinois General Obligations Bonds and Build Illinois Bonds from July 1, 2011 through September 30, 2011.

M.R. Beal's response to your request for information is attached and, as requested, your office will also receive two immediate hard copies.

Please do not hesitate to contact me directly with questions.

Sincerely,



Osee Pierre
Vice President
opierre@mrbeal.com

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OCT 27 2011

Governor's Cabinet

State of Illinois Credit Default Swap Questions

October 28, 2011

Disclose whether your firm has participated in credit default swap market-making activities related to any State of Illinois credit default swaps ("CDS") within the past 3 months. Please include and/or indicate the following:

- In the event of your firm's participation in the State of Illinois CDS activities within the past 3 months, please disclose your firm's cumulative notional volume of State of Illinois CDS trades and the firm's outstanding gross and net notional amount of State of Illinois CDS, as of the end of the current 3-month period.

As of the end of the current 3-month period, M.R. Beal & Company has not participated in any State of Illinois CDS activities.

- Disclose whether your firm has entered into any proprietary trades for its own account in State of Illinois CDS, as of the end of the current 3-month period.

As of the end of the current 3-month period, M.R. Beal & Company has not entered into any proprietary trades for its own account in State of Illinois CDS.

- Disclose your firm's outstanding gross and net notional amount of proprietary State of Illinois CDS and whether the net position is short or long credit protection, as of the end of the current 3-month period.

As of the end of the current 3-month period, M.R. Beal & Company has a ZERO outstanding gross and net notional amount of proprietary State of Illinois CDS.

- List all time periods during the past 3-months during which the firm held long or net short State of Illinois CDS proprietary credit protection positions, the amount of such positions, and whether those positions were net long or net short credit protection positions.

During the past 3-months, M.R. Beal & Company has not held ANY long or net short State of Illinois CDS proprietary credit protection positions.

- Indicate whether within the previous 3 months, the firm released any publicly available research or marketing reports that reference State of Illinois CDS and include those research or marketing reports as attachments.

Within the previous 3 months, M.R. Beal & Company has not released any publicly available research or marketing reports that reference State of Illinois CDS.



North South Capital LLC

October 25, 2011

State of Illinois Credit Default Swap Questions

North South Capital LLC has not participated in credit default swap market-making activities related to any State of Illinois credit default swaps ("CDS") within the past 3 months (July 1, 2011 through Sept. 30, 2011).

- In the event of your firm's participation in State of Illinois S activities within the past 3 months please disclose your firm's cumulative notional volume of State of Illinois CDS trades and the firm's outstanding gross and net notional amount of State of Illinois CDS, as of the end of the current 3-month period. **None- North South Capital LLC has not participated in credit default swap market-making activities related to any State of Illinois credit default swaps ("CDS") within the past 3 months**
- **North South Capital LLC has not entered into any proprietary trades for its own account in State of Illinois CDS as of the end of the current 3-month period.**
- Disclose your firm's outstanding gross and net notional amount of proprietary State of Illinois CDS and whether the net position is short or long credit protection, as of the end of the current 3-month period. **None- North South Capital LLC has not entered into any proprietary trades for its own account in State of Illinois CDS as of the end of the current 3-month period.**
- List all time periods during the past 3 months during which the firm held net long or net short State of Illinois CDS proprietary credit protection positions, the amount of such positions, and whether those positions were net long or net short credit protections positions. **None- North South Capital LLC has not entered into any proprietary trades for its own account in State of Illinois CDS as of the end of the current 3-month period.**
- **North South Capital within the previous 3 months, has not released any publicly available research or marketing reports that reference State of Illinois CDS.**

Jane Ott
President

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OCT 28 2011

GOVERNMENT SECURITY

50 South La Salle Street
Chicago, Illinois 60603
(312) 557-2000



Northern Trust

October 28, 2011

John Sinsheimer
Director of Capital Markets
State of Illinois
JRTC, Suite 15-100
100 W. Randolph
Chicago, Illinois 60601

Dear Mr. Sinsheimer,

This is in response to your letter regarding The Northern Trust Company's ("Northern") involvement in credit default swaps on State of Illinois General Obligation Bonds and Build Illinois Bonds. Northern has, in no way, participated in any State of Illinois credit default swaps. In addition, all of our responses to the enclosed questions provided in your letter are not applicable.

Should you have any questions, please feel free to contact me at (312) 557-0945.

Sincerely,

Allan R. Ambrose
Senior Vice President
The Northern Trust Company

Cc: Sophia Ronis

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OCT 31 2011

Governor's Chicago Office

NOT FDIC INSURED

May Lose Value

No Bank Guarantee



10-25-11

Mr. John Sinsheimer, Director of Capital Markets
State of Illinois Governor's Office of Management and Budget
JRTC, Suite 15-100
100 W. Randolph
Chicago, Illinois 60601

Dear Mr. Sinsheimer:

Oppenheimer & Co. Inc. participates in the credit default swap market as part of its overall participation in the capital markets. Our response to your specific questions on our market-making activities in State of Illinois credit default swaps ("CDS") within the last three months are as follows:

- In the event of your firm's participation in the State of Illinois CDS activities within the past 3 months please disclose your firm's cumulative notional volume of State of Illinois CDS trades and the firm's outstanding gross and net notional amount of State of Illinois CDS, as of the end of the current 3-month period.

None.

- Disclose whether your firm has entered into any proprietary trades for its own account in State of Illinois CDS, as of the end of the current 3-month period.

We have not.

- Disclose your firm's outstanding gross and net notional amount of proprietary State of Illinois CDS and whether the net position is short or long credit protection, as of the end of the current 3-month period.

We have none.

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Governor's Chicago Office

- List all time periods during the past 3 months during which the firm held net long or net short State of Illinois CDS proprietary credit protection positions, the amount of such positions, and whether those positions were net long or net short credit protection positions.

We had no positions.

- Indicate whether within the previous 3 months, the firm released any publicly available research or marketing reports that reference State of Illinois CDS and include those research or marketing reports as attachments.

We have not released any research or marketing reports on State of Illinois CDS.

Sincerely,

A handwritten signature in black ink that reads "J. M. Holland". The signature is written in a cursive style with a large, looped "D" at the end.

Jack Holland
Managing Director
Oppenheimer & Co. Inc.

October 31, 2011

Mr. John Sinsheimer
Director of Capital Markets
Governor's Office of Management and Budget
State of Illinois
JRTC, Suite 15-100
100 W. Randolph
Chicago, IL 60601

In addition to hard copy, sent via e-mail to: john.sinsheimer@illinois.gov and Sophia.ronis@illinois.gov

Dear Mr. Sinsheimer:

This letter is in response to your letter dated October 17, 2011 requesting information about Piper Jaffray's market activities related to credit default swaps per State Statute on State of Illinois General Obligation bonds and Build Illinois bonds from July 1, 2011 through September 30, 2011. We have reviewed our records, and the answer is none to all five questions.

If you have any further questions, please let me know.

Sincerely,



P. Jonathan Heroux
Managing Director
Public Finance Investment Banking
303 820-5848

Cc: Brad Langner

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Governor's Office of Management and Budget



VIA OVERNIGHT MAIL

October 26, 2011

John Sinsheimer
Director of Capital Markets
State of Illinois
Governor's Office of Management and Budget
JRTC, Suite 15-100, 100 W. Randolph
Chicago, IL 60601

Dear Mr. Sinsheimer:

This letter is in response to your letter of October 17, 2011 addressed to me as a Managing Director of PNC Capital Markets LLC. Based on conversations with the appropriate personnel of PNC Capital Markets LLC and PNC Bank, National Association, I can inform you that neither entity has participated in credit default swap market-making activities related to any State of Illinois credit default swaps ("CDS") during the period from July 1, 2011 through September 30, 2011 or released any publicly available research or marketing reports that reference State of Illinois CDS. Thus, neither entity has any information to report in response to the other four questions posed. In addition, based on the conversations referenced above, I can inform you that no other entities that are subsidiaries of The PNC Financial Services Group, Inc., are authorized to enter into credit default swaps for their own account. If you need any further assistance from PNC, please contact me by one of the means listed below.

Respectfully,


Jason DiMartini, Managing Director
Phone: 412-762-6580
Email: jason.dimartini@pnc.com

cc: Leonard S. Ferleger

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OCT 27 2011

Governor's Chicago Office

PNC Capital Markets LLC

Member of The PNC Financial Services Group

Three PNC Plaza 225 Fifth Avenue Pittsburgh Pennsylvania 15222

www.pnc.com

Products and services are offered through PNC Capital Markets LLC, a registered broker dealer, member FINRA and SIPC a subsidiary of PNC Financial Services Group. Investments and Insurance: Not FDIC Insured. No Bank or Federal Government Guarantee. May Lose Value.

PODESTA & CO.

208 SOUTH LASALLE STREET
SUITE 1460
CHICAGO, IL 60604
(312) 899-0133
FAX (312) 899-0910
podestaco.com

October 24, 2011

Mr. John Sinsheimer
Director of Capital Markets
State of Illinois
Governor's Office of Management and Budget
JRTC, 100 W. Randolph, Suite 16-100
Chicago, IL 60601

Dear Mr. Sinsheimer,

Podesta & Co. has not participated in any credit default swap market-making activities related to any State of Illinois credit default swaps ("DCS") within the past 3 months and has never released any publicly available research or marketing reports that reference the State of Illinois CDS.

Sincerely,



Carol Podesta Foley
President

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Governor's Office of Management and Budget



October 26, 2011

John Sinsheimer, Director of Capital Markets State of Illinois
Governor's office of Management and Budget
100 W. Randolph St.
Chicago, IL 60601

Mr. Sinsheimer:

Please find our response below to your communication dated October 17, 2011 regarding Ramirez & Co's ("Ramirez") use of credit default swaps ("CDS").

- 1) In the event of your firm's participation in State of Illinois CDS activities within the past 3 months please disclose your firm's cumulative notional volume of State of Illinois CDS trades and the firm's outstanding gross and net notional amount of State of Illinois CDS, as of the end of the current 3-month period.
 - a. **N/A - Ramirez does not and has not engaged in CDS trades of any sort.**
- 2) Disclose whether your firm has entered into any proprietary trades for its own account in State of Illinois CDS, as of the end of the current 3-month period.
 - a. **N/A - Ramirez does not and has not engaged in CDS trades of any sort.**
- 3) Disclose your firm's outstanding gross and net notional amount of proprietary State of Illinois CDS and whether the net position is short or long credit protection, as of the end of the current 3-month period.
 - a. **N/A - Ramirez does not and has not engaged in CDS trades of any sort.**
- 4) List all time periods during the past 3 months during which the firm held net long or net short State of Illinois CDS proprietary credit protection positions, the amount of such positions, and whether those positions were net long or net short credit protection positions.
 - a. **N/A - Ramirez does not and has not engaged in CDS trades of any sort.**
- 5) Indicate whether within the previous 3 months, the firm released any publicly available research or marketing reports that reference State of Illinois CDS and include those research or marketing reports as attachments.
 - a. **N/A - Ramirez has not released or produced any of the reports referenced above.**

Please feel free to reach out to me directly at 312-630-2002 if you have any questions or concerns regarding this disclosure.

Sincerely,

Phil Culpepper
Senior Vice President

CC: Sophia Ronis – GOMB
Ramirez Compliance Department

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Governor's Office

RAYMOND JAMES

TO: John Sinsheimer
Director of Capital Markets
State of Illinois
Governor's Office of Management and Budget

FROM: Raymond James

RE: State of Illinois Credit Default Swap Questions

DATE: October 31, 2011

In response to your request dated October 17, 2011, below please find information related to Raymond James' market activities related to credit default swaps per State Statute on State of Illinois General Obligation bonds and Build Illinois bonds from July 1, 2011 through September 30, 2011.

Per your request, this information is being furnished to you in hard copy form and to you and Sophia Ronis via email.

State of Illinois Credit Default Swap Questions

Disclose whether your firm has participated in credit default swap market-making activities related to any State of Illinois credit default swaps ("CDS") within the past 3 months. Please include and/or indicate the following:

In the event of your firm's participation in State of Illinois CDS activities within the past 3 months, please disclose your firm's cumulative notional volume of State of Illinois CDS trades and the firm's outstanding gross and net notional amount of State of Illinois CDS, as of the end of the current 3-month period.

Raymond James has **NOT** participated in CDS market-making activities related to any State of Illinois CDS within the past 3 months.

Disclose whether your firm has entered into any proprietary trades for its own account in State of Illinois CDS, as of the end of the current 3-month period.

Raymond James has **NOT** entered into any proprietary trades for its own account in State of Illinois CDS as of the end of the current 3-month period.

Disclose your firm's outstanding gross and net notional amount of proprietary State of Illinois CDS and whether the net position is short or long credit protection, as of the end of the current 3-month period.

Raymond James does **NOT** have outstanding gross or net notional amount of proprietary State of Illinois CDS.

List all time periods during the past 3 months during which the firm held net long or net short State of Illinois CDS proprietary credit protection positions, the amount of such positions, and whether those positions were net long or net short credit protection positions.

Raymond James has **NOT** held net long or short State of Illinois CDS proprietary credit protection positions at any time during the past 3 months.

Indicate whether within the previous 3 months, the firm released any publicly available research or marketing reports that reference State of Illinois CDS and include those research or marketing reports as attachments.

Raymond James has **NOT** released any publicly available research or marketing reports that reference State of Illinois CDS in the past 3 months.

RECEIVED
OCT 31 2011

Governor's Chicago Office



David Lacki, Director
RBC Capital Markets, LLC
500 W. Madison Street, Suite 2500
Chicago, IL 60661

Telephone: (312) 559-1654; Fax (312) 559-1650

November 22nd, 2011

John Sinsheimer
Director of Capital Markets
State of Illinois
JRTC, Suite 16-100
100 W. Randolph
Chicago, Illinois 60601

RE: State of Illinois Credit Default Swap Inquiry

Dear John:

On behalf of RBC Capital Markets, LLC please allow the following to reply to the October 17, 2011 correspondence related to the above captioned matter.

RBC Capital Markets, LLC has not participated in credit default swap market-making activities related to any State of Illinois credit default swap within the past 3 months. In addition, RBC Capital Markets has no responsive information to the five bullet points contained in the April 18 correspondence. This does not reflect a categorical decision by the firm not to recommend or sell credit default swaps in appropriate circumstances, nor has the firm made any determination regarding marketing making activities of credit default swaps in the future.

Please advise if you are in need of any further information.

Regards,

David Lacki
Director
Municipal Finance
RBC Capital Markets, LLC
312-559-1654

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DEC 01 2011
Governor's Chicago Office

cc: Ralph Desena
Mark Maroney
Brain Hellberg

October 25, 2011

John Sinsheimer
Director of Capital Markets
JRTC, Suite 15-100
100 W. Randolph
Chicago, Illinois 60601

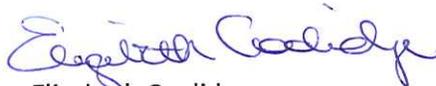
Dear John:

Below please find Siebert Brandford Shank's response to the State of Illinois's request for information regarding our firm's market activities related to credit default swaps ("CDS") from July 1, 2011 through September 30, 2011.

Siebert Brandford Shank does not participate in CDS market-making activities; accordingly, we have not participated in CDS market-making activities over the past three months. During this timeframe, our firm's cumulative notional volume of State of Illinois CDS trades is \$0 as is our firm's outstanding gross and net notional amount of State of Illinois CDS. Our firm has not entered into any proprietary trades for our own account in State of Illinois CDS as of the end of the current three-month period. Siebert Brandford Shank has never held net long or short State of Illinois CDS proprietary credit protection positions nor has our firm released any publicly available research or marketing reports that reference State of Illinois CDS over the past three months.

Please feel free to contact us if you have any questions or require additional information. We look forward to working with you and the State of Illinois in the future.

Thank you.



Elizabeth Coolidge
Managing Director

cc: Sophia Ronis

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OCT 28 2011

Governor's Chicago Office



October 27, 2011

John Sinsheimer
Director of Capital Markets
State of Illinois - Governor's Office of Management and Budget
JRTC, Suite 15-10
100 W. Randolph
Chicago, Illinois 60601

Mr. Sinsheimer,

On behalf of Sterne, Agee & Leach, Inc. ("Sterne Agee" or the "Firm") we would like to that the State of Illinois (the "State") for the Firm's recent appointment to the State's underwriting pool as a Co-Senior Manager. We look forward to the opportunity to serve the State in upcoming bond financing transactions.

Sterne Agee does not participate in State of Illinois Credit Default markets and has not in the past. Please see the enclosed as the Firm's formal response to your request for information about the Firm's market activities related to credit default swaps.

Thank you,

Shams Lawson
Senior Vice President
Sterne, Agee & Leach, Inc.
(212) 338-4733
slawson@sterneagee.com

Jordan Weiss
Associate
Sterne, Agee & Leach, Inc.
(212) 763-8229
jweiss@sterneagee.com

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OCT 27 2011

Governor's Chicago Office

BACKGROUND ON STATE OF ILLINOIS CREDIT DEFAULT SWAPS

Over the last year, the State of Illinois (the “State”) has seen its Credit Default Swap (“CDS”) rate rise to the highest of any State in the United States. More recently, the State has made an effort to strengthen its credit, including enacting sizable tax increases that were approved at the beginning of this year. The State’s CDS rate has remained above that of other states, and disproportionately high compared to the credit risk posed by the State. An excellent illustration of this point is that while California maintains the lowest credit rating among the States, and is widely considered to have the most credit concerns, the CDS rate for California has been and remains below that of Illinois.

The Credit default rate for a given issuer or credit does not technically factor into the pricing of its bonds, however, as the CDS rate is the primary indicator of the market’s perception of an issuer’s likelihood to default, in reality the rate does have a significant impact on pricing. Just like the ratings provided by the major agencies (Moody’s, S&P, and Fitch) affect investor’s confidence in the State. When CDS rates rise to levels that do not accurately reflect the credit quality of the State, the State pays an unfair penalty when issuing new bonds. As such, the State of Illinois has paid a significant premium over the last result as a result of the Credit Default Swap Market. When large institutions buy Credit Default Swaps of the State, they are making a bet against the ability of the State to fulfill its debt service obligations and signal to the rest of the market their discomfort with the State’s credit. Unfortunately, in the financial markets, it is often the case that perception becomes reality, meaning this signaling of discomfort by large institutions causes other investors to irrationally lose confidence in the State. This has a twofold effect: First, this signaled discomfort causes a decline in demand for new issuances of the State’s bonds, both by the investors that have purchased CDSs and by those observing the large institutions. This decline in demand for the State’s bonds directly leads to lower prices (higher yields) for new issuance and raises the overall borrowing cost for the State; Second, as these large institutions purchase CDSs and signal their concerns over the State’s credit worthiness to other market participants, other investors will begin to purchase CDSs, further driving up the State’s CDS rate and continuing the cycle of rising CDS rates and higher borrowing costs for the State.

We believe participation in the Municipal CDS Market by investment banks engaged in the underwriting of municipal bonds is contrary to the State’s best interests, and as result, Sterne Agee does not participate in this market. We also believe participation, or lack thereof, in the CDS market for a State’s credit should be considered in selecting a firm to serve as underwriter for the issuance of the State’s bonds because there is an inherent conflict of interest when the same firm which has a responsibility for obtaining the lowest yields on the bonds is making or taking bets against the credit of the State.



Thomas J. Gavin
 Managing Director
 Public Finance

October 25, 2011

Mr. John Sinsheimer
 Director of Capital Markets
 Governor's Office of Management and Budget
 Jr. Thompson Center, Suite 15-100
 100 West Randolph
 Chicago, IL 60601

Dear Mr. Sinsheimer,

We received your written request for information regarding our firm's market activities related to credit default swaps ("CDS") on State of Illinois General Obligation Bonds and Build Illinois Bonds. Below we provide Robert W. Baird's ("Baird") responses to your CDS questions.

Q: In the event of your firm's participation in State of Illinois CDS activities within the past 3 months please disclose your firm's cumulative notional volume of State of Illinois CDS trades and the firm's outstanding gross and net notional amount of State of Illinois CDS, as of the end of the current 3-month period.

A: Baird has not participated in State of Illinois CDS activities within the past 3 months.

Q: Disclose whether your firm entered into any proprietary trades for its own account in State of Illinois CDS, as of the end of the current 3-month period.

A: Baird has not entered into any proprietary trades for its own account in State of Illinois CDS.

Q: Disclose your firm's outstanding gross and net notional amount of proprietary State of Illinois CDS and whether the net position is short or long credit protection, as of the end of the current 3-month period.

A: Baird does not have any outstanding amounts of proprietary State of Illinois CDS.

Q: List all time periods during the past 3 months during which the firm held net long or net short State of Illinois CDS proprietary credit protection positions, the amount of such positions, and whether those positions were net long or net short credit protection positions.

A: Baird has not held State of Illinois CDS proprietary credit protection positions during the past 3 months.

Q: Indicate whether within the previous 3 months, the firm released any publicly available research or marketing reports that reference State of Illinois CDS and include those research or marketing reports as attachments.

A: Baird has not released any publicly available research or marketing reports that reference State of Illinois CDS within the previous 3 months.

Should you require any additional information, please feel free to contact me.

Sincerely,



Thomas J. Gavin
 Managing Director
 Robert W. Baird & Co.

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 OCT 28 2011

Governor's Office of Management and Budget

Robert W. Baird & Co. Incorporated
 300 East Fifth Avenue, Suite 200
 Naperville, IL 60563-3181
 Main (630) 778 9178
 Toll-Free (800) 686 4346
 Fax (630) 848 6450
 tgavin@rwbaird.com

STATE OF ILLINOIS CREDIT DEFAULT SWAP QUESTIONS

In the event of your firm's participation in State of Illinois CDS activities within the past 3 months, please disclose your firm's cumulative notional volume of State of Illinois CDS trades and the firm's outstanding gross and net notional amount of State of Illinois CDS, as of the end of the current 3-month period

Sterne Agee does not participate in State of Illinois CDS activities and , therefore, has zero cumulative notional volume of State of Illinois CDS trades and the Firm's outstanding gross and net notional amount of State of Illinois CDS is also zero.

Disclose whether your firm has entered into any proprietary trades for its own account in State of Illinois CDS, as of the end of the current 3-month period

Sterne Agee has not entered into any proprietary trades for our own account in State of Illinois CDS

Disclose your firm's outstanding gross and net notional amount of proprietary State of Illinois CDS and whether the net position is short or long credit protection, as of the end of the current 3-month period

Sterne Agee has no outstanding gross or notional amount of proprietary State of Illinois CDS

List all time periods during the past 3 months during which the firm held net long or net short State of Illinois CDS proprietary credit protection positions, the amount of such positions, and whether those positions were net long or net short credit protection positions

At no point in the past 3 months has Sterne Agee held a net long or net short State of Illinois CDS proprietary credit protection position

Indicate whether within the previous 3 months, the firm released any publicly available research or marketing reports that reference State of Illinois CDS and include those research or marketing reports as attachments

Sterne Agee has not, within the previous 3 months, released any publicly available research or marketing reports that reference State of Illinois CDS



Disclaimer

Finalized terms and conditions are subject to further discussion and negotiation and will be evidenced by a formal agreement. Opinions expressed are our present opinions only and are subject to change without further notice. The information contained herein is confidential. By accepting this information, the recipient agrees that it will, and it will cause its directors, partners, officers, employees and representatives to use the information only to evaluate its potential interest in the strategies described herein and for no other purpose and will not divulge any such information to any other party. Except in so far as required to do so to comply with applicable law or regulation, express or implied, no warranty whatsoever, including but not limited to, warranties as to quality, accuracy, performance, timeliness, continued availability or completeness of any information contained herein is made. Opinions expressed herein are current opinions only as of the date indicated. Any historical price(s) or value(s) are also only as of the date indicated.

The information contained herein has been prepared solely for informational purposes and is not an offer to buy or sell or a solicitation of an offer to buy or sell any security or instrument or to participate in any trading strategy. Sterne, Agee & Leach, Inc. does not provide accounting, tax or legal advice, however, you should be aware that any proposed indicative transaction could have accounting, tax, legal or other implications that should be discussed with your advisors and or counsel. The materials should not be relied upon for the maintenance of your books and records or for any tax, accounting, legal or other purposes. In addition, we mutually agree that, subject to applicable law, you may disclose any and all aspects of any potential transaction or structure described herein that are necessary to support any U.S. federal income tax benefits, without Sterne Agee & Leach, Inc. imposing any limitation of any kind.

Sterne, Agee & Leach, Inc. shall have no liability, contingent or otherwise, to the user or to third parties, or any responsibility whatsoever, for the correctness, quality, accuracy, timeliness, pricing, reliability, performance or completeness of the data or formulae provided herein or for any other aspect of the performance of this material. In no event will Sterne, Agee & Leach, Inc. be liable for any special, indirect, incidental or consequential damages which may be incurred or experienced on account of the user using the data provided herein.



SternBrothers&Co

INVESTMENT BANKING SINCE 1917

8000 MARYLAND AVENUE, SUITE 800
ST. LOUIS, MISSOURI 63105-3911
(314) 727-5519 • FAX (314) 727-7313
WWW.STERNBROTHERS.COM

December 1, 2011

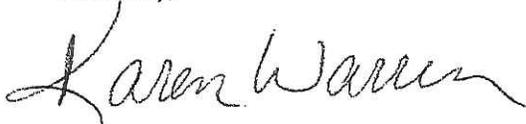
Sophia Ronis
Governor's Office of management and Budget

Re: Credit Default Swaps for period ending September 2011

- Stern Brothers & Co. did not participated in State of Illinois CDS activities during the 3rd quarter of 2011.
- Stern Brothers & co. has not entered into any proprietary trades for its own account in State of Illinois CDS as of the end of September 2011.
- Stern Brothers & Co. has not participated in State of Illinois CDS activities and therefore does not have any information to disclose in regards to our net position.
- Stern Brothers & Co. has not participated in state of Illinois CDS activities and therefore does not have any information to disclose in regard to time periods.
- Stern Brothers & co. has not released any research or marketing reports that reference State of Illinois CDS.

Please contact me if you have any questions.

Sincerely,



Karen Warren
Chief Compliance Officer

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Governor

STIFEL NICOLAUS

October 27, 2011

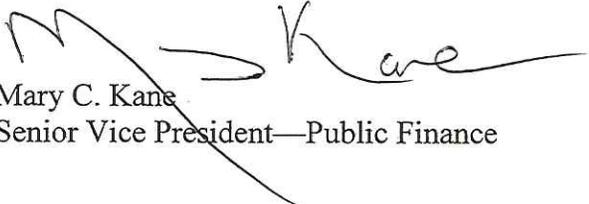
Mr. John Sinsheimer
Director of Capital Markets
Illinois Governor's Office of Management and Budget
James R. Thompson Center, Suite 15-100
100 West Randolph Street
Chicago, IL 60601

Via Electronic and U.S. Mail Delivery

Dear John:

In response to your letter of October 17, 2011 to Stifel, Nicolaus & Company, Incorporated, this is to advise you that Stifel Nicolaus has not participated in any credit default swap ("CDS") market-making activities related to any State of Illinois bonds, including, but not limited to, the State's General Obligation or Build Illinois bonds, within the period July 1, 2011 through September 30, 2011. A response to the questions accompanying your letter is attached.

Sincerely,


Mary C. Kane
Senior Vice President—Public Finance

MCK/jas

Attachment

CC: Sophia Ronis, Debt Analyst, Illinois Governor's Office of Management and Budget
Peter J. Czajkowski, Director of Public Finance, Stifel, Nicolaus & Company, Incorporated

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Governor's Chicago Office

STIFEL, NICOLAUS & COMPANY, INCORPORATED

ONE FINANCIAL PLAZA | 501 NORTH BROADWAY | ST. LOUIS, MISSOURI 63102 | (314) 342-2000 | WWW.STIFEL.COM

MEMBER SIPC AND NYSE

STIFEL, NICOLAUS & COMPANY, INCORPORATED
RESPONSE OF OCTOBER 27, 2011 TO THE STATE OF ILLINOIS
CREDIT DEFAULT SWAP QUESTIONS OF OCTOBER 17, 2011

As indicated in our letter dated October 27, 2011 to John Sinsheimer, Director of Capital Markets, State of Illinois, a copy of which is attached to this response, Stifel, Nicolaus & Company, Incorporated (“Stifel Nicolaus”) has not participated in any credit default swap (“CDS”) market-making activities related to any State of Illinois bonds, including, but not limited to, the State’s General Obligation and Build Illinois bonds, within the period July 1, 2011 through September 30, 2011.

1. As stated, Stifel Nicolaus has not participated in credit default swap market-making activities related to State of Illinois CDS’s activities within the past three months.
2. Stifel Nicolaus has not entered into any proprietary trades for its own account in State of Illinois CDS’s within the past three months.
3. Stifel Nicolaus does not nor has not had any gross nor net notational amount of proprietary State of Illinois CDS’s outstanding as of the end of the current three-month period.
4. There have been no time periods within the past three months during which Stifel Nicolaus has held net long or net short State of Illinois CDS’s proprietary credit protection positions.
5. Stifel Nicolaus has not released any publicly available research or marketing reports that reference State of Illinois CDS’s within the previous three months.

Government & Institutional Banking
Public Finance
MAC E2616-240
230 W. Monroe Street, Ste 2450
Chicago, IL 60606



October 25, 2011

JRTC, Suite 15-100
John Sinsheimer
100 W Randolph
Chicago, IL 60601

Re: State of Illinois Credit Default Swap Inquiry for Third Quarter 2011

Dear John:

I am writing in response to your letter dated October 17, 2011 in which you request information about Wells Fargo Bank, N.A.'s ("WFBNA") market activities related to State of Illinois ("IL") credit default swaps ("CDS") for the time period noted above.

After performing appropriate due diligence around your request, we have not identified any information indicating that WFBNA has participated in CDS market making activities related to any IL CDS in the relevant time period.

The only publicly available research or marketing reports released by WFBNA or by its affiliate, Wells Fargo Securities LLC, that we are aware of that references Illinois CDS is a General Market Municipal Commentary piece that is published by our Municipal Products Group's Credit Strategies team on Wednesday of each week. That piece includes a table listing CDS rates for several states (including State of Illinois) and directional commentary. An example of this piece was provided with our Second Quarter 2011 CDS inquiry response. A recent example can be provided upon request.

I trust this is responsive to your inquiry. Please let me know if you have any further questions.

Sincerely,

A handwritten signature in blue ink that reads "V.H. Chang".

Victor H. Chang
Director
Midwest Region
Public Finance

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Governors' Outreach Office

Together we'll go far



William Blair & Company®

October 26, 2011

Mr. John Sinsheimer
Director of Capital Markets
State of Illinois
Office of Management and Budget
James R. Thompson Center
100 West Randolph Street - Suite 15-100
Chicago, Illinois 60601

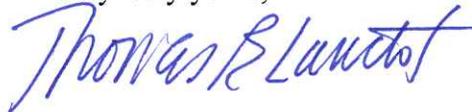
Dear Mr. Sinsheimer:

This letter responds to your letter dated October 17, 2011 requesting certain information concerning our firm's activities related to credit default swaps of the State of Illinois General Obligation and Build Illinois programs from July 1, 2011 through September 30, 2011.

William Blair & Company has never engaged in any market activities related to State of Illinois credit default swaps. The answer is "NONE" to all of the questions contained in the attachment to your letter. We are happy to provide any additional information that you think helpful.

We appreciate the opportunity to assist the State of Illinois with its capital markets needs, and in so doing we always try to align our interests with those of the State.

Very truly yours,



Thomas E. Lanctot

TEL:jts

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Governor's Chicago Office

WILLIAM BLAIR & COMPANY, L.L.C.

222 WEST ADAMS STREET CHICAGO, ILLINOIS 60606 312.236.1600 www.williamblair.com

The Williams Capital Group, L.P.

October 31, 2011

Mr. John Sinsheimer, Director of Capital Markets
State of Illinois
Governor's Office of Management and Budget
JTRC, Suite 15-100
100 W. Randolph
Chicago, Illinois 60601
United States

Re: State of Illinois Credit Default Swap Questions

Dear Mr. Sinsheimer:

In response to the State of Illinois letter dated October 17, 2011, requesting information concerning the Firm's activities relating to State of Illinois Credit Default Swaps ("CDS"), The Williams Capital Group, L.P. ("Williams Capital") discloses the following:

The Williams Capital Group, L.P. has not participated in any State of Illinois credit default swaps within the past three months, nor has the Firm entered into any proprietary trades for its own account State of Illinois CDS. In addition, Williams Capital has not released any publicly available research or marketing reports that reference State of Illinois CDS.

Williams Capital is not aware of any plans by any of its entities to transact in credit default swaps related to the State of Illinois.

Please see the Firm's response to the State of Illinois Credit Default Swap Questions.

Sincerely,



Jacqueline Knights, Director of Public Finance
The Williams Capital Group, L.P.
650 Fifth Avenue, 11th Floor
New York, NY 10019
(212) 373-4282
knights@willcap.com

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Governor's Chicago Office

The Williams Capital Group, L.P.

State of Illinois Credit Default Swap Questions

Disclose whether your firm has participated in credit default swap market-making activities related to any State of Illinois credit default swaps ("CDS") within the past 3 months. Please include and/or indicate the following:

- In the event of your firm's participation in State of Illinois CDS activities within the past 3 months, please disclose your firm's cumulative notional volume of State of Illinois CDS trades and the firm's outstanding gross and net notional amount of State of Illinois CDS, as of the end of the current 3-month period.

Not Applicable. The Williams Capital Group, L.P. ("Williams Capital") has not participated in any State of Illinois CDS activities with the past 3 months (July 1, 2011 to September 30, 2011).

- Disclose whether your firm has entered into any proprietary trades for its own account in State of Illinois CDS, as of the end of the current 3-month period.

Williams Capital has not entered into any proprietary trades for its own account in State of Illinois CDS during the current 3-month period.

- Disclose your firm's outstanding gross and net notional amount of proprietary State of Illinois CDS and whether the net position is short or long credit protection, as of the end of the current 3-month period.

\$0.00 (No positions).

- List all time periods during the past 3 months during which the firm held net long or net short State of Illinois CDS proprietary credit protection positions, the amount of such positions, and whether those positions were net long or net short credit protection positions.

None.

- Indicate whether within the previous 3 months, the firm released any publicly available research or marketing reports that reference State of Illinois CDS and include those research or marketing reports as attachments.

Williams Capital has not published nor released any publicly available research or marketing report that references State of Illinois CDS.