

An Agreement Among
the Attorneys General of the States and Commonwealths of Alabama, California, Connecticut,
Colorado, Florida, Idaho, Illinois, Kansas, Maryland, Massachusetts, Michigan, Missouri,
Montana, Nevada, New Jersey, New York, North Carolina, Ohio, Oregon, Pennsylvania, South
Carolina, Tennessee, Texas, Wisconsin, the District of Columbia
and Martin Kanefsky dated July 27, 2011

This Settlement Agreement is made and entered into this 27th day of July, 2011 (hereinafter, “Effective Date”), by and between the Attorneys General of the States and Commonwealths of Alabama, California, Connecticut, Colorado, Florida, Idaho, Illinois, Kansas, Maryland, Massachusetts, Michigan, Missouri, Montana, Nevada, New Jersey, New York, North Carolina, Ohio, Oregon, Pennsylvania, South Carolina, Tennessee, Texas, Wisconsin and the District of Columbia (hereinafter, Attorneys General) and Martin Kanefsky (hereinafter, “Kanefsky”).

WHEREAS, the Attorneys General have been conducting an investigation of civil violations of state and federal antitrust laws, state consumer protection laws and false claims statutes in the marketing, sale and placement of Investment Agreements (the “Attorneys General’s Investigation”);

WHEREAS, Kanefsky, a resident of New York, was the owner and chief executive of Kane Capital Strategies, Inc., a company located in New York that marketed financial products and services, including services as a broker for various governmental, quasi-governmental and not-for-profit municipal bond issuers throughout the United States;

WHEREAS, Kanefsky was charged with two counts of Conspiracy, pursuant to 18 U.S.C. §371, and one count of Wire Fraud, pursuant to 18 U.S.C. § 1343, in a criminal Information filed by the United States Department of Justice (“DOJ”) on August 12, 2010 arising from his involvement in the marketing, sale and placement of Investment Agreements;

WHEREAS, Kanefsky entered into a Plea Agreement on August 12, 2010 with the DOJ agreeing to waive indictment and pleading guilty to each count of the three-count Information;

WHEREAS, the Attorneys General, based upon their investigation, are prepared to allege the following conduct as relevant to this Settlement Agreement:

ALLEGATIONS

1. Bonds issued by governmental, quasi-governmental and not-for-profit entities in the United States (“Municipal Bonds”) represent an important source of funds for many such governmental, quasi-governmental and not-for-profit entities (“Issuers”) and are used to finance a variety of projects such as mass transit, repair of streets and roads, and construction of

buildings, low-income housing, schools and power plants as well as satisfying ongoing cash flow and debt service requirements.

2. While the proceeds from the issuance of Municipal Bonds are usually earmarked for specific purposes, the monies often are not required to be spent immediately. In such cases, the Issuer may seek a safe interest-bearing investment vehicle in order to earn interest on the funds until they are ready to be used.

3. Investment agreements used to invest the proceeds from a Municipal Bond issue include forward purchase, supply or delivery agreements, repurchase agreements, certificate of deposits on escrows and secured and unsecured Guaranteed Investment Contracts (collectively, "Investment Agreements").

4. Issuers invest in Investment Agreements with counterparties. These counterparties, or "providers," are most often large financial institutions such as commercial or investment banks, insurance companies or other financial service companies.

5. The Issuer will often retain the services of a broker or bidding agent who will be responsible for assisting the Issuer in evaluating and selecting the most appropriate provider for Investment Agreements. Kanefsky, doing business as Kane Capital Strategies, Inc., is one of several such brokers or bidding agents.

6. Beginning in the mid 1980s, Kanefsky acted as a broker, assisting Issuers with the investment of bond proceeds in Investment Agreements, as described in a. through d. below ("Relevant Conduct"):

a. During the period from at least October 2001 through at least November 2006, Kanefsky participated in various anticompetitive schemes by giving certain providers the opportunity to receive a "last look" (i.e., an opportunity to review other provider bids before providing their own final bid) on certain Investment Agreements.

b. This "last look" opportunity enabled certain providers with whom Kanefsky dealt to be less aggressive with their bids or to adjust their bids just enough to win. This conduct was contrary to what the Issuer expected through a competitive bid process - - the best terms available after vigorous competition. The long term effect of "last looks" can be to artificially impact the market level of bids.

c. Kanefsky concealed from his Issuer clients the fact that he gave "last looks" to favored providers on certain transactions. The Issuers believed that Kanefsky was instead using the bidding process to obtain the most "competitive" bids possible. Kanefsky effectuated this scheme by, among other things, making false representations to the Issuers that all

potential providers had an equal opportunity to bid and making other false representations to the Issuers.

d. The illegal schemes in which Kanefsky participated allowed him to be viewed more favorably by Issuers and providers, to the benefit of his business, and was profitable to the providers that participated in the scheme. As a result of their secret actions, providers were able to secure Investment Agreements that, absent the anticompetitive conduct, may have been awarded to other providers, or awarded to the Issuer on better terms than it received. In either case, in certain instances, the wrongful conduct injured certain Issuers and enabled certain providers to reap higher profits.

WHEREAS, based on this information, the Attorneys General are prepared to allege that Kanefsky: (a) engaged in a scheme to deprive municipal issuers located throughout the United States of money by causing them to award investment agreements and other municipal finance contracts at artificially determined or suppressed rates, and to deprive the municipal issuers of the property right to control their assets by causing them to make economic decisions based on false and misleading information; and (b) engaged in unfair and deceptive trade practices in the marketing, sale and placement of Investment Agreements, including, but not limited to, making false statements and omitting material facts;

WHEREAS, pursuant to this Settlement Agreement, Kanefsky agrees to make payments to certain Issuers affected by the conduct described in the Allegations above (which payments are described below);

WHEREAS, Kanefsky is entering into this Settlement Agreement prior to any court making any findings of fact or conclusions of law relating to the allegations of the Attorneys General, and Kanefsky neither admits nor denies the allegations of the Attorneys General above;

WHEREAS, Kanefsky has cooperated and has agreed to continue to cooperate fully with the ongoing Attorneys General's Investigation;

WHEREAS, in consideration of Kanefsky's full, voluntary and truthful cooperation and payments to certain Issuers affected by the conduct described in the Allegations above, the Attorneys General find that the relief and other provisions contained in this Settlement Agreement are appropriate and in the public interest; and

NOW THEREFORE, in exchange for the mutual obligations described below, Kanefsky and the Attorneys General hereby enter into this Settlement Agreement, and agree as follows:

SETTLEMENT PAYMENT

1. Kanefsky agrees to pay the amount of Two Hundred and Fifty Thousand Dollars (\$250,000) toward compensation for damages, losses, and related costs for those claims

released by this Settlement Agreement within thirty (30) days of the Effective Date of this Agreement. Payment shall be made by Kanefsky directly to the Issuers as directed by the Attorneys General. No portion of the money paid pursuant to this Agreement shall be considered a fine or a penalty.

2. Kanefsky warrants that, as of the Effective Date of this Settlement Agreement, he is not insolvent, nor will the payments required under this Settlement Agreement render him insolvent, as that term is used in the United States Bankruptcy Code.
3. Within five (5) business days of the completion of the payments directed by the Attorneys General, Kanefsky shall provide to the Attorneys General a final report documenting such payments. Upon request, Kanefsky shall make available for inspection by the Attorneys General, or their designated representatives, all records relating to such payments.

PROHIBITED CONDUCT

4. Kanefsky, acting on his behalf or on behalf of others, will not directly or indirectly, maintain, solicit, suggest, advocate, discuss or carry out any unlawful combination, conspiracy, agreement, understanding, plan or program with any provider, financial advisor, bidding agent or broker to (a) submit courtesy bids, intentionally losing bids or otherwise non-competitive bids for Investment Agreements, (b) refrain from bidding on, or negotiating for, Investment Agreements, or (c) unlawfully or fraudulently coordinate the preparation, submission, content, price and other terms of competitors' bids for competitively-bid Investment Agreements.

COOPERATION WITH THE ATTORNEYS GENERAL'S INVESTIGATION

5. Kanefsky agrees to continue to provide full, complete and prompt cooperation with the ongoing Attorneys General's Investigation, and related proceedings and actions against any other person, corporation or entity, consistent with any obligations he may have to the United States Department of Justice.
6. Cooperation shall include, but not be limited to: (a) producing, voluntarily, without service of subpoena, all information, documents or other tangible evidence requested by the Attorneys General that relates to the Attorneys General's Investigation; (b) preparing, without service of subpoena, any compilations or summaries of information or data that the Attorneys General request that relates to the Attorneys General's Investigation; (c) providing to the Attorneys General, or their designated representative, all facts related to the allegations set forth above that are now known, or subsequently learned, by Kanefsky; and (d) if requested by the Attorneys General, attending, on reasonable notice, any proceedings (including but not limited, to meetings, interviews, hearings, depositions, grand jury proceedings and trials) and answering completely, candidly and truthfully any

and all inquiries relating to the subject matter of the Attorneys General's Investigation that may be put to him by the Attorneys General (or any of them, their deputies, assistants or agents), all without service of subpoena. All of these obligations shall be carried out consistent with any obligations Kanefsky may have to the United States Department of Justice.

7. In the event any document or information is withheld or redacted on grounds of privilege, work-product or other legal doctrine, upon the request of the Attorneys General, or their designated representative, Kanefsky shall submit a statement in writing indicating: (i) the type of document or information; (ii) the date of the document; (iii) the author and recipient of the document; (iv) the general subject matter of the document or information; (v) the reason for withholding the document; and (vi) the Bates number or range of the withheld document. The Attorneys General or their designated representative may initiate a challenge to such claim in any state or federal court where jurisdiction is appropriate and may rely on all documents or communications theretofore produced or the contents of which have been described by Kanefsky.
8. It is agreed that any confidential information provided pursuant to the preceding Paragraphs 5-6 shall be covered by the Confidentiality Agreement, dated August 17, 2010, signed by Peter Chavkin, Esq. of Mintz Levin and Michael E. Cole, Assistant Attorney General of the Connecticut Attorney General's Office.
9. Kanefsky agrees not to compromise the integrity or confidentiality of any aspect of the Attorneys General's Investigation or any proceeding or actions relating to the Investigation, by sharing or disclosing evidence, documents, or other information provided to Kanefsky by the Attorneys General or their designated representative with others without the consent of the Attorneys General or their designated representative. Nothing herein shall prevent Kanefsky from providing such evidence to other government regulators, law enforcement agencies or as otherwise required by law.
10. Kanefsky shall maintain custody of, or make arrangements to have maintained, all available documents and/or records relating to Kanefsky's and Kane Capital Strategies, Inc.'s involvement in Investment Agreements dated from 1999 through 2006, including emails and personal and shared electronic files, as well as any other hard copy documents related to the pricing and/or bidding of Investment Agreements from 1999 through 2006 (including, but not limited to deal files and trade tickets), until the completion of the Attorneys General's Investigation and any related litigation, including appeals. If the Attorneys General determine that Kanefsky has intentionally given false, misleading or incomplete information or testimony, has failed to cooperate fully, or otherwise has violated any provision of this agreement, then the Attorneys General may deem this Settlement Agreement null and void. In the event the Attorneys General void this

Settlement Agreement, Kanefsky may be subject to a civil or administrative action brought by any of the Attorneys General for the conduct identified in the Allegations above. Moreover, any such action may be premised upon (1) any information or statement provided by Kanefsky to the Attorneys General or their agents or representatives, (2) any testimony given by him in court, grand jury or other proceeding, and (3) any leads derived from such information, statement or testimony. Kanefsky understands that such information, statements, testimony and leads derived therefrom may be used against him in any such action. Moreover, Kanefsky agrees that all such information, statements or testimony shall be admissible in any civil, criminal or administrative proceedings against him, and he expressly waives any claim under the United States Constitution, Rule 410 of the Federal Rules of Evidence, or any other federal or state rule or statute that such information, statements, testimony or leads should be excluded. Finally, Kanefsky waives any claim that such action is time-barred where the statute of limitations has expired between the signing of this Settlement Agreement and the commencement of any such lawsuit.

11. In the event Kanefsky becomes a witness at any action brought by the Attorneys General related to the conduct described in the Allegations, and in the event his testimony at such proceeding is materially different from any statements made or information disclosed to the Attorneys General, the Attorneys General may use such statements and information, and all evidence obtained directly or indirectly therefrom, to impeach, cross-examine or rebut such testimony or information. Kanefsky understands that such statements and information may be used against him in this manner.
12. The Attorneys General agree that if, in the sole and exclusive judgment of the Attorneys General, they should decide that Kanefsky has cooperated fully and truthfully, provided substantial assistance to the Attorneys General's Investigation and otherwise complied fully with this Settlement Agreement, then the Attorneys General, at the request of Kanefsky, will make such cooperation known to any court, or federal or state law enforcement, prosecuting, administrative or regulatory agency. The Attorneys General make no representations or agreements with Kanefsky or any person representing Kanefsky other than as set forth in this Settlement Agreement.

ENFORCEMENT

13. The Attorneys General, jointly or individually, may make such application as appropriate to enforce or interpret the provisions of this Settlement Agreement or, in the alternative, may maintain any action within their legal authority for such other and further relief as any Attorney General may determine in his/her sole discretion is proper and necessary for the enforcement of this Settlement Agreement. Kanefsky consents to the jurisdiction of the courts of the States of Alabama, California, Colorado, Connecticut, Florida, Idaho,

Illinois, Kansas, Maryland, Massachusetts, Michigan, Missouri, Montana, Nevada, New Jersey, New York, North Carolina, Ohio, Oregon, Pennsylvania, South Carolina, Tennessee, Texas, Wisconsin and Washington D.C. only for the purpose of an action brought by one or more of the Attorneys General to enforce the terms of this Settlement Agreement. New York law shall apply in any action brought by one or more of the Attorneys General to enforce the terms of this Agreement, except to the extent that the issue concerns the Confidentiality Agreement described in Paragraph 8 above, in which case the law of the relevant state will apply. The parties recognize that remedies at law for violations of this Settlement Agreement, except for Paragraphs 1, 2 and 3, are inadequate. The parties agree that, in any action to enforce the terms of this Settlement Agreement, except Paragraph 1, a court shall have the authority to award equitable relief, including specific performance, and the parties consent to the awarding of such equitable relief including specific performance.

14. This Settlement Agreement may be modified by the mutual agreement of Kanefsky and the Attorneys General. Any such modification shall be in writing and signed by all parties to this Settlement Agreement.
15. Any information obtained directly and exclusively from Kanefsky after the Effective Date of the Agreement shall not be disclosed to any state unless that state is (i) a member of the Attorneys General working group ("Working Group") on the Effective Date or (ii) joins the Working Group and agrees to be bound by all provisions of this Agreement.

RELEASE BY ATTORNEYS GENERAL AND
PARTICIPATING ATTORNEYS GENERAL

16. Subject to the satisfaction of the obligations of Kanefsky as set forth in this Settlement Agreement, including, without limitation, the obligations set forth in Paragraphs 1 and 5 through 10 hereof, each Attorney General releases Kanefsky and his heirs from all civil claims, counterclaims, cross claims, setoffs, causes of action of any type (whether common law, equitable, statutory, regulatory or administrative, class, individual or otherwise in nature, and whether reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured), demands, disputes, damages, restitution, whenever incurred, and liabilities of any nature whatsoever, including, without limitation, costs, fines, debts, expenses, penalties and attorneys' fees, known or unknown, arising out of his participation in the Relevant Conduct set forth above through the Effective Date of this Settlement Agreement that could have been asserted by each Attorney General in his or her sovereign capacity as chief law enforcement officer of his or her respective state. This release specifically does not purport to release any civil claims, counterclaims, cross claims, setoffs, causes of action of any type (whether common law, equitable, statutory, regulatory or

administrative, class, individual or otherwise in nature, and whether reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured), demands, disputes, damages, restitution, whenever incurred, and liabilities of any nature whatsoever, including, without limitation, costs, fines, debts, expenses, penalties and attorneys' fees, known or unknown, arising out of his participation in the Relevant Conduct set forth above, that any Issuer may have. This release does not, and is not intended to, benefit or apply to any person other than Kanefsky and his heirs.

PARTICIPATION OF ADDITIONAL ATTORNEYS GENERAL

17. The attorney general of any state that wishes to join in this settlement may opt in and accept the terms of this Settlement Agreement by signing the opt-in agreement appended hereto as Exhibit 1, within 60 days of the Effective Date. Any attorney general submitting a timely opt-in agreement will thereby become a party to this Settlement Agreement.

NOTICES AND REPORTS

18. All notices required to be provided shall be sent electronically or by first-class mail, postage pre-paid as follows:

For Kanefsky:

Peter Chavkin, Esq.
Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.
666 Third Avenue
New York, NY 10017

For Attorneys General:

Christopher M. Haddad
Assistant Attorney General, Antitrust Department
Office of the Connecticut Attorney General
55 Elm Street
Hartford, Connecticut 06141
christopher.haddad@ct.gov

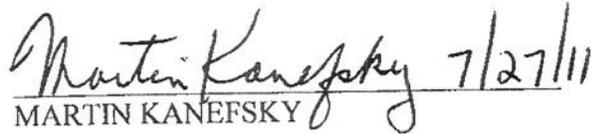
OTHER PROVISIONS

19. This Settlement Agreement is entered into voluntarily and solely for the purpose of resolving the claims and causes of action the Attorneys General have against Kanefsky. This Settlement Agreement and any and all negotiations, documents and discussions

associated with it shall not be used for any other purpose, except in proceedings or actions to enforce or interpret this Settlement Agreement. It shall not constitute or be construed as an admission or evidence of any violation of any statute or law or of any liability or wrongdoing by Kanefsky.

20. Nothing in this Settlement Agreement shall relieve Kanefsky of any obligations imposed by any applicable laws or regulations relating to the marketing, sale or placement of Investment Agreements.
21. Except as expressly set forth herein, this Settlement Agreement shall not confer any rights upon any persons or entities besides the Attorneys General and Kanefsky.
22. Nothing in this Settlement Agreement is intended to limit or bar any of the Attorneys General's claims against third parties, including but not limited to, claims against providers and other persons who conspired with Kanefsky. Nothing in this Settlement Agreement is intended to limit, bar or liquidate damages with respect to any of the Attorneys General's claims against any person other than Kanefsky and his heirs in any action brought by the Attorney(s) General against any such person.
23. This Settlement Agreement may be executed in counterparts.

WHEREFORE, IT IS SO AGREED AND the following signatures are affixed hereto on this ___ day of July, 2011.

 7/27/11
MARTIN KANEFSKY

STATE OF CONNECTICUT
GEORGE JEPSEN
ATTORNEY GENERAL

BY: _____
GEORGE JEPSEN

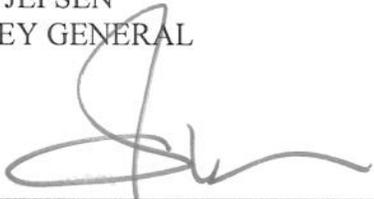
Michael E. Cole
Chief, Antitrust Department
Christopher M. Haddad
Assistant Attorneys General
55 Elm Street, PO Box 120
Hartford, CT 06141-0120
Tel: (860)808-5040
Fax: (860)808-5033
michael.cole@ct.gov

WHEREFORE, IT IS SO AGREED AND the following signatures are affixed hereto on this ___ day of July, 2011.

MARTIN KANEFSKY

STATE OF CONNECTICUT
GEORGE JEPSEN
ATTORNEY GENERAL

BY:

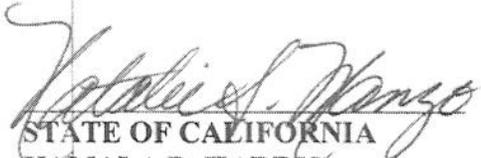


GEORGE JEPSEN

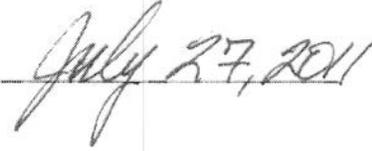
Michael E. Cole
Chief, Antitrust Department
Christopher M. Haddad
Assistant Attorneys General
55 Elm Street, PO Box 120
Hartford, CT 06141-0120
Tel: (860)808-5040
Fax: (860)808-5033
michael.cole@ct.gov

LUTHER STRANGE
ATTORNEY GENERAL
STATE OF ALABAMA
501 WASHINGTON AVENUE
MONTGOMERY, ALABAMA 36130
334-242-7401

Luther Strange


STATE OF CALIFORNIA
KAMALA D. HARRIS
Attorney General

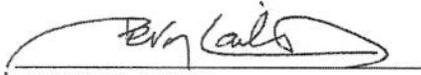
Dated: _____



Natalie S. Manzo
Supervising Deputy Attorney General
Office of the Attorney General
California State Bar No. 155655
300 South Spring Street, Suite 1702
Los Angeles, CA 90013
Telephone: 213-897-2707
Facsimile: 213-897-2801
Natalie.Manzo@doj.ca.gov

Municipal Bond Derivatives Settlement Agreement between State Attorneys General and Martin
Kanefsy

STATE OF COLORADO
JOHN W. SUTHERS
Attorney General

A handwritten signature in black ink, appearing to read "Devin Laiho", is written over a horizontal line.

DEVIN LAIHO
Assistant Attorney General
Consumer Protection

1525 Sherman Street, 7th Floor
Denver, Colorado 80203
Voice: 303-866-5079
Email: devin.laiho@state.co.us



STATE OF FLORIDA

PAMELA JO BONDI

Attorney General

Patricia A. Conners

Associate Deputy Attorney General

Nicholas Weilhammer

Assistant Attorney General

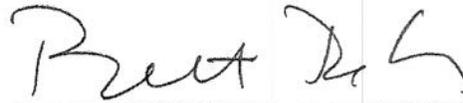
PL-01 The Capitol

Tallahassee, FL 32399-1050

Phone: (850) 414-3300

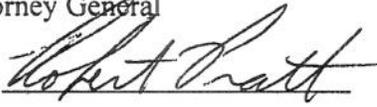
Dated July 15, 2011

LAWRENCE G. WASDEN
ATTORNEY GENERAL
STATE OF IDAHO



Brett T. DeLange (ISB No. 3628)
Deputy Attorney General
Consumer Protection Division
Office of the Attorney General
954 W. Jefferson St., 2nd Floor
P. O. Box 83720
Boise, Idaho 83720-0010
Telephone: (208) 334-4114
FAX: (208) 334-4151
brett.delange@ag.idaho.gov

STATE OF ILLINOIS
LISA MADIGAN
Attorney General

By: 

Robert Pratt
Assistant Attorney General
Office of the Illinois Attorney General
100 W. Randolph Chicago, IL 60601
(312) 814-3722

STATE OF KANSAS
DEREK SCHMIDT
Attorney General



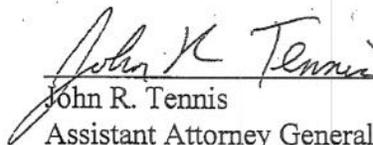
Lynette R. Bakker
Assistant Attorney General
Consumer Protection & Antitrust Division
120 S.W. 10th Avenue, 2nd Floor
Topeka, Kansas 66612-1597
Phone: (785) 286-2215
lynette.bakker@ksag.org

Date: July 27, 2011

DOUGLAS F. GANSLER
MARYLAND ATTORNEY GENERAL

Handwritten signature of Ellen S. Cooper in cursive, with a horizontal line underneath.

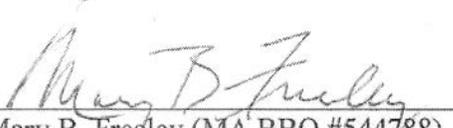
Ellen S. Cooper
Assistant Attorney General
Chief, Antitrust Division

Handwritten signature of John R. Tennis in cursive, with a horizontal line underneath.

John R. Tennis
Assistant Attorney General
Deputy Chief, Antitrust Division
Office of the Attorney General
200 St. Paul Place, 19th Floor
Baltimore, Maryland 21202
Tel. # (410) 576-6470
Fax # (410) 576-7830

COMMONWEALTH OF MASSACHUSETTS

MARTHA COAKLEY
Attorney General



Mary B. Freeley (MA BBO #544788)
Madonna E. Cournoyer (MA BBO #642060)
Assistant Attorneys General
Office of the Attorney General
One Ashburton Place
Boston, MA 02108
Phone: (617) 727-2200

STATE OF MICHIGAN
BILL SCHUETTE
Attorney General

A handwritten signature in black ink that reads "DJ Pascoe". The signature is written in a cursive, slightly stylized font. Below the signature is a horizontal line.

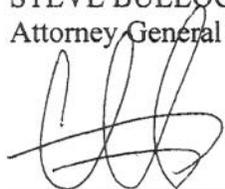
DJ Pascoe
Assistant Attorney General
Michigan Department of Attorney General
Corporate Oversight Division
Securities, Antitrust, and Business Section
G. Mennen Williams Building, 6th Floor
525 W. Ottawa Street
Lansing, Michigan 48933
Telephone: (517) 373-1160

STATE OF MISSOURI
CHRIS KOSTER
Attorney General

Andrew M. Hartnett

Andrew M. Hartnett
Assistant Attorney General
Missouri Attorney General's Office
P.O. Box 899
Jefferson City, MO 65102
Phone : (573) 751-7445
Fax : (573) 751-2041
andrew.hartnett@ago.mo.gov

STATE OF MONTANA
STEVE BULLOCK
Attorney General



Chuck Munson
Assistant Attorney General
Office of Consumer Protection
215. N Sanders
Helena, MT 59620-1401
(406) 444-2026
(406) 444-3549 (FAX)
cmunson@mt.gov

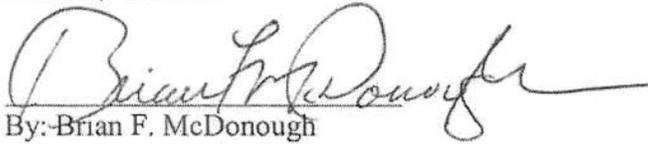
STATE OF NEVADA
CATHERINE CORTEZ MASTO
Attorney General

ERIC WITKOSKI
Consumer Advocate and Chief Deputy Attorney General

By: 
MICHAEL SAUNDERS
Senior Deputy Attorney General
State of Nevada, Office of the Attorney General
Bureau of Consumer Protection
555 E. Washington Ave., Suite 3900
Las Vegas, Nevada 89101
Telephone: (702) 486-3793
Email: msaunders@ag.nv.gov

Date: July 20, 2011

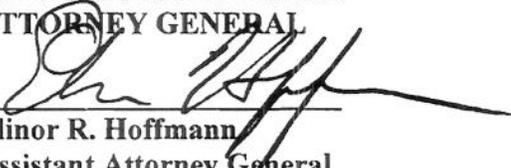
STATE OF NEW JERSEY
PAULA T. DOW
Attorney General



By: Brian F. McDonough
Assistant Attorney General
State of New Jersey, Office of the Attorney General
Department of Law and Public Safety
Division of Law
124 Halsey Street, 5th Floor
P.O. Box 45029
Newark, New Jersey 07101
Phone: 973-648-2500
Email: Brian.McDonough@dol.lps.state.nj.us

Dated: July 27, 2011

STATE OF NEW YORK
ERIC T. SCHNEIDERMAN
ATTORNEY GENERAL



Elinor R. Hoffmann
Assistant Attorney General

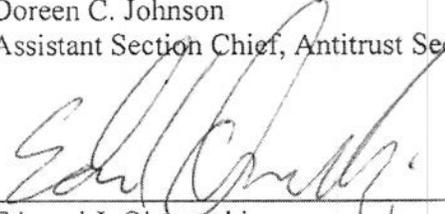
Office of the Attorney General
Antitrust Bureau
26th Floor, 120 Broadway
New York, NY 10271
Voice: (212) 416-8262
elinor.hoffmann@ag.ny.gov

ROY COOPER
Attorney General of North Carolina

By: 

K. D. Sturgis
Assistant Attorney General
NC State Bar No. 9486
North Carolina Department of Justice
P.O. Box 629
Raleigh, NC 27602
Tel. 919/716.6011
ksturgis@ncdoj.gov

STATE OF OHIO
MICHAEL DEWINE
Attorney General
Jennifer L. Pratt,
Section Chief, Antitrust Section
Doreen C. Johnson
Assistant Section Chief, Antitrust Section



Edward J. Olszewski
Assistant Attorney General, Antitrust Section
OSB Number 0082655
Ohio Attorney General's Office
150 E. Gay St, 23rd Floor
Columbus, OH 43215
Telephone: (614) 466-4328
Email: edward.olszewski@ohioattorneygeneral.gov

WHEREFORE, IT IS SO AGREED AND the following signatures are affixed hereto on this 28th day of July, 2011.

MARTIN KANEFSKY

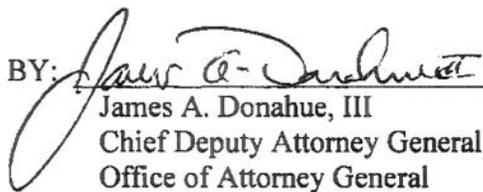
STATE OF CONNECTICUT
GEORGE JEPSEN
ATTORNEY GENERAL

BY: _____
GEORGE JEPSEN

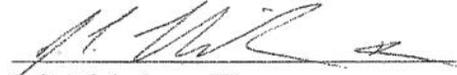
Michael E. Cole
Chief, Antitrust Department
Christopher M. Haddad
Assistant Attorneys General
55 Elm Street, PO Box 120
Hartford, CT 06141-0120
Tel: (860)808-5040
Fax: (860)808-5033
michael.cole@ct.gov

COMMONWEALTH OF PENNSYLVANIA

LINDA L. KELLY
ATTORNEY GENERAL

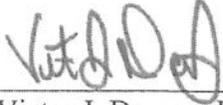
BY:  _____
James A. Donahue, III
Chief Deputy Attorney General
Office of Attorney General
Antitrust Section
14TH Floor, Strawberry Square
Harrisburg, PA 17120
Telephone: (717) 787-4530
Fax: (717) 787-1190
jdonahue@attorneygeneral.gov

STATE OF SOUTH CAROLINA
ALAN WILSON
Attorney General



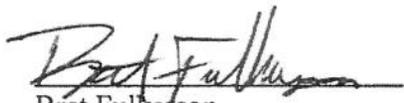
J.C. Nicholson, III
Assistant Attorney General
Office of South Carolina Attorney General
1000 Assembly Street
Rembert C. Dennis Bldg.
Post Office Box 11549
Columbia, South Carolina 29211
Phone: (803) 734-9916

ROBERT E. COOPER, JR.
Attorney General and Reporter
State of Tennessee



Victor J. Domen, Jr. (BPR#015803)
Senior Counsel
Tennessee Attorney General's Office
425 Fifth Avenue North
Nashville, TN 37202
Tel: (615) 253-3327
Fax: (615) 532-6951

STATE OF TEXAS
GREG ABBOTT
Attorney General

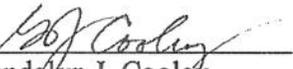
A handwritten signature in black ink, appearing to read "Bret Fulkerson", written over a horizontal line.

Bret Fulkerson
Assistant Attorney General
Texas Attorney General's Office
Texas Bar No. 24032209
300 West 15th Street, Floor 7
Austin, Texas 78701
Phone: (512) 463-4012
bret.fulkerson@oag.state.tx.us

July 25, 2011
Kanefsky Settlement

The State of Wisconsin elects to participate in the settlement agreement among the Attorneys General and Kanefsky.

J.B. Van Hollen
Attorney General

By: 
Gwendolyn J. Cooley
Assistant Attorney General
Wisconsin Department of Justice
17 W. Main St.
Madison, WI 53707-7857
(608) 261-5810
cooleygj@doj.state.wi.us

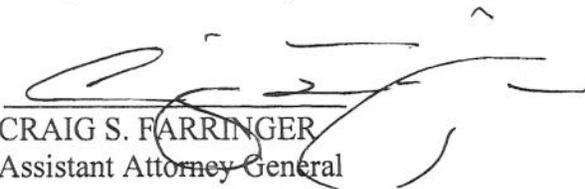
THE DISTRICT OF COLUMBIA

IRVIN B. NATHAN
Attorney General for the District of Columbia

GEORGE C. VALENTINE
Deputy Attorney General
Civil Litigation Division

ELLEN S. EFROS
Assistant Deputy Attorney General
Civil Litigation Division

BENNETT RUSHKOFF
Chief, Public Advocacy Section

By: 

CRAIG S. FARRINGER
Assistant Attorney General
Public Advocacy Section
Civil Litigation Division
Office of the Attorney General for the District of Columbia
441 4th Street, N.W., Suite 600S
Washington, DC 20001

July 27, 2011

Municipal Derivatives: Kanefsky

EXHIBIT 1
ELECTION BY ATTORNEY GENERAL TO PARTICIPATE
IN SETTLEMENT WITH MARTIN KANEFSKY

The Attorney General of _____ hereby elects to participate in the Settlement Agreement Among the Attorneys General of the States and Commonwealths of Alabama, Connecticut, California, Colorado, Florida, Idaho, Illinois, Kansas, Maryland, Massachusetts, Michigan, Missouri, Montana, Nevada, New Jersey, New York, North Carolina, Ohio, Oregon, Pennsylvania, South Carolina, Tennessee, Texas, Wisconsin, the District of Columbia and Martin Kanefsky, dated July 27, 2011, as a Participating Attorney General.