UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)
[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2010

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ______ to ______

Commission file number 0-16633

THE JONES FINANCIAL COMPANIES, L.L.L.P.

(Exact name of registrant as specified in its Charter)

MISSOURI	43-1450818
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)
12555 Manchester Road Des Peres, Missouri	63131
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (314) 515-2000

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
NONE	NONE

Securities registered pursuant to Section 12(g) of the Act:

Limited Partnership Interests

(Title of Class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. YES [ ] NO [X]

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. YES [ ] NO [X]

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES [X] NO [ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). YES [ ] NO [ ]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulations S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer [ ]	Accelerated filer [ ]
Non-accelerated filer [X] (do not check if a smaller reporting company)	Smaller reporting company [ ]

Indicated by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes [ ] No [X]

As of February 25, 2011, 673,678 units of limited partnership interest (“Units”) are outstanding, each representing $1,000 of limited partner capital. There is no public or private market for such Units.

DOCUMENTS INCORPORATED BY REFERENCE None

THE JONES FINANCIAL COMPANIES, L.L.L.P.
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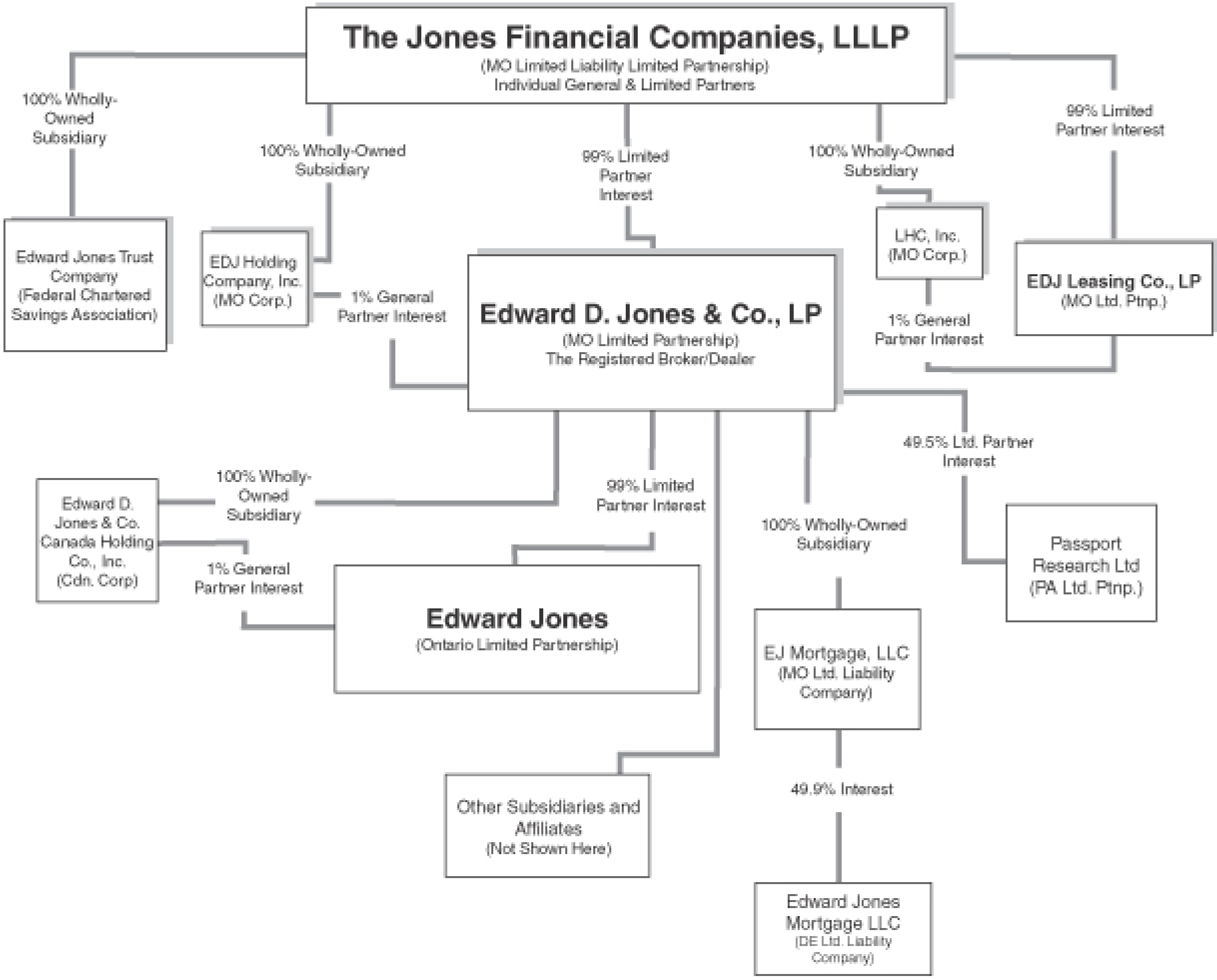
ITEM 1. BUSINESS

The Jones Financial Companies, L.L.L.P. (“JFC”) is a limited liability limited partnership organized under the Uniform Limited Partnership Law of the State of Missouri Revised Statutes. Unless expressly stated otherwise or the context otherwise requires, the terms “Registrant” and “Partnership” refer to The Jones Financial Companies, L.L.L.P. and all of its consolidated subsidiaries. The Partnership is the successor to Whitaker & Co., which was established in 1871 and dissolved on October 1, 1943, the organization date of Edward D. Jones & Co., L.P. (“Edward Jones”), the Partnership’s principal operating subsidiary. Edward Jones was reorganized on August 28, 1987, which was the organization date of The Jones Financial Companies, L.L.L.P.

Edward Jones is a registered broker-dealer primarily serving individual investors. As the ultimate parent company of Edward Jones, JFC is a holding company with no direct operations. Edward Jones primarily derives its revenues from the retail brokerage business through the sale of listed and unlisted securities and insurance products, investment banking, principal transactions, as a distributor of mutual fund shares and through revenue related to assets held by and account services provided to its customers. Edward Jones conducts business in the United States of America (“U.S.”) and Canada, with its customers, various brokers, dealers, clearing organizations, depositories and banks. As of December 31, 2010, the Partnership operates in two geographic operating segments, the U.S. and Canada. For financial information related to these two operating segments for the years ended December 31, 2010, 2009 and 2008, see Item 7 – Management’s Discussion and Analysis of Financial Condition and Results of Operations and Note 17 to the Consolidated Financial Statements.

ORGANIZATIONAL STRUCTURE

At December 31, 2010, the Partnership was organized as follows:



For additional information about the Partnership's other subsidiaries and affiliates, see Exhibit 21.

During 2009, Edward Jones sold 100% of the issued and outstanding shares of its subsidiary, Edward Jones Limited ("EDJ Limited"), a United Kingdom ("U.K.") private limited company engaged in the retail financial services business in the U.K., and dissolved the Edward Jones affiliate, Community Investment Partners III, L.P., L.L.L.P., which was a business development company.

Branch Office Network. Edward Jones serves individual long-term investors primarily in small to medium-size towns and metropolitan suburbs through its extensive network of branch offices. The Partnership operated 11,387 branch offices as of February 25, 2011, primarily staffed by a single financial advisor and a branch office administrator. Of this total, the Partnership operated 10,820 offices in the U.S. (located in all 50 states, predominantly in communities with populations of under 50,000 and metropolitan suburbs) and operated 567 offices in Canada.

Governance. Unlike a corporation, the Partnership is not governed by a board of directors and has no individuals who are designated as directors. Moreover, none of its securities are listed on a securities exchange and therefore the governance requirements that apply to many U.S. Securities and Exchange Commission ("SEC") reporting companies do not apply to it. Under the terms of the Partnership's Eighteenth Amended and Restated Partnership Agreement ("the Partnership Agreement"), the Managing Partner has primary responsibility for administering the Partnership's business, determining its policies and controlling the management and conduct of the Partnership's business, and has the power to appoint and dismiss general partners of the Partnership and to adjust the proportion of their respective interests in the Partnership. As of February 25, 2011, the Partnership was composed of 347 general partners, 14,870 limited partners and 254 subordinated limited partners. See Item 10 – Directors, Executive Officers and Corporate Governance for a description of the governance structure of the Partnership.

Revenues by Source. The following table sets forth on a continuing operations basis, for the past three years, the sources of the Partnership's revenues. Due to the interdependence of the activities and departments of the Partnership's investment business and the arbitrary assumptions required to allocate overhead, it is impractical to identify and specify expenses applicable to each aspect of the Partnership's operations. Further information on revenue related to the Partnership's reportable segments is provided in Note 17 to the Consolidated Financial Statements and Item 7 – Management's Discussion and Analysis of Financial Condition and Results of Operations.

(Dollars in thousands)	2010		2009		2008	
Commissions						
Mutual funds	$ 856,020	21%	$ 766,192	21%	$ 946,609	26%
Listed securities	338,605	8%	281,549	8%	279,095	7%
Insurance	326,698	8%	271,605	8%	282,336	7%
Over-the-counter securities	54,529	1%	41,581	1%	44,519	1%
Total commissions	1,575,852	38%	1,360,927	38%	1,552,559	41%
Asset-based fees	1,397,333	33%	967,386	28%	1,061,593	28%
Account and activity fees	503,264	12%	489,605	14%	470,978	12%
Principal transactions	320,777	8%	398,108	11%	493,335	13%
Investment banking	208,615	5%	183,797	5%	83,442	2%
Interest and dividends	126,769	3%	112,637	3%	184,919	5%
Other revenue (loss)	30,489	1%	35,558	1%	(25,572)	-1%
Total revenue	$4,163,099	100%	$3,548,018	100%	$3,821,254	100%

Commissions

Commissions revenue is primarily comprised of charges to customers for the purchase or sale of securities, mutual fund shares and insurance products. The following briefly describes the Partnership's sources of commissions revenue.

Mutual Funds. The Partnership distributes mutual fund shares in continuous offerings and new underwritings. As a dealer in mutual fund shares, the Partnership receives a dealer's discount which generally ranges from 1% to 5% of the purchase price of the shares, depending on the terms of each fund's prospectus and the amount of the purchase.

Listed Securities Transactions. The Partnership receives a commission when it acts as an agent for a customer in the purchase or sale of listed corporate securities. These securities include common and preferred stocks and corporate debt securities traded on and off the securities exchanges. The commission is based on the value of the securities purchased or sold.

Insurance. The Partnership sells life insurance, long-term care insurance, fixed and variable annuities and other types of insurance products of unaffiliated insurance companies to its customers through its financial advisors who hold insurance sales licenses. As an agent for the insurance companies, the Partnership receives commissions on the premiums paid for the policies.

Over-the-Counter Securities Transactions. Partnership activities in unlisted (over-the-counter) securities transactions are similar to its activities as a broker in listed securities. In connection with customer orders to buy or sell securities, the Partnership charges a commission for agency transactions.

Asset-Based Fees

The Partnership earns service fees on most of its customers' assets which are held by mutual fund companies and insurance companies. The fees generally range from 15 to 25 basis points (0.15% to 0.25%) of the value of the customer assets so held.

The Partnership also earns revenue sharing from certain mutual fund and insurance vendors. In most cases, this is additional compensation paid by investment advisers or distributors based on a percentage of average vendor assets held by the Partnership's customers, on those products covered under the revenue sharing agreements. Revenue sharing agreements that provide for a fixed annual payment are also included in asset-based fees.

The Partnership does not manage any mutual funds, although it is a 49.5% limited partner of Passport Research, Ltd., the advisor to certain money market funds made available to Edward Jones customers. Revenue from this source is primarily based on customer assets in the funds. However, due to the current low interest rate environment, the investment adviser voluntarily chose (beginning in March 2009) to reduce certain fees charged to the funds to a level that will maintain a positive customer yield on funds. For further information on this reduction of fees, see Item 7 – Management's Discussion and Analysis of Financial Condition and Results of Operations.

In addition, the Partnership earns fees from investment advisory services offered through Advisory Solutions and Managed Account Program ("MAP"), which are both registered as an investment advisory program with the SEC under the Investment Advisers Act of 1940. Advisory Solutions provides investment advisory services to its customers for a monthly fee based upon the average value of their assets in the program, and consists of an Edward Jones managed account invested in mutual funds, exchange-traded funds (ETFs) and money market funds. For this program, the customer must elect either a research or a custom type account model. If the customer elects a research type model, Edward Jones assumes full investment discretion on the accounts, which will be one of 36 different research models developed and managed by Edward Jones' Mutual Fund Research department. If the customer elects to build a custom type model, Edward Jones assumes limited investment discretion on the accounts developed by the customer and his or her financial advisor. The Partnership also plans to develop additional Advisory Solutions models, including Unified Managed Accounts (UMA).

MAP offers investment advisory services for a monthly fee based upon the average value of assets in the program, to customers by using independent investment managers rather than Edward Jones' Mutual Fund Research department.

In addition to the Advisory Solutions and MAP investment advisory programs mentioned above, the Partnership also earns asset-based fees from the trust and investment management services offered to its customers through EJTC.

Account and Activity Fees

Revenue sources include sub-transfer agent accounting services, Individual Retirement Account ("IRA") custodial services fees, and other product fees.

The Partnership charges fees to certain mutual funds for sub-transfer agent accounting services, including maintaining customer account information and providing other administrative services for the mutual funds. Also, the Partnership acts as the custodian for Edward Jones' IRA accounts and the customers are charged an annual fee for this service. Account and activity fees also include sales based revenue sharing fees pursuant to arrangements with certain mutual fund and insurance vendors where the vendors pay additional compensation to the Partnership based on a percentage of current year sales by the Partnership of products supplied by these vendors. The Partnership receives revenue from offering mortgage loans to its customers through a joint venture and through a co-branded credit card with a major credit card company. In addition, the Partnership earns transaction fee revenue relating to customer purchases and sales of securities.

Principal Transactions

The Partnership makes a market in over-the-counter corporate securities, municipal obligations (including general obligation and revenue bonds), U.S. government obligations, unit investment trusts, mortgage-backed securities and certificates of deposit. The Partnership's market-making activities are conducted with other dealers in the "wholesale" and "retail" markets where the Partnership acts as a dealer buying from and selling to its customers. In making markets in securities, the Partnership exposes its capital to the risk of fluctuation in the fair value of its security positions. The Partnership maintains securities positions solely to support its business of buying and selling securities to its retail customers and does not seek to profit by engaging in proprietary trading for its own account.

Investment Banking

Investment banking revenues are derived from the Partnership's underwriting of corporate securities and municipal obligations and distribution of U.S. government obligations and unit investment trusts on behalf of issuers. The Partnership's investment banking activities are performed primarily by its Syndicate and Investment Banking departments. The principal service which the Partnership renders as an investment banker is the underwriting and distribution of securities, either in a primary distribution on behalf of the issuer of such securities or in a secondary distribution on behalf of a holder of such securities. The distributions of corporate and municipal securities are, in most cases, underwritten by a group or syndicate of underwriters. Each underwriter has a participation in the offering.

Unlike many larger firms against which the Partnership competes, the Partnership historically has not, and does not presently engage in other investment banking activities, such as assisting in mergers and acquisitions, arranging private placement of securities issues with institutions, or providing consulting and financial advisory services to corporations.

In the case of an underwritten offering managed by the Partnership, the Syndicate and Investment Banking departments may form underwriting syndicates and work with the branch office network for sales of the Partnership's own participation and with other members of the syndicate in the pricing and negotiation of other terms. In offerings managed by others in which the Partnership participates as a syndicate member, these departments serve as active coordinators between the managing underwriter and the Partnership's branch office network.

The underwriting activity of the Partnership involves substantial risks. An underwriter may incur losses if it is unable to resell the securities it is committed to purchase or if it is forced to liquidate all or part of its commitment at less than the agreed upon purchase price. Furthermore, the commitment of capital to an underwriting may adversely affect the Partnership's capital position and, as such, its participation in an underwriting may be limited by the requirement that it must at all times be in compliance with the SEC's uniform net capital requirements (the "Uniform Net Capital Rule").

Interest and Dividends

Interest and dividends income is earned primarily on margin account balances, cash and cash equivalents, cash and investments segregated under federal regulations, securities purchased under agreement to resell, inventory securities and investment securities. Loans secured by securities held in customer margin accounts provide a source of income to the Partnership. The Partnership is permitted to use securities owned by margin customers having an aggregate market value generally up to 140% of the debit balance in margin accounts as collateral for the borrowings. The Partnership may also use funds provided by free credit balances in customer accounts to finance customer margin account borrowings.

The Partnership is exposed to market risk for changes in interest rates and market prices on its inventory and investment securities. The Partnership's interest income is impacted by the level of interest rates it charges its customers, the interest rate earned on overnight investments and the level of customers' loan balances and credit balances.

Significant Revenue Source

As of December 31, 2010, Edward Jones distributed mutual funds for approximately 75 mutual fund sponsors, including American Funds Distributors, Inc. which represents 21% of the Partnership's total revenue for the year ended December 31, 2010. This revenue consisted of commissions, asset-based fees and account and activity fees, which are described above. All of the revenue generated from this vendor relates to business conducted with the Partnership's U.S. segment.

BUSINESS OPERATIONS

Research Department. The Partnership maintains a Research department to provide specific investment recommendations and market information for retail customers. The department supplements its own research with the services of an independent research service. In addition, the Research department provides recommendations for asset allocation, portfolio rebalancing and investment selections for Advisory Solutions customer accounts.

Customer Account Administration and Operations. Employees in the Operations department are responsible for activities relating to customer securities and the processing of transactions with other broker-dealers, exchanges and clearing organizations. These activities include receipt, identification, and delivery of funds and securities, internal financial controls, accounting and personnel functions, office services, custody of customer securities and the handling of margin accounts. The Partnership processes substantially all of its own transactions.

To expedite the processing of orders, the Partnership's branch office system is linked to a headquarters office through an extensive communications network. Orders for securities are generally captured at the branch electronically, routed to headquarters and forwarded to the appropriate market for execution. The Partnership's processing of paperwork following the execution of a security transaction is automated and operations are generally on a current basis.

There is considerable fluctuation during any one year and from year to year in the volume of transactions the Partnership processes. The Partnership records transactions and posts its books on a daily basis. The Partnership has a computerized branch office communication system which is principally utilized for entry of security orders, quotations, messages between offices, research of various customer account information, and cash and security receipts functions. Headquarters personnel including operations and compliance personnel monitor day-to-day operations to determine compliance with applicable laws, rules and regulations. Failure to keep current and accurate books and records can render the Partnership liable to disciplinary action by governmental and self-regulatory organizations ("SROs").

The Partnership clears and settles virtually all of its listed and over-the-counter equities, municipal bond, corporate bond, mutual fund and annuity transactions for its U.S. broker-dealer through the National Securities Clearing Corporation ("NSCC"), Fixed Income Clearing Corporation ("FICC") and Depository Trust Company ("DTC"), which are all subsidiaries of the Depository Trust and Clearing Corporation located in New York, New York.

In conjunction with clearing and settling transactions with NSCC, the Partnership holds customer securities on deposit with DTC in lieu of maintaining physical custody of the certificates. The Partnership also uses a major bank for custody and settlement of treasury securities and Government National Mortgage Association ("GNMA"), Federal National Mortgage Association ("FNMA") and Federal Home Loan Mortgage Corporation ("FHLMC") issues.

The Partnership is substantially dependent upon the operational capacity and ability of NSCC, DTC, FICC, and Canadian Depository of Securities ("CDS"). Any serious delays in the processing of securities transactions encountered by these clearing and depository companies may result in delays of delivery of cash or securities to the Partnership's customers.

Broadridge Financial Solutions, Inc. ("Broadridge"), along with its U.S. business, Securities Processing Solutions, U.S., and its international business, Securities Processing Solutions, International, provide automated data processing services for customer account activity and related records for the U.S. and Canada, respectively. The Partnership does not employ its own floor brokers for transactions on exchanges. The Partnership has arrangements with other brokers to execute the Partnership's transactions in return for a commission based on the size and type of trade. If, for any reason, any of the Partnership's clearing, settling or executing agents were to fail, the Partnership and its customers would be subject to possible loss. To the extent that the Partnership would not be able to meet the obligations to the customers, such customers might experience delays in obtaining the protections afforded them.

The Canadian broker-dealer has an agreement with Broadridge to provide the securities processing systems, as well as an agreement with Computershare Trust Company of Canada to act as trustee for cash balances held by customers in their individual retirement accounts. The Canadian broker-dealer is the custodian for customer securities and manages all related securities and cash processing, such as trades, dividends, corporate actions, customer cash receipts and disbursements, customer tax reporting and statements.

As a self-clearing broker-dealer in Canada, the Canadian broker-dealer handles the routing and settlement of customer transactions. In addition, the Canadian broker-dealer is a member of CDS and FundServ for clearing and settlement of transactions. CDS effects clearing of securities on the Canadian National Stock Exchange ("CNQ"), Toronto Stock Exchange ("TSX") and TSX Venture Exchange ("CDNX"). Customer securities on deposit are also held with CDS.

The Partnership believes that its internal controls and safeguards concerning the risks of securities thefts are adequate. The possibility of securities thefts is an industry-wide risk. The Partnership has not had, to date, a significant problem with such thefts, other than in connection with the Tennessee matter described in Item 3 – Legal Proceedings. The Partnership maintains fidelity bonding insurance which, in the opinion of management, provides adequate coverage.

Employees. In contrast to some other broker-dealers, Edward Jones' financial advisors are employees, not independent contractors. As of February 25, 2011, the Partnership had approximately 37,000 full and part-time employees, including its 347 general partners and 12,479 financial advisors. The Partnership's financial advisors are generally compensated on a commission basis and may, in addition, be entitled to bonus compensation based on their respective branch office profitability and the profitability of the Partnership. The Partnership has in the past paid bonuses to its non-registered employees on a discretionary basis, but there can be no assurance that such bonuses will be paid for any given period or will be within any specific range of amounts.

U.S. employees of the Partnership are bonded under a blanket policy as required by NYSE rules. The annual aggregate amount of coverage is $50.0 million, subject to a $2.0 million deductible provision per occurrence. Canadian employees of the Partnership are bonded under a blanket policy as required by IIROC. The annual aggregate amount of coverage is $25.0 million, subject to a $0.05 million deductible provision per occurrence.

The Partnership maintains an initial training program for prospective financial advisors that spans nearly four months which includes preparation for regulatory exams, concentrated instruction in the classroom and on-the-job training in a branch office. During the first phase, the U.S. trainee spends nearly two months studying Series 7 and Series 66 examination materials and taking the examinations. In Canada, financial advisors have the requisite examinations completed prior to being hired. After passing the requisite examinations, trainees spend one week in a comprehensive training program in one of the Partnership's headquarters training facilities followed by seven weeks of on-the-job training in their market and in a nearby branch location. This training includes reviewing investments, compliance requirements, office procedures and understanding customer needs, plus establishing a base of potential customers. One final week is then spent in a headquarters training facility to complete the initial training program. Five months later, the financial advisor attends an additional training class in a headquarters location, and subsequently, the Partnership offers periodic continuing training to its experienced financial advisors for the entirety of their career. Training programs for the more experienced financial advisors focus on meeting customer needs and effective management of the branch office.

The Partnership considers its employee relations to be good and believes that its compensation and employee benefits, which include medical, life and disability insurance plans and profit sharing and deferred compensation retirement plans, are competitive with those offered by other firms principally engaged in the securities business.

Competition. The Partnership is subject to intense competition in all phases of its business from other securities firms, many of which are substantially larger than the Partnership in terms of capital, brokerage volume and underwriting activities. In addition, the Partnership encounters competition from other organizations such as banks, insurance companies, and others offering financial services and advice. The Partnership also competes with a number of firms offering discount brokerage services, usually with lower levels of personalized service to individual customers. With minor exceptions, customers are free to transfer their business to competing organizations at any time, although a fee may be charged to do so. There is intense competition among firms for financial advisors. In recent periods, the Partnership has experienced increasing efforts by competing firms to hire away its financial advisors, although the Partnership believes that its rate of turnover of financial advisors is not higher than that of other comparable firms.

REGULATION

The financial services industry in the U.S. is subject to extensive regulation under both federal and state laws.

Broker-Dealer and Investment Adviser Regulation

Broker-dealers are subject to regulations which cover all aspects of the securities business, including sales methods, trade practices among broker-dealers, use and safekeeping of customer funds and securities, customer payment and margin requirements, capital structure of securities firms, record-keeping and the conduct of directors, officers and employees.

The SEC is the federal agency responsible for the administration of the federal securities laws. Its mission is to protect investors, maintain fair, orderly and efficient markets and facilitate capital formation. Edward Jones, the Partnership's principal subsidiary, is registered as a broker-dealer and investment adviser with the SEC. Much of the regulation of broker-dealers has been delegated to SROs, principally the Financial Industry Regulation Authority, Inc. ("FINRA"). FINRA adopts rules (which are subject to approval by the SEC) that govern the broker-dealer industry and conducts periodic examinations of Edward Jones' operations.

Securities firms are also subject to regulation by state securities commissions in those states in which they conduct business. Edward Jones is registered as a broker-dealer in all 50 states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands.

The SEC, SROs and state securities commissions may conduct administrative proceedings which can result in censure, fine, suspension or expulsion of a broker-dealer, its officers or employees. In recent years, Edward Jones has been the subject of significant regulatory actions by various agencies that have the authority to regulate its activities (see Item 3 – Legal Proceedings for more information).

As an investment dealer in all provinces and territories of Canada, the Canadian broker-dealer is subject to provincial, territorial and federal laws. All provinces and territorial jurisdictions have established securities administrators to fulfill the administration of such securities laws. The Canadian broker-dealer is also subject to the regulation of the Canadian SRO, the Investment Industry Regulatory Organization of Canada ("IIROC"), which oversees the business conduct and financial affairs of its member firms, as well as all trading activity on debt and equity marketplaces in Canada. IIROC fulfills its regulatory obligations by implementing and enforcing rules regarding the proficiency, business and financial conduct of member firms and their registered employees, and marketplace integrity rules regarding trading activity on Canadian debt and equity marketplaces.

As a registered broker-dealer under U.S. federal law, Edward Jones must belong to the Securities Investors Protection Corporation ("SIPC"). For customers in the U.S., SIPC provides $500,000 of coverage for missing securities, including $250,000 for claims of cash awaiting investment. IIROC requires the Canadian broker-dealer to belong to the Canadian Investor Protection Fund ("CIPF"), a non-profit organization that provides investor protection for investment dealer insolvency. For customers in Canada, CIPF limits coverage to CAD$1,000,000 in total, which can be any combination of securities and cash.

Throughout 2010, the Partnership maintained additional protection for U.S. customers provided by Underwriters at Lloyd's. The additional protection contract provided by Underwriters at Lloyd's protects customers' accounts in excess of the SIPC coverage subject to specified limits. This policy covers theft, misplacement, destruction, burglary, embezzlement or abstraction of customer securities up to an aggregate limit of $900 million for covered claims of all U.S. customers of Edward Jones. Market losses are not covered by SIPC or the additional protection.

In addition, Edward Jones is subject to the rules and regulations of the Investment Advisers Act of 1940, which require investment advisers register with the SEC. The Investment Advisers Act's rules and regulations govern all aspects of the investment advisory business, including registration, trading practices, custody of customer funds and securities, record-keeping, advertising and business conduct.

Additional legislation, changes in rules promulgated by the SEC, the Department of Labor and SROs, and/or changes in the interpretation or enforcement of existing laws and rules, may directly affect the operations and profitability of broker-dealers and investment advisers. With the passage of the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank Act"), the SEC has been directed to study existing practices in the industry, and granted discretionary rulemaking authority to establish, among other things, comparable standards of conduct for broker-dealers and investment advisers when providing personalized investment advice about securities to retail customers and such other customers as the SEC provides by rule. The SEC will engage in rulemaking or issue interpretive guidance concerning the standard of conduct for broker-dealers and investment advisers. It is likely FINRA or other regulatory authorities will also issue rules related to the Dodd–Frank Act, but unclear at this time what impact such rulemaking activities will have on the Partnership or its operations.

Trust Regulation

EJTC is subject to supervision and regulation by the Office of Thrift Supervision ("OTS"). Its holding company, the Partnership, is also subject to oversight and periodic examination by the OTS. Due to recently enacted legislation, the OTS is scheduled to be merged into the Office of the Comptroller of the Currency (the "OCC") in 2011 and, after that merger, the OCC will become the primary regulator for EJTC. The Board of Governors of the Federal Reserve System will assume responsibility from the OTS for supervising the Partnership as a savings and loan holding company.

Uniform Net Capital Rule

As a broker-dealer and a member firm of FINRA, Edward Jones is subject to the Uniform Net Capital Rule which is designed to measure the general financial integrity and liquidity of a broker-dealer and the minimum net capital deemed necessary to meet the broker-dealer's continuing commitments to its customers. The Uniform Net Capital Rule provides for two methods of computing net capital and Edward Jones has adopted what is generally referred to as the alternative method. Minimum required net capital under the alternative method is equal to the greater of $0.25 million or 2% of the aggregate debit items, as defined. The Uniform Net Capital Rule prohibits withdrawal of equity capital whether by payment of dividends, repurchase of stock or other means, if net capital would thereafter be less than minimum requirements. Additionally, certain withdrawals require the approval of the SEC to the extent they exceed defined levels even though such withdrawals would not cause net capital to be less than 5% of aggregate debit items. In computing net capital, various adjustments are made to exclude assets which are not readily convertible into cash and to provide a conservative valuation of other assets, such as a company's securities owned. Failure to maintain the required net capital may subject a firm to suspension or expulsion by FINRA, the SEC and other regulatory bodies and/or exchanges and may ultimately require its liquidation. Edward Jones has, at all times, been in compliance with the Uniform Net Capital Rule.

The Partnership has other operating subsidiaries, including EJTC and the Canadian broker-dealer. These wholly-owned subsidiaries are required to maintain specified levels of regulatory capital. Each subsidiary has, at all times, been in compliance with the applicable capital requirements in the jurisdictions in which they operate.

FORWARD-LOOKING STATEMENTS

This report on Form 10-K, and in particular Management's Discussion and Analysis of Financial Condition and Results of Operations, contains forward-looking statements within the meaning of the federal securities laws. You can identify forward-looking statements by the use of the words "believe," "expect," "anticipate," "intend," "estimate," "project," "will," "should," and other expressions which predict or indicate future events and trends and which do not relate to historical matters. You should not rely on forward-looking statements, because they involve known and unknown risks, uncertainties and other factors, some of which are beyond the control of the Partnership. These risks, uncertainties and other factors may cause the actual results, performance or achievements of the Partnership to be materially different from the anticipated future results, performance or achievements expressed or implied by the forward-looking statements. See further discussion of risks and uncertainties in Item 1A – Risk Factors.

Some of the factors that might cause differences include, but are not limited to, the following: (1) general economic conditions; (2) regulatory actions; (3) changes in legislation; (4) actions of competitors; (5) litigation; (6) the ability of customers, other broker-dealers, banks, depositories and clearing organizations to fulfill contractual obligations; (7) changes in interest rates; (8) changes in technology; (9) a fluctuation or decline in the fair value of securities; and (10) securities theft. These forward-looking statements were based on information, plans, and estimates at the date of this report, and the Partnership does not undertake to update any forward-looking statements to reflect changes in underlying assumptions or factors, new information, future events or other changes.

ITEM 1A. RISK FACTORS

The Partnership is subject to a number of risks potentially impacting its business, financial condition, results of operations and cash flows. In addition to the risks and uncertainties discussed elsewhere in this Annual Report on Form 10-K, or in the Partnership's other filings with the SEC, the following are some important factors that could cause the Partnership's actual results to differ materially from results experienced in the past or those projected in any forward-looking statement. The risks and uncertainties described below are not the only ones facing the Partnership. Additional risks and uncertainties not presently known to the Partnership or that the Partnership currently deems immaterial could also have a material adverse effect on the Partnership's business and operations. If any of the matters included in the following risks were to occur, the Partnership's business, financial condition, results of operations and cash flows could be materially adversely affected.

RISK RELATED TO THE PARTNERSHIP'S BUSINESS

MARKET CONDITIONS — *As a part of the securities industry, turbulent market conditions occurring in the U.S. and global securities markets has in the past had, and could in the future have, a significant negative effect on revenues and could significantly reduce or eliminate profitability of the Partnership.*

General political and economic conditions such as unemployment, natural disasters, political unrest, insolvency or bankruptcy of public companies or government entities, terrorist attacks, war, local economic and political conditions, regulatory or legislative changes or interest rate or currency rate fluctuations could create significant fluctuations in the U.S and global securities markets.

The securities industry, including the Partnership, is highly dependent upon market prices and volumes which are highly unpredictable and volatile in nature. For instance, as a result of the acceleration of economic turmoil in late 2008 and 2009 and its very negative impact on the securities markets, the Partnership experienced significant declines in its net revenues which adversely impacted its overall financial results.

Material reductions in volume and lower securities prices will result in lower commission revenue, reduced fees due to lower average value of customer assets and losses in dealer inventory accounts and syndicate positions, which reduce the profitability of the Partnership's operations. The Partnership may also be subject to an increased risk of customers being unable to meet their commitments such as margin obligations. If customers are unable to meet their margin obligations, the Partnership has an increased risk of losing money on margin transactions and incurring additional expenses defending or pursuing claims. Developments such as lower revenues and declining profit margins could reduce or eliminate the Partnership's profitability.

LEGISLATIVE AND REGULATORY INITIATIVES — *Newly adopted federal legislation and pending regulatory proposals intended to reform the financial services industry could significantly impact the regulation and operation of the Partnership and its subsidiaries, its revenue and its profitability. In addition, such laws and regulations may significantly alter or restrict the Partnership's historic business practices, which could negatively affect its operating results.*

The Partnership is subject to extensive regulation by federal and state regulatory agencies and by SROs within the industry. The Partnership operates in a regulatory environment that is subject to ongoing change and has seen significantly increased regulation in recent years. The Partnership may be adversely affected as a result of new or revised legislation or regulations, changes in federal, state or foreign tax laws and regulations, or by changes in the interpretation or enforcement of existing laws and regulations.

The Dodd-Frank Act. The Dodd-Frank Act, passed by the U.S. Congress and signed by the President on July 21, 2010, includes provisions that could potentially impact the Partnership's operations.

Among numerous provisions in the Dodd-Frank Act are those pursuant to which the SEC has been directed to study existing practices in the industry, and has been granted discretionary rulemaking authority to establish, among other things, comparable standards of conduct for broker-dealers and investment advisers when providing personalized investment advice about securities to retail customers, and such other customers as the SEC provides by rule.

In addition, the Dodd-Frank Act contains new or enhanced regulations that could impact specific securities products offered by the Partnership to investors and specific securities transactions. It is unclear at this time whether the SEC will engage in rulemaking or issue interpretive guidance concerning the standard of conduct for broker-dealers and investment advisers.

Also, the Dodd-Frank Act shifts regulatory authority over federal savings associations, which includes trust thrifts, such as the EJTC from the OTS to the OCC and directs that the OTS be merged within the OCC. This shift of authority could become effective as early as July 21, 2011, or as late as January of 2013.

It is unknown what rules FINRA or other regulatory authorities will issue pursuant to authority delegated to them in the Dodd-Frank Act and what impact such rulemaking activities will have on the Partnership or its operations. Since the passage of the Dodd-Frank Act the Partnership has not been required to enact material changes to its operations. However, the Partnership continues to review and evaluate the provisions of the Dodd-Frank Act and the impending rules to determine what impact or potential impact it may have on the financial services industry, the Partnership and its operations.

International Financial Reporting Standards. The International Accounting Standards Board ("IASB") developed a core set of accounting standards to act as a framework for financial reporting known as the International Financial Reporting Standards ("IFRS"). By 2007, the majority of listed European Union companies, including banks and insurance companies, began using IFRS to prepare financial statements. In contrast, the majority of public companies in the U.S. prepare financial statements under GAAP.

The SEC has proposed a mandatory adoption of IFRS starting in 2015 with early adoption permitted before that date. It is unclear at this time how the SEC will propose GAAP and IFRS be harmonized if the proposed change is adopted. In addition, the Canadian Accounting Standards Board has announced a mandatory adoption of IFRS in Canada starting in 2011. The Partnership has evaluated IFRS and determined that adoption by the Canadian broker-dealer will not have a significant impact to the Partnership's Canadian financial position or results of operations. However, the Partnership is currently unable to determine what impact, if any, IFRS would have on its financial position or results of operations if adopted by its U.S. entities. If adopted IFRS could significantly impact the way the Partnership determines income before allocations to partners, allocations to partners, or returns on partnership capital.

In addition, switching to IFRS will be a complex endeavor for the Partnership. The Partnership will need to develop new systems and controls around the principles of IFRS. Since this is a new endeavor, the specific costs associated with this potential conversion are uncertain.

Rule 12b-1 Fees. The Partnership receives various payments in connection with the purchase, sale and holding of mutual fund shares by its customers. Those payments include “Rule 12b-1 fees”. Rule 12b-1 allows a mutual fund to pay distribution and marketing expenses out of the fund’s assets. The SEC currently does not limit the size of Rule 12b-1 fees that funds may pay, FINRA does impose such limitations. However, on July 21, 2010, the SEC proposed reform of Rule 12b-1 under the Investment Company Act of 1940 (the “ICA”). The proposal includes: rescission of Rule 12b-1 and a proposed new Rule 12b-2 which would allow funds to deduct a fee on an annual basis of up to 25 basis points to pay for distribution expenses without a cumulative cap on this fee. Additionally, the proposal includes other amendments that would permit funds to deduct an asset-based distribution fee in which the fund may deduct ongoing sales charges with no annual limit, but cumulatively the asset-based distribution fee could not exceed the amount of the highest front-end load for a particular fund. The proposed rule also allows funds to create and distribute a class of shares at net asset value and dealers could establish their own fee schedule. The proposal includes additional requirements for disclosure on trade confirmations and in fund documents. These proposed rules have not been enacted and the Partnership cannot predict with any certainty whether or which of these proposals will be enacted in their current form, revised form or not enacted at all. In addition, the Partnership is not yet able to determine the potential financial impact on its operating results, related to this proposed reform of Rule 12b-1. For further information on the amount of Rule 12b-1 fees (i.e., service fees) earned by the Partnership, see Item 7 – Management’s Discussion and Analysis of Financial Condition and Results of Operations.

Health Care Reform. The Patient Protection and Affordable Care Act (“PPACA”) was signed into law on March 30, 2010. PPACA requires employers to provide affordable coverage with a minimum essential benefit to full-time employees or pay a financial penalty. The bill contains provisions that go into effect over the next several years that expand employee eligibility for the Partnership’s medical plan and places limits on plan design. Regulatory guidance required to fully assess the impact of this law is still forthcoming. Accordingly, the Partnership is not yet able to determine the full potential financial impact on its operating results. However, the Partnership has performed an initial evaluation of the impact related to the increase in dependent eligibility applicable to 2011 and related premiums to employees, and has determined that this element of the reform is not expected to have a material impact on the Partnership’s Consolidated Financial Statements.

Any of the foregoing regulatory initiatives could adversely affect the Partnership’s business operations and business model. The current rules and regulations and any future rules and regulations arising from the foregoing regulatory initiatives could significantly and adversely impact the Partnership’s operating costs, its structure, its ability to generate revenue and its overall profitability.

COMPETITION — *The Partnership is subject to intense competition for customers and personnel, and many of its competitors have greater resources.*

All aspects of the Partnership’s business are highly competitive. The Partnership competes for customers and personnel directly with other securities firms and increasingly with other types of organizations and other businesses offering financial services, such as banks and insurance companies. Many of these organizations have substantially greater capital and additional resources, and some entities offer a wider range of financial services. Over the past several years, there has been significant consolidation of firms in the financial services industry, forcing the Partnership to compete with larger firms with greater capital and resources, brokerage volume and underwriting activities, and more competitive pricing. Also, the Partnership continues to compete with a number of firms offering discount brokerage services, including online brokerage services, usually with lower levels of personalized service to individual customers. With minor exceptions, customers are free to transfer their business to competing organizations at any time, although there may be a fee to do so.

Competition among financial services firms also exists for financial advisors and other personnel. The Partnership's continued ability to expand its business and to compete effectively depends on the ability of the Partnership to attract qualified employees and to retain and motivate current employees. If the profitability of the Partnership decreases, then bonuses paid to financial advisors and other personnel, along with profit-sharing contributions, may be decreased or eliminated, increasing the risk that personnel could be hired away by competitors. In addition, the Partnership has recently faced increased competition from larger firms in its non-urban markets, and from a broad range of firms in the urban and suburban markets in which it competes.

The competitive pressure the Partnership experiences could have an adverse effect on its business, results of operations, financial condition and cash flow. See Item 1 – Business Operations – Competition for additional information.

Branch Office System — ***The Partnership's system of maintaining branch offices primarily staffed by one financial advisor may expose the Partnership to risk of loss or liability from the activities of the financial advisors.***

Most of the Partnership's branch offices are staffed by a single financial advisor and a branch office administrator without an onsite supervisor as would be found at broker-dealers with multi-broker branches. The Partnership's primary supervisory activity is conducted from its headquarters offices. Although this method of supervision is designed to comply with all applicable industry and regulatory requirements, it is possible that the Partnership is exposed to a risk of loss arising from alleged imprudent or illegal actions of its financial advisors. Furthermore, the Partnership may be exposed to further losses if additional time elapses before its supervisory personnel detect problem activity.

In addition, the Partnership maintains personal financial and account information and other documents and instruments for its customers at its branch offices, both physically and in electronic format. Despite reasonable precautions, because the branch offices are relatively small and some are in remote locations, the security systems at these branch offices may not prevent theft of such information. If security of a branch is breached and personal financial and account information is stolen, the Partnership's customers may suffer financial harm and the Partnership could suffer financial harm, reputational damage and potential disciplinary actions from SROs.

Inability to Achieve Our Growth Rate — ***If the Partnership is unable to fully achieve its goals for hiring and training its financial advisors or the attrition rate of its financial advisors is higher than its expectations, the Partnership may not be able to meet its planned growth rates or maintain the current number of financial advisors.***

It has been and may continue to be difficult for the Partnership to attract qualified applicants for financial advisor positions. The Partnership relies heavily on referrals from its current financial advisors in recruiting new financial advisors. When there is an economic downturn, its financial advisors are less effective in recruiting potential new financial advisors through referrals.

Even in years, such as this past year, when there is not a market downturn, the Partnership may still not achieve its objectives. The Partnership did not meet its hiring objectives in 2010 and did not achieve its hiring objectives in six out of the past eight years. There can be no assurance that the Partnership will be able to hire at desired rates in future periods to achieve its planned growth or maintain the current number of financial advisors.

In addition, a significant number of the Partnership's financial advisors have been licensed as brokers for less than three years. As a result of their relative inexperience, many of these financial advisors have encountered or may encounter difficulties developing or expanding their businesses. Consequently, the Partnership has periodically experienced higher rates of attrition, particularly with respect to the less experienced financial advisors. The Partnership generally loses more than half of its financial advisors who have been licensed for less than three years.

The Partnership also has experienced increased financial advisor attrition due to increased competition from other financial services companies and efforts by those firms to recruit its financial advisors. There can be no assurance that the attrition rates the Partnership has experienced in the past will not continue or increase in the future. In addition, the Partnership announced in 2010 its intention to raise its financial performance standards for its financial advisors in the beginning of 2011, which will result in higher attrition for financial advisors unable to meet these performance standards.

Either the failure to achieve hiring and training goals or an attrition rate higher than anticipated may result in a decline in the revenue the Partnership receives from commissions and other securities related revenues. As a result, the Partnership may not be able to achieve the level of net growth upon which its business model is based and its revenues and results of operations may be adversely impacted. For further information about the Partnership's attrition rates, see Item 7 – Management's Discussion and Analysis of Financial Condition and Results of Operations - Overview.

LITIGATION AND REGULATORY INVESTIGATIONS AND PROCEEDINGS — *As a securities firm, the Partnership is subject to litigation involving civil plaintiffs seeking substantial damages and regulatory investigations and proceedings, which have increased over time and are expected to continue to increase even as global market conditions improve.*

Many aspects of the Partnership's business involve substantial litigation and regulatory risks. The Partnership is, from time to time, subject to examinations and informal inquiries by regulatory and other governmental agencies. Such matters have in the past, and could in the future, lead to formal actions, which may impact the Partnership's business. In the ordinary course of business, the Partnership also is subject to arbitration claims, lawsuits and other significant litigation such as class action suits. Over time, there has been increasing litigation involving the securities industry in general and, the Partnership in particular, including class action suits that generally seek substantial damages.

The Partnership has incurred significant expenses to defend and/or settle claims in the past. In view of the inherent difficulty of predicting the outcome of such matters, particularly in cases in which claimants seek substantial or indeterminate damages or in actions which are at very preliminary stages, the Partnership cannot predict with certainty the eventual loss or range of loss related to such matters. Due to the uncertainty related to litigation and regulatory investigations and proceedings, the Partnership cannot determine if future litigation will have a material adverse effect on its consolidated financial condition. Such legal actions may be material to future operating results for a particular period or periods. See Item 3 – Legal Proceedings for more information regarding unresolved claims.

Reliance on Organizations — *The Partnership's dependence on third-party organizations exposes the Partnership to disruption if its products and services are no longer offered, supported or develop defects.*

The Partnership incurs obligations to its customers which are supported by obligations from firms within the industry, especially those firms with which the Partnership maintains relationships by which securities transactions are executed. The inability of an organization with which the Partnership does a large volume of business, to promptly meet its obligations could result in substantial losses to the Partnership.

The Partnership is particularly dependent on Broadridge Financial Solutions, Inc. ("Broadridge"), which acts as the Partnership's primary vendor for providing accounting and record-keeping for customer accounts in both the U.S. and Canada. The Partnership's communication and information systems are integrated with the information systems of Broadridge. There are relatively few alternative providers to Broadridge and although the Partnership has analyzed the feasibility of performing Broadridge's functions internally, the Partnership may not be able to do it in a cost-effective manner or otherwise. Consequently, any new computer systems or software packages implemented by Broadridge which are not compatible with the Partnership's systems, or any other interruption or the cessation of service by Broadridge as a result of systems limitations or failures, could cause unanticipated disruptions in the Partnership's business which may result in financial losses and/or disciplinary action by governmental agencies and/or SROs.

The Partnership is substantially dependent upon the operational capacity and ability of the NSCC, DTC, FICC, and CDS. Any serious delays in the processing of securities transactions encountered by these clearing and depository companies may result in delays of delivery of cash or securities to the Partnership's customers. If for any reason, any of the Partnership's clearing, settling or executing agents were to fail, the Partnership and its customers would be subject to possible loss.

The Partnership also uses a major bank for custody and settlement of treasury securities and the GNMA, the FNMA and the FHLMC issues. If this bank experiences any disruption in service, the Partnership may suffer financial, regulatory or reputational harm.

Edward Jones does not employ its own floor brokers for transactions on exchanges in either the U.S. or Canada. Edward Jones executes equity transactions with other broker dealers or through electronic access to the exchanges or alternative trading systems. If, for any reason, any of these clearing, settling, or executing agents were to fail, Edward Jones and its customers would be subject to possible loss. To the extent that Edward Jones would not be able to meet the obligations of its customers, such customers might experience delays in obtaining the protections afforded them.

In addition, the Partnership derived 21% of its total revenue for 2010 from American Funds Distributors, Inc. and its family of mutual funds. Significant reductions in the revenues from this mutual fund source could have a material impact on the Partnerships results of operations.

CANADIAN OPERATIONS — *The Partnership is focusing heavily on efforts and intends to make substantial investments, as necessary, to support the potential profitability of its Canadian operations, which have not achieved profitability since its inception.*

The Partnership commenced operations in Canada in 1994 and plans to continue to expand its branch system in Canada. The Canadian operations have operated at a substantial deficit from its inception. The Partnership plans to make additional investments, as necessary, in its Canadian operations, which may be substantial. There is no assurance the Canadian operations will ultimately become profitable. For further information on the results of operations of the Partnership's Canadian operations, see Note 17 to the Consolidated Financial Statements.

CAPITAL LIMITATIONS; UNIFORM NET CAPITAL RULE — *The SEC's Uniform Net Capital Rule imposes minimum net capital requirements and could limit the Partnership's ability to engage in certain activities which are crucial to its business.*

Adequacy of capital is vitally important to broker-dealers, and lack of sufficient capital may limit the Partnership's ability to compete effectively. In particular, lack of sufficient capital or compliance with the Uniform Net Capital Rule may limit Edward Jones' ability to commit to certain securities activities such as underwriting and trading, which require significant amounts of capital, to expand margin account balances, as well as commit to new activities requiring an investment of capital. FINRA regulations and the Uniform Net Capital Rule may restrict Edward Jones' ability to expand its business operations, including opening new branch offices or hiring additional financial advisors. Consequently, a significant operating loss or an extraordinary charge against net capital could adversely affect Edward Jones' ability to expand or even maintain its present levels of business.

In addition to the regulatory requirements applicable to the U.S. broker-dealer, the Canadian broker-dealer and EJTC are subject to regulatory capital requirements in the U.S. and Canada. Failure by the Partnership to maintain the required net capital for any of its subsidiaries may subject it to disciplinary actions by the SEC, FINRA, IIROC, OTS or other regulatory bodies, which could ultimately require its liquidation. In the U.S., Edward Jones may be unable to expand its business and may be required to restrict its withdrawal of subordinated debt and partnership capital in order to meet the net capital requirements. For more information, see Item 1 – Business – Business Operations – Uniform Net Capital Rule.

LIQUIDITY — *The Partnership's business in the securities industry requires that sufficient liquidity be available to maintain business activities, and it may not always have access to sufficient funds.*

Liquidity, or ready access to funds, is essential to the Partnership's business. A significant decrease in the Partnership's access to funds could negatively affect its business and financial management in addition to its reputation in the industry. There is no assurance that financing will be available at attractive terms, or at all, in the future.

In addition, many limited partners and subordinated limited partners finance the initial or subsequent purchases of their Partnership interest by obtaining personal bank loans. The Partnership has administered and will continue to administer many of these loans by asking banks to offer such loans to its limited partners and subordinated limited partners. Any such bank loan agreement is between the partner and the bank. The Partnership does not guarantee the bank loans, nor can partners pledge their Partnership interest as collateral for the bank loan.

Beginning in 2011, the Partnership will make loans available to those general partners that require financing for some or all of their new purchases of individual partnership interests. Prior to 2011, similar to the process noted above, general partners obtained loans from banks to finance these partnership interests, as necessary. The Partnership expects that these loans will continue to be renewed by individual partners and will remain with the banks. Loans made by the Partnership to general partners will generally be for a period of one year and will bear interest at the Prime Rate, as defined in the loan documents.

Partners who finance all or a portion of their Partnership interest with bank financing may be more likely to request the withdrawal of capital to repay such obligations should the partners experience a period of reduced earnings from the Partnership, including the elimination of partner's earnings from their interests if it should experience an operating loss. As a partnership, any withdrawals by general partners, subordinated limited partners or limited partners would reduce the Partnership's available liquidity and capital. Furthermore, many of the same banks which provide financing to limited partners, subordinated limited partners and general partners also provide various forms of financing to the Partnership. To the extent banks maintain or increase credit available to partners, financing available to the Partnership may be reduced. See Item 7 – Management's Discussion and Analysis of Financial Condition and Results of Operations - Liquidity, for further information.

UPGRADE OF TECHNOLOGICAL SYSTEMS — *The Partnership may engage in significant technology initiatives in the future which may be costly and could lead to disruptions.*

The Partnership has engaged in significant technology initiatives and expects to continue to do so in the future. Such initiatives are not only necessary to better meet the needs of the Partnership's customers, but also to satisfy new industry standards and practices and better secure the transmission of customer's information on its systems. With any major system replacement, there will be a period of education and adjustment for the branch and headquarters employees utilizing the system. Following any upgrade or replacement, if the Partnership's systems or equipment do not operate properly, are disabled or fail to perform due to increased demand, or if a new system or system upgrade contains a major problem, the Partnership could experience unanticipated disruptions in service, including interrupted trading, slower response times, decreased customer service and customer satisfaction and delays in the introduction of new products and services, any of which could result in financial losses, liability to customers, regulatory intervention or reputational damage. Further, the inability of the Partnership's systems to accommodate a significant increase in volume of transactions also could constrain its ability to expand its business.

INTEREST RATE CHANGES — *The Partnership's profitability could be impacted by significant interest rate changes.*

The Partnership is exposed to market risk from changes in interest rates. Such changes impact the interest income earned from customers' margin loans, the investment of excess funds, and securities owned. Any changes in interest rates also may have an impact on the expense related to liabilities that finance these assets, such as amounts payable to customers and other interest bearing liabilities. In addition, such changes can impact the fees earned by the Partnership through its minority ownership in Passport Research, Ltd., the investment adviser to the Edward Jones money market funds (see further discussion in Item 7 – Management's Discussion and Analysis of Financial Condition and Results of Operations) and the market value of the securities owned by the Partnership. A decrease in short-term interest rates has a significant negative impact on net interest income. The Partnership's interest bearing liabilities are less sensitive to changes in short-term interest rates compared to its interest earning assets, resulting in its interest income being more sensitive to rate changes than its interest expense. See further discussion regarding risks associated with interest rate sensitivity in Item 7A – Quantitative and Qualitative Disclosures about Market Risk.

CREDIT RISK — *The Partnership is subject to credit risk due to the nature of the transactions it processes for its customers.*

The Partnership is exposed to the risk that third parties who owe it money, securities or other assets will not meet their obligations. Many of the transactions in which the Partnership engages expose it to credit risk in the event of default by its counterparty or customer such as cash balances held at various major U.S. financial institutions, which typically exceed Federal Deposit Insurance Corporation insurance coverage limits. In addition, the Partnership's credit risk may be increased when the collateral it holds cannot be realized or is liquidated at prices insufficient to recover the full amount of the obligation due to the Partnership. See Item 7 – Management's Discussion and Analysis of Financial Condition and Results of Operations, for more information about the Partnership's credit risk.

LACK OF CAPITAL PERMANENCY — *Because the Partnership's capital is subject to mandatory liquidation either upon the death or upon the withdrawal request of a partner, the capital is not permanent and a significant mandatory liquidation could lead to a substantial reduction in the Partnership's capital, which could, in turn, have a material adverse effect on the Partnership's business.*

Under the terms of the Partnership Agreement, a partner's capital balance is liquidated upon death. In addition, partners may request withdrawals of their partnership capital, subject to certain limitations on the timing of those withdrawals. Accordingly, partnership capital is not permanent and is dependent upon current and future partners to both maintain their existing capital investment and make additional capital investments in the Partnership. Any withdrawal requests by general partners, subordinated limited partners or limited partners would reduce the Partnership's available liquidity and capital.

The capital of general partners resigning or terminating from the Partnership is usually converted to subordinated limited partnership capital. Subordinated limited partners are repaid their capital in six equal annual installments beginning the month after their request for withdrawal of contributed capital. The Partnership's Managing Partner has discretion to waive these withdrawal restrictions. All current and future partnership capital is subordinate to all current and future liabilities of the Partnership. Liquidations upon the death of a partner are generally required to be made within six months of the date of death. Due to the nature of the liquidation requirements of the capital as set forth in the Partnership Agreement, the Partnership accounts for its capital as a liability, in accordance with generally accepted accounting principles ("GAAP") in the U.S. If the Partnership's capital declines by a substantial amount due to liquidations or withdrawals, the Partnership may not have sufficient capital to operate or expand its business or to meet withdrawal requests by partners.

INTERRUPTION OF BUSINESS AND OPERATIONS — *Any substantial disruption to the Partnership's business and operations could lead to significant personnel and financial loss to its business and operations as well as harm relations with its customers.*

The Partnership's headquarters facilities and its existing computer systems and network, including its backup systems, are also vulnerable to damage or interruption from human error, natural disasters, power loss, sabotage, computer viruses, intentional acts of vandalism and similar events. Such an event could substantially disrupt the Partnership's business by causing physical harm to its headquarters facilities and its technological systems. In addition, the Partnership's reputation and business may suffer if customers experience data and financial loss from a significant interruption. The Partnership established a second data center in the southwest region of the United States that operates as a secondary data center to its primary data center located in St. Louis, Missouri and is designed to enable it to maintain service during a system disruption contained in St. Louis that is limited to a short-term interruption. The staff at the Partnership's facility in the southwest region of the United States would likely not be sufficient to operate the systems in the event of a prolonged disruption to the St. Louis data center and office facilities or the entire geographic region, which would prevent staff from working either from the St. Louis headquarters or from home. In such event, the Partnership would need to re-locate staff to the facility in the southwest region of the United States, which might result in a delay in service during the transition and substantial costs and expenses. While the Partnership has disaster recovery and business continuity planning processes, and interruption and property insurance to mitigate and help protect the Partnership against such losses, there can be no assurance that it is fully protected from such an event.

UNDERWRITING, SYNDICATE AND TRADING POSITION RISKS — *The Partnership engages in underwriting activities, which can expose the Partnership to material losses and liability.*

Participation as a manager or syndicate member in the underwriting of fixed income and equity securities subjects the Partnership to substantial risk. As an underwriter, the Partnership is subject to risk of substantial liability, expense and adverse publicity resulting from possible claims against it as an underwriter under federal and state securities laws. Such laws and regulations impose substantial potential liabilities on underwriters for material misstatements or omissions in the document used to describe the offered securities. In addition, there exists a potential for possible conflict of interest between an underwriter's desire to sell its securities and its obligation to its customers not to recommend unsuitable securities. In recent years, there has been an increasing incidence of litigation in these areas. These lawsuits are frequently brought by large classes of purchasers of underwritten securities. Such lawsuits often name underwriters as defendants and typically seek substantial amounts in damages.

Further, as an underwriter, the Partnership may incur losses, if it is unable to resell the securities it is committed to purchase or if it is forced to liquidate all or part of its commitment at less than the agreed upon purchase price. Furthermore, the commitment of capital to an underwriting may adversely affect the Partnership's capital position and, as such, the Partnership's participation in an underwriting may be limited by the requirement that it must at all times be in compliance with the SEC's Uniform Net Capital Rule. In maintaining inventory in fixed income and equity securities, the Partnership is exposed to a substantial risk of loss, depending upon the nature and extent of fluctuations in market prices.

RISK OF INFLATION — *An increase in inflation could affect securities prices and as a result, profitability and capital.*

Inflation and future expectations of inflation can negatively influence securities prices, as well as activity levels in the securities markets. As a result, the Partnership's profitability and capital may be adversely affected by inflation and inflationary expectations. Additionally, the impact of inflation on the Partnership's operating expenses may affect profitability to the extent that additional costs are not recoverable through increased prices of services offered by the Partnership.

TRANSACTION VOLUME VOLATILITY— *Significant increases or decreases in the number of transactions by the Partnership's customers can have a material negative effect on the Partnership's profitability and its ability to efficiently process and settle these transactions.*

Significantly increased customer transaction volume may result in operational problems such as a higher incidence of failures to deliver and receive securities and errors in processing transactions, and also may result in increased personnel and related processing costs. In past periods, the Partnership has experienced adverse effects on profitability resulting from significant reductions in securities sales and, likewise, has encountered operational problems arising from unanticipated high transaction volume. The Partnership is not able to control such decreases and increases, and there is no assurance that it will not encounter such problems and resulting losses in future periods.

In addition, at times of significant increase in customer transaction volumes, if Edward Jones fails to keep current and accurate books and records it would be exposed to disciplinary action by governmental agencies and SROs.

RISKS RELATED TO AN INVESTMENT IN LIMITED PARTNERSHIP INTERESTS ("INTERESTS")

HOLDING COMPANY — *JFC is a holding company with no direct operations; as a consequence, JFC's ability to satisfy its obligations under the Partnership Agreement will depend in large part on the ability of its subsidiaries to pay distributions or dividends to JFC, which is restricted by law and contractual obligations.*

Since JFC is a holding company, the principal sources of cash available to us are distributions or dividends from its subsidiaries and other payments under intercompany arrangements with its subsidiaries. Accordingly, JFC's ability to generate the funds necessary to satisfy its obligations with respect to the Interests, including the 7.5% "guaranteed payment" (for tax purposes, within the meaning of the Internal Revenue Code) to limited partners pursuant to the Partnership Agreement will be dependent on distributions, dividends and intercompany payments from its subsidiaries, and if these sources are not adequate, JFC may be unable to satisfy such obligations.

JFC's principal operating subsidiaries, including Edward Jones, are subject to various statutory and regulatory restrictions applicable to broker-dealers generally that limit the amount of cash distributions, dividends, loans and advances that those subsidiaries may pay to JFC. Regulations relating to capital requirements affecting some of JFC's subsidiaries also restrict their ability to pay distributions or dividends and make loans to JFC. See "Business—Regulation" and "Business—Uniform Net Capital Rule."

In addition, JFC's subsidiaries may be restricted under the terms of their financing arrangements from paying distributions or dividends to JFC, or may be required to maintain specified levels of capital. Moreover, JFC or its subsidiaries may enter into financing arrangements in the future which may include additional restrictions or debt covenant requirements further restricting distributions to JFC, which may impact JFC's ability to make distributions to its limited partners.

In the future, Edward Jones or JFC's other subsidiaries are unable to pay distributions to JFC in an amount sufficient to meet its obligations due to a lack of statutory net capital, changes to the applicable laws or regulations or for some other reason, JFC would be unable to meet its obligation to make the 7.5% payment under the Partnership Agreement.

NON-VOTING INTERESTS; ABSENCE OF MARKET; PRICE FOR INTERESTS — *The Limited Partnership Interests are non-voting and non-transferable, and the price only represents book value.*

None of the limited partners in their capacity as limited partners may vote or otherwise participate in the management of the Partnership's business. Without the consent of the limited partners or general partners, the Managing Partner has the authority to amend the Partnership Agreement. There is no fair market value for the Interests. Since there is no market for the Interests, none of our limited partners may sell, pledge, exchange, transfer or assign any such Interest without the express written consent of the Managing Partner (which is not expected to be given). The price ($1,000 per Interest) at which the Interests were offered represents the book value of each Interest. The book value of the Interests could be less than the price paid, if the capital of the general partners and subordinated limited partners was reduced to zero as a result of losses incurred by the Partnership.

RISK OF DILUTION — *The Limited Partnership Interests may be diluted from time to time, which could lead to decreased returns to the limited partners.*

The Managing Partner has the ability, in his sole discretion, to issue additional Interests or general partners' capital. With respect to additional Interests, to the extent additional expense is incurred by us in servicing the additional annual payment requirements (the 7.5% Payment pursuant to Section 3.3 of the Partnership Agreement) for any such additional Interests, holders of existing Interests may suffer decreased returns on their investment because the amount of the Partnership's net income in which they participate may be reduced as a consequence. Additionally, the Partnership has historically retained approximately 28% or more of the general partners' net income (as defined in the Partnership Agreement) as capital which is credited monthly to the general partners' Adjusted Capital Contributions (as defined in the Partnership Agreement). Beginning in 2011, the Partnership intends to decrease the amount of retention to approximately 23% of net income allocated to general partners. Such contributions, along with any additional capital contributions by general partners, will reduce the percentage of participation in net income by limited partners. There is no requirement to retain a minimum amount of general partners' net income, and the percentage of retained net income could change at any time in the future. In accordance with the Partnership Agreement, the percentage of income allocated to limited partners is reset annually and the amount of retained general partner income reduces the income allocated to limited partners.

LIMITATION OF LIABILITY; INDEMNIFICATION — *The Partnership Agreement limits the liability of the Managing Partner and general partners by indemnifying them under certain circumstances, which may limit a limited partner's rights against them and could reduce the accumulated profits distributable to limited partners.*

The Partnership Agreement provides that neither the Managing Partner nor any of the general partners, which the Partnership Agreement refers to as a Covered Person, will be liable to any of the partners for any acts or omissions by such Covered Person on behalf of the Partnership (even if such action, omission or failure constituted negligence) as long as that Covered Person has not (a) committed fraud, (b) acts or omissions not in subjective good faith or which involve intentional misconduct or a knowing violation of law or which were grossly negligent, or (c) derived improper personal benefit. The Partnership also must indemnify the Managing Partner and general partners against any loss or damage incurred by any such partner by reason of any action performed or omission made by any of them on behalf of the Partnership, other than actions for which such partner would be liable as described above. As a result of these provisions, the limited partners will have more limited rights against such persons than they would have absent the limitations in the Partnership Agreement. Indemnification of the Managing Partner and general partners could deplete the Partnership's assets unless the indemnification obligation is covered by insurance. While the Partnership may attempt to purchase or maintain liability insurance to provide for this indemnification obligation, such insurance may not be available at a reasonable price or at all. At present, the Partnership does not have any such insurance coverage. The Partnership Agreement does not provide for indemnification of limited partners.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

The Partnership conducts its U.S. headquarters operations from two locations in St. Louis County, Missouri and one location in Tempe, Arizona. As of December 31, 2010, the Partnership's U.S. headquarters consisted of 22 separate buildings totaling approximately 2.2 million square feet.

One U.S. headquarters building is leased through an operating lease. In addition, the Partnership leases its Canadian headquarters facility in Mississauga, Ontario through an operating lease. The Partnership also maintains facilities in 11,387 branch locations as of February 25, 2011, which are located in the U.S. and Canada and are predominantly rented under cancelable leases. See Notes 15 and 18 to the Consolidated Financial Statements for information regarding non-cancelable lease commitments and related party transactions, respectively.

ITEM 3. LEGAL PROCEEDINGS

In the normal course of business, the Partnership is named, from time to time, as a defendant in various legal actions, including arbitrations, class actions and other litigation. Certain of these legal actions may include claims for substantial compensatory and/or punitive damages or claims for indeterminate amounts of damages. The Partnership is involved, from time to time, in investigations and proceedings by governmental and SROs, certain of which may result in adverse judgments, fines or penalties.

Lyondell. In October 2010, Edward Weisfelner, as Trustee of the LB Creditor Trust v. Morgan Stanley & Co., Incorporated, et al. ("Creditor Trust") filed suit in New York state court against numerous brokerage firms and banks, including Edward Jones. The case was subsequently removed to U.S. Bankruptcy Court for the Southern District of New York, where it remains.

Plaintiff is the trustee of a trust created under the confirmed Chapter 11 bankruptcy plan for the reorganization for Lyondell Chemical Company ("Lyondell") and various affiliates (the "Creditor Trust"). The trust beneficiaries are unsecured creditors of Lyondell and its affiliates. The lawsuit concerns a 2007 leveraged buyout in which a foreign chemical company acquired Lyondell from its then shareholders. The trustee alleges that the payments to the former Lyondell shareholders for their stock, which payments were funded with debt secured by Lyondell assets, were constructive and intentional fraudulent transfers. Plaintiff seeks a finding that the payments totaling some $5.9 billion to the shareholders were fraudulent, nullification of the shareholder transfers to the extent necessary to satisfy creditor claims, judgment against the shareholder defendants in the amount of the shareholder transfers, and other such relief as equity may require. Of the $5.9 billion in alleged fraudulent transfers, plaintiff alleges that Edward Jones received approximately $7 million. Edward Jones filed a Motion to Dismiss Plaintiff's claims, which is currently pending.

In December 2010, the same trustee, acting for a different trust created under the Lyondell plan of reorganization (the "LB Litigation Trust") filed a second complaint, in U.S. Bankruptcy Court. This complaint also asserts fraudulent transfer claims, seeks similar relief, and, names many of the same defendants, including Edward Jones, as does the Creditor Trust action. However, Edward Jones was served with a complaint in January 2011. By agreement of the parties, no response is due at this time.

Countrywide. Three matters (*David H. Luther, et al. v. Countrywide Financial Corporation, et al; Washington State Plumbing & Pipefitting Pension Trust, et al. v. Countrywide Financial Corporation, et al.; and Maine State Retirement System, et al. v. Countrywide Financial Corporation, et al.*) were filed in 2007, 2008, and 2010 respectively in California state court. In these matters, plaintiffs allege against numerous issuers and underwriters, including Edward Jones, certain violations of the Securities Act of 1933, as amended (the "1933 Act") in connection with registration statements and prospectus supplements issued between January 2005 and June 2007 for certain mortgage-backed certificates. *Luther* and *Washington State Plumbing* were consolidated in October 2008. In January 2010, the court in *Luther* granted the defendants' demurrer and dismissed the matter. In March 2010, plaintiffs appealed the dismissal. In January 2010, plaintiffs filed the *Maine State Retirement System* case in federal court. Plaintiffs filed an Amended Consolidated Class Action Complaint on July 13, 2010. On November 4, 2010, the court entered an order dismissing plaintiff's claims to the extent they related to any certificates for which Edward Jones acted as dealer. In both matters, the plaintiffs seek unspecified compensatory damages, attorneys' fees, costs, expenses and rescission. On November 17, 2010, a fourth matter was filed in California state court, *Western Conference of Teamsters Pension Trust Fund v. Countrywide Financial Corporation, et al.*, re-asserting the claims dismissed by the Court in the *Maine State Retirement* case. That case has been stayed by agreement of the parties, pending the outcome of the *Luther* appeal.

Lehman Brothers. In October 2008, a class action suit was filed in Arkansas state court, Saline County, under Sections 11, 12(a)(2) and 15 of the Securities Act of 1933 Act ("the 1933 Act"), against certain officers and directors of Lehman Brothers Holdings, Inc. and a syndicate of underwriters, including Edward Jones, of Lehman bonds sold pursuant to the registration statement and prospectus dated May 30, 2006, and various prospectus supplements dated October 22, 2006, and thereafter. In November 2008, a similar suit was filed in Arkansas state court, Benton County against the same defendants stemming from the sale of 6.5% Lehman Bonds maturing October 25, 2007, pursuant to the registration statement and prospectus and prospectus supplement dated August 2, 2007 (collectively referred to as "Lehman Bonds"). Plaintiffs in both actions allege the defendants made material misrepresentations to the purchasers of Lehman Bonds. While each lawsuit relates to a different series of Lehman bonds, the plaintiffs in each suit seek unspecified compensatory damages, attorneys' fees, costs and expenses. In February 2009, the U.S. Judicial Panel on Multidistrict Litigation transferred these two actions to the Southern District of New York ("SDNY") for coordinated or consolidated pretrial proceedings with similar actions currently pending in the SDNY. Defendants filed a Motion to Dismiss plaintiffs' Securities Act Claims in April 2009, which is currently pending in the SDNY. In April 2010, Plaintiffs filed their Third Amended Statement of Claim. Defendants filed a Motion to Dismiss the Third Amended Complaint in July 2010, which is currently pending.

Yavapi County Litigation. In September 2009, three lawsuits were filed in Arizona. The actions relate to bonds underwritten by Edward Jones and other brokerage firms for the purpose of financing construction of an event center in Prescott Valley, Arizona. Edward Jones sold approximately $2.9 million of the bonds. The plaintiffs allege the underwriters, including Edward Jones, made material misrepresentations and omissions in the Preliminary Official Statement and/or in the Official Statement. The *Covin*, et al matter, was filed as a putative class action in which the plaintiffs seek to represent all purchasers of the issued bonds. Allstate is suing as a purchaser of the bonds and Wells Fargo filed a separate action as Trustee on behalf of all bond holders. The Court entered an order in November, 2009 dismissing several of the claims against Edward Jones including, all claims brought on behalf of the class. The remaining claims against Edward Jones stem from allegations that defendants violated certain state securities acts and committed common law torts. Plaintiffs are seeking an unspecified amount of damages including attorneys' fees, costs, expense, rescission or statutory damages, out-of-pocket damages and prejudgment interest.

State of Indiana Matter. In July 2009, the Indiana Secretary of State, Securities Division (the "State") alleged that Edward Jones failed to supervise the activities of a now deceased financial advisor. Specifically, the Division alleged the financial advisor was able to change the primary account holder and social security number on an account by submitting a form to the headquarters office without the required number of signatures, in violation of firm policy. On March 1, 2010, Edward Jones and the State entered into a Consent Agreement in which Edward Jones agreed to pay the State $10,000 to resolve the matter, without any admission of fault or wrongdoing.

FINRA Fixed-Income Trading Matter. In the fall of 2007, FINRA began investigating Edward Jones' trading activity in fixed-income securities during the period from January 1, 2004 through December 31, 2004. FINRA is now alleging that 31 of those trades were not priced as favorably as possible under prevailing market conditions, in violation of NASD Rules 2110 and 2320.

FINRA is also alleging that Edward Jones' written supervisory procedures concerning best execution of fixed-income transactions in place in 2004 were inadequate, in violation of NASD Rules 2110 and 3010. Edward Jones has furnished a written submission to FINRA in response to these allegations.

FINRA Municipal Securities Matter. By letter dated June 1, 2010, FINRA advised Edward Jones it had made a preliminary determination to recommend a disciplinary action based on a review of five transactions during the period April 1, 2007, through June 30, 2007. FINRA alleges Edward Jones purchased municipal securities for its own account for a customer or sold municipal securities for its own account to a customer at an aggregate price (including mark-down and mark-up) that was not fair and reasonable, taking into consideration all relevant factors in violation of MSRB Rules G-17 and G-30 (a). Edward Jones has furnished a written submission to FINRA in response to these allegations.

FINRA Short-Interest Reporting Matter. By letter dated June 1, 2010, FINRA advised Edward Jones it had made a preliminary determination to recommend disciplinary action based on a review of Edward Jones' short-interest reporting for the period July 31, 2007, through February 27, 2009. FINRA alleges the conduct is in violation of NASD Rule 3360 or FINRA Rule 4560, and NASD Rules 2110 and 3010. Edward Jones has furnished a written submission to FINRA in response to these allegations.

Missouri Investigation. The State of Missouri is currently investigating the activities of a former financial advisor for allegedly misappropriating customer funds. Edward Jones terminated the financial advisor, who is currently facing criminal charges. Edward Jones identified the customers involved and paid restitution totaling approximately $750,000 to those individuals. State of Missouri investigation is still pending.

ITEM 4. [REMOVED AND RESERVED]

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

There is no established public trading market for the Limited Partnership interests and their assignment is prohibited.

ITEM 6. SELECTED FINANCIAL DATA

The following information sets forth, for the past five years, selected financial data determined from audited financial statements.

All information included in the Annual Report on Form 10-K is presented on a continuing operations basis unless otherwise noted.

Summary Consolidated Statements of Income Data:

(All dollars in millions, except per unit information and units outstanding.)

	2010	*2009*	*2008*	*2007*	*2006*
Total revenue	$ 4,163	$ 3,548	$ 3,821	$ 4,097	$ 3,481
Interest expense	56	58	72	80	56
Net revenue	$ 4,107	$ 3,490	$ 3,749	$ 4,017	$ 3,425
Income from continuing operations	$ 393	$ 269	$ 385	$ 561	$ 426
Loss from discontinued operations	-	(105)	(73)	(53)	(35)
Income before allocations to partners	$ 393	$ 164	$ 312	$ 508	$ 391
Income allocated to limited partners per weighted average $1,000 equivalent limited partnership unit outstanding	$ 96.07	$ 41.44	$ 86.21	$ 165.92	$ 161.95
Weighted average $1,000 equivalent limited partnership units outstanding	455,949	471,597	489,920	498,132	210,157

In accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") No. 480, *Distinguishing Liabilities from Equity* ("ASC 480"), the Partnership presents net income of $0 on its Consolidated Statements of Income. See Note 1 to the Consolidated Financial Statements for further discussion.

Summary Consolidated Statements of Financial Condition Data:

(All dollars in millions, except per unit information and units outstanding.)

	2010	*2009*	*2008*	*2007*	*2006*
Total assets[1]	$ 8,241	$ 7,168	$ 6,992	$ 5,824	$ 5,196
Bank loans	$ -	$ 58	$ 43	$ -	$ -
Long-term debt	66	59	9	11	14
Other liabilities exclusive of subordinated liabilities and partnership capital subject to mandatory redemption[2]	6,366	5,327	5,203	4,087	3,880
	6,432	5,444	5,255	4,098	3,894
Subordinated liabilities	204	257	261	275	299
Partnership capital subject to mandatory redemption / partnership capital (net of reserve for anticipated withdrawals)	1,497	1,437	1,413	1,328	907
Reserve for anticipated withdrawals	108	30	63	123	96
Partnership capital subject to mandatory redemption/ partnership capital	1,605	1,467	1,476	1,451	1,003
Total liabilities and partnership capital	$ 8,241	$ 7,168	$ 6,992	$ 5,824	$ 5,196

(1) Assets include amounts reclassified as discontinued operations of $0, $0, $95, $99 and $83 for 2010, 2009, 2008, 2007 and 2006, respectively.

(2) Liabilities include amounts reclassified as discontinued operations of $0, $0, $56, $64 and $51 for 2010, 2009, 2008, 2007 and 2006, respectively.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following Management's Discussion and Analysis is intended to help the reader understand the results of operations and the financial condition of the Partnership. Management's Discussion and Analysis should be read in conjunction with the Partnership's Consolidated Financial Statements and accompanying notes included in Item 8, Financial Statements and Supplementary Data of this Annual Report on Form 10-K.

In November 2009, the Partnership completed the sale of its U.K. operations. As a result, the U.K. operations are presented as a discontinued operation for 2009 and prior periods have been reclassified to conform to this presentation. For further details regarding the sale, see Note 2 to the Consolidated Financial Statements in Item 8, Financial Statements and Supplementary Data of this Annual Report on Form 10-K. Accordingly, all information contained in this Annual Report on Form 10-K is presented on a continuing operations basis unless otherwise noted.

OVERVIEW

The following table sets forth the increases (decreases) in major categories of the Consolidated Statements of Income as well as several key related metrics for the last three years. Management of the Partnership relies on this financial information and the related metrics to evaluate the Partnership's operating performance and financial condition. All amounts are presented in millions, except the number of financial advisors and as otherwise noted.

	For the years ended December 31,			2010 vs. 2009 Change		2009 vs. 2008 Change	
	2010	2009	2008	$	%	$	%
Revenue:							
Trade revenue:							
Commissions	$ 1,575.8	$ 1,360.9	$ 1,552.6	$ 214.9	16%	$ (191.7)	-12%
Principal transactions	320.8	398.1	493.3	(77.3)	-19%	(95.2)	-19%
Investment banking	208.6	183.8	83.4	24.8	13%	100.4	120%
Total trade revenue	2,105.2	1,942.8	2,129.3	162.4	8%	(186.5)	-9%
% of net revenue	51%	56%	57%				
Fee revenue:							
Asset-based	1,397.3	967.4	1,061.6	429.9	44%	(94.2)	-9%
Account and activity	503.3	489.6	471.0	13.7	3%	18.6	4%
Total fee revenue	1,900.6	1,457.0	1,532.6	443.6	30%	(75.6)	-5%
% of net revenue	46%	42%	41%				
Net interest and dividends	70.5	55.0	113.2	15.5	28%	(58.2)	-51%
Other revenue (loss)	30.5	35.6	(25.6)	(5.1)	-14%	61.2	239%
Net revenue	4,106.8	3,490.4	3,749.5	616.4	18%	(259.1)	-7%
Operating expenses	3,714.0	3,221.8	3,364.8	492.2	15%	(143.0)	-4%
Income from continuing operations	$ 392.8	$ 268.6	$ 384.7	$ 124.2	46%	$ (116.1)	-30%
Related metrics:							
Customer dollars invested[(1)]:							
Trade ($ billions)	$ 87.8	$ 87.1	$ 113.0	$ 0.7	1%	$ (25.9)	-23%
Advisory programs ($ billions)	$ 21.6	$ 17.8	$ 5.7	$ 3.8	21%	$ 12.1	212%
Customer households at year end (millions)	4.46	4.46	4.48	-	0%	(0.02)	0%
Customer assets under care:							
Total:							
At year end ($ billions)	$ 572.6	$ 515.6	$ 420.8	$ 57.0	11%	$ 94.8	23%
Average ($ billions)	$ 535.8	$ 455.4	$ 489.9	$ 80.4	18%	$ (34.5)	-7%
Advisory Programs:							
At year end ($ billions)	$ 53.7	$ 28.7	$ 7.5	$ 25.0	87%	$ 21.2	283%
Average ($ billions)	$ 40.8	$ 15.0	$ 5.9	$ 25.8	172%	$ 9.1	154%
Financial advisors:							
At year end	12,616	12,615	11,817	1	0%	798	7%
Average	12,694	12,164	11,395	530	4%	769	7%
Attrition %	16.2%	14.5%	14.0%	n/a	n/a	n/a	n/a
Dow Jones Industrial Average:							
At year end	11,578	10,428	8,776	1,150	11%	1,652	19%
Average for year	10,669	8,886	11,244	1,783	20%	(2,358)	-21%
S&P 500 Index:							
At year end	1,258	1,115	903	143	13%	212	23%
Average for year	1,139	948	1,220	191	20%	(272)	-22%

(1) Customer dollars invested, related to trade revenue, includes the principal amount of customers' buy and sell transactions generating a commission. Customer dollars invested related to advisory programs revenue represents the net inflows of customer dollars into this program.

Basis of Presentation

The Partnership broadly categorizes its revenues into four categories; trade revenue (revenue from customer buy or sell transactions of securities), fee revenue, interest and dividends (net of interest expense) and other revenue. In the Partnership's Consolidated Statements of Income, trade revenue is composed of commissions, principal transactions and investment banking. Fee revenue is composed of asset-based fees and account and activity fees. These sources of revenue are affected by a number of factors. Trade revenue is impacted by the number of financial advisors, trading volume (customer dollars invested), mix of the products in which customers invest, margins earned on the transactions and market volatility. Asset-based fees are generally a percentage of the total value of specific assets in customer accounts. These fees are impacted by customer dollars invested in and divested from the accounts which generate asset-based fees and change in market prices of the assets. Account and activity fees and other revenue are impacted by the number of customer accounts, the variety of services provided to those accounts and foreign exchange rates, among other factors. Net interest income is impacted by the amount of cash and investments, receivables from customers and payables to customers and the variability of interest rates earned and paid on such balances.

RESULTS OF OPERATIONS FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

During 2010, the Partnership's results of operations improved compared to 2009. Market conditions during the first half of 2009 were still turbulent, including declines in asset values, interest rates and customer activity. The rebound in asset values that began in mid-2009 continued throughout 2010, which improved year-over-year results. In addition, customer activity in advisory programs continued its strong growth generating a significant increase in revenue year-over-year. These improvements in market conditions are reflected in many of the financial and related metrics used by the Partnership in the evaluation of its business results. These factors contributed to a changing composition of net revenue. For 2010, trade revenue and fee revenue comprised 51% and 46% of net revenue, respectively. In 2009, net revenue was more heavily weighted towards trade than fee revenue. For 2009, trade revenue and fee revenue comprised 56% and 42% of net revenue, respectively.

In 2010, net revenue increased 18% ($616.4 million) to $4.1 billion, which was attributable to increased trade revenue, asset-based fee revenue, account and activity fees and net interest income, partially offset by a decrease in other revenue. Trade revenue and fee revenue increased by 8% and 30%, respectively, compared to 2009. For further details on these fluctuations, see the discussion in the trade revenue and fee revenue sections below. Operating expenses for 2010 increased 15% year-over-year primarily as a result of increased financial advisor commissions and variable compensation due to the Partnership's increased revenues and profitability. Income from continuing operations increased 46% ($124.2 million) to $392.8 million. The Partnership's year-to-date profit margin based on income from continuing operations increased to 9.4% in 2010 from 7.6% in 2009.

In addition, the Partnership has remained focused on the efforts to grow the number of financial advisors and its branch office network. However, the Partnership's 2010 financial advisor total remained relatively unchanged from the 2009 total, ending the year with 12,616 financial advisors compared to 12,615 as of December 31, 2009. Financial advisor recruiting suffered due to the economic issues that resulted in great uncertainty and rising unemployment over the past several years. The Partnership found that potential new financial advisors who would ordinarily be leaving successful positions in a different industry or at a different broker-dealer to embrace a new opportunity at Edward Jones were reluctant to change jobs. To help address this issue, the Partnership is raising the guaranteed base pay to better recruit financial advisors. In addition, attrition increased due to higher financial performance expectations announced by the Partnership in 2010 to take effect in January 2011. Financial performance expectations were relaxed during 2007 through 2009, but with the recovery in the economy, the markets and our business, the Partnership believes it is time to move to a new higher standard of financial performance. Not meeting Partnership growth objectives may result in slower growth in the number of financial advisors and potentially a reduced rate of revenue growth in future periods.

The discussion below details the major fluctuations and their drivers for each of the major categories of the Partnership's Consolidated Statements of Income for the year ended December 31, 2010 as compared to December 31, 2009.

Trade Revenue

Trade revenue, which consists of commissions revenue, principal transactions revenue and investment banking revenue, increased 8% ($162.4 million) to $2.1 billion during 2010 compared to 2009. This increase in trade revenue was due to increases in the margin earned on overall customer dollars invested and in customer dollars invested (the principal amount of customers' buy and sell transactions generating a commission). Total customer dollars invested were $87.8 billion during 2010, a 1% ($0.7 billion) increase from $87.1 billion in 2009. The Partnership's margin earned on each $1,000 invested increased to $24.00 in 2010 from $22.30 in 2009. This increase was primarily due to customer investments continuing to shift to mutual funds and equities in 2010 from certificates of deposit and other fixed income products in 2009. A discussion specific to each component of trade revenue follows.

Commissions

	Years Ended			
	December 31, 2010	December 31, 2009	$ Change	% Change
Commissions revenue ($ millions):				
Mutual funds	$ 856.0	$ 766.2	$ 89.8	12%
Equities	393.0	322.7	70.3	22%
Insurance	326.7	271.6	55.1	20%
Corporate bonds	0.1	0.4	(0.3)	-75%
Total commissions revenue	$ 1,575.8	$ 1,360.9	$ 214.9	16%
Related metrics:				
Customer dollars invested ($ billions)	$ 61.0	$ 53.2	$ 7.8	15%
Margin per $1,000 invested	$ 25.90	$ 25.60	$ 0.3	1%
U.S. business days	252	252	-	0%

Commissions revenue increased 16% ($214.9 million) in 2010 to $1.6 billion. This increase was due primarily to a 15% ($7.8 billion) increase in customer dollars invested in commission generating transactions to $61.0 billion and an increase in the margin earned on the customer dollars invested. Mutual fund commissions increased 12% ($89.8 million) and equities commissions increased 22% ($70.3 million) due to the increase in customer dollars invested as mentioned above. The margin earned on each $1,000 invested in commission generating transactions increased to $25.90 in 2010 from $25.60 in 2009. This increase in margin earned is primarily due to an increase in margin earned on insurance products resulting from a shift in product mix from fixed annuities to higher margin variable annuities and life and long-term care insurance products.

Principal Transactions

	Years Ended			
	December 31, 2010	December 31, 2009	$ Change	% Change
Principal transactions revenue ($ millions):				
Municipal bonds	$ 239.5	$ 262.0	$ (22.5)	-9%
Corporate bonds	43.5	67.2	(23.7)	-35%
Certificates of deposit	15.2	32.7	(17.5)	-54%
Government bonds	8.9	20.2	(11.3)	-56%
Unit investment trusts	7.4	6.1	1.3	21%
Collateralized mortgage obligations	6.3	9.9	(3.6)	-36%
Total principal transactions revenue	$ 320.8	$ 398.1	$ (77.3)	-19%
Related metrics:				
Customer dollars invested ($ billions)	$ 20.2	$ 28.0	$ (7.8)	-28%
Margin per $1,000 invested	$ 15.80	$ 14.20	$ 1.60	11%
U.S. business days	252	252	-	0%

Principal transactions revenue decreased 19% ($77.3 million) to $320.8 million compared to 2009, primarily attributable to a decrease in customer dollars invested, partially offset by an increase in the margin earned on the customer dollars invested. Customers invested $20.2 billion in products that resulted in principal transactions revenue in 2010 compared to $28.0 billion in 2009. The Partnership's margin earned on principal transactions for each $1,000 invested increased to $15.80 during 2010 from $14.20 during 2009 primarily a result of a shift in product mix from shorter-term, lower margin certificates of deposit to higher margin municipal bonds.

Year-over-year, revenue from municipal bonds decreased 9% ($22.5 million), corporate bonds revenue decreased 35% ($23.7 million), certificates of deposit revenue decreased 54% ($17.5 million), government bond revenue decreased 56% ($11.3 million) and collateralized mortgage obligations decreased 36% ($3.6 million), while revenue from unit investment trusts increased 21% ($1.3 million). The decrease in municipal bonds revenue was due to the less attractive yields on municipal bonds relative to treasury securities in addition to a lower supply of traditional tax free bonds in 2010 versus 2009. Corporate bonds revenue decreased as a result of reduced activity due to the interest rate and market environment. Certificates of deposit revenue declined from the 2009 levels, primarily due to a continuing shift in product mix away from certificates of deposit. In 2009, customers were investing more in shorter term fixed-income products such as certificates of deposit when the markets were more volatile, and then moved away from these products in 2010 as the markets began to recover.

In addition, the Partnership has determined that certain unit investment trusts revenue is more appropriately reflected as investment banking revenue and therefore has reclassified the related 2009 revenue balances to investment banking revenue, from principal transactions revenue, which better aligns with the nature of the revenue and common industry practice. For further information, see the related discussion in the following investment banking section.

Investment Banking

	Years Ended			
	December 31, 2010	December 31, 2009	$ Change	% Change
Investment banking revenue ($ millions):				
Unit investment trusts	$ 161.3	$ 116.6	$ 44.7	38%
Municipal bonds	36.1	50.9	(14.8)	-29%
Corporate bonds	6.0	5.8	0.2	3%
Government bonds	4.8	9.2	(4.4)	-48%
Equities	0.4	1.3	(0.9)	-69%
Total investment banking revenue	$ 208.6	$ 183.8	$ 24.8	13%
Related metrics:				
Customer dollars invested ($ billions)	$ 6.6	$ 5.9	$ 0.7	12%
Margin per $1,000 invested	$ 31.60	$ 31.30	$ 0.30	1%
U.S. business days	252	252	-	0%

Investment banking revenue increased 13% ($24.8 million) to $208.6 million in 2010 compared to 2009, due primarily to an increase in customer dollars invested and margin earned on the customer dollars invested. Customers invested $6.6 billion in products that resulted in investment banking revenue in 2010 compared to $5.9 billion in 2009. The Partnership's margin earned on investment banking for each $1,000 invested increased to $31.60 during 2010 from $31.30 during 2009 primarily as a result of a shift in product mix from lower margin tax free fixed-income products to higher margin taxable fixed-income products.

Unit investment trusts revenue increased 38% ($44.7 million) resulting from increased demand for traditional tax free trusts and the introduction of a new product partner for taxable municipal bonds. This increase was partially offset by a lower volume of taxable debt underwritings.

As unit investment trusts revenue has grown to represent a larger portion of total trade revenue, the Partnership has determined that certain unit investment trusts revenue is more appropriately reflected in investment banking revenue and therefore has reclassified the related 2009 revenue balances to investment banking revenue, from principal transactions revenue, which better aligns with the nature of the revenue and common industry practice.

Fee Revenue

Fee revenue increased 30% ($443.6 million) to $1.9 billion compared to 2009. A discussion specific to each component (asset-based and account and activity) of fee revenue follows.

Asset-based

	Years Ended			
	December 31, 2010	December 31, 2009	$ Change	% Change
Asset-based fee revenue ($ millions):				
Service fees	$ 693.9	$ 579.7	$ 114.2	20%
Advisory program fees	543.9	192.8	351.1	182%
Revenue sharing	119.0	110.8	8.2	7%
Money market fees	20.9	69.9	(49.0)	-70%
Trust fees	19.6	14.2	5.4	38%
Total asset-based fee revenue	$ 1,397.3	$ 967.4	$ 429.9	44%
Related metrics ($ billions):				
Average U.S. customer asset values(1):				
Mutual fund assets held outside of advisory programs	$ 274.0	$ 216.6	$ 57.4	27%
Insurance	44.8	36.4	8.4	23%
Advisory programs	40.8	15.0	25.8	172%
Money market	18.8	21.4	(2.6)	-12%
Total customer asset values	$ 378.4	$ 289.4	$ 89.0	31%

(1) U.S. asset-based fee revenue represents 97% of consolidated asset-based fee revenue for both years ended December 31, 2010 and 2009.

Asset-based fee revenue increased 44% ($429.9 million) to $1.4 billion due primarily to continued growth of customer dollars invested into advisory programs and increases in the average market values of customer assets on which the Partnership receives asset-based fees. Service fee revenue increased 20%, which is consistent with the movement in the S&P 500 Index, which averaged 20% higher during 2010 compared to 2009.

Advisory programs fee revenue, which primarily includes Advisory Solutions and Managed Account Program fee revenue, was $543.9 million in 2010 as compared to $192.8 million in 2009, an increase of $351.1 million. Customer assets in the advisory programs as of December 31, 2010 and 2009 were $53.7 billion and $28.7 billion, respectively. The average value of customer assets in the advisory programs were $40.8 billion in 2010 compared to $15.0 billion in 2009, and has grown due to both an increase in the net inflows of customer dollars into the programs of 21% ($3.8 billion), to $21.6 billion in 2010, as well as the market appreciation of existing asset values. Customer assets held in the advisory programs include assets previously held with the Partnership.

Revenue sharing increased 7% ($8.2 million), to $119.0 million in 2010 as compared to 2009. This increase in revenue is due to an increase in the average asset values on which revenue sharing is based, partially offset by a decrease in rates earned related to certain product partner revenue sharing agreements.

Money market fees decreased 70% ($49.0 million) in 2010 as compared to 2009 due primarily to an increase in the voluntary reduction of certain fees. As a 49.5% limited partner of Passport Research Ltd., the investment adviser to some of the money market funds made available to Edward Jones customers, the Partnership receives a portion of the income of the investment adviser. Due to the current low interest rate environment, the investment adviser voluntarily chose (beginning in March 2009) to reduce certain fees charged to the funds to a level that will maintain a positive customer yield on the funds. This reduction of fees resulted in a decrease of $83.6 million and $51.2 million to the revenue earned by the Partnership in 2010 and 2009, respectively, which decreased money market fees by $32.4 million year-over-year, and is expected to continue at that level in future periods, based upon the current interest rate environment. Money market fees were also lower as a result of a 12% decrease in average money market asset balances during 2010.

Account and Activity

	Years Ended December 31, 2010	Years Ended December 31, 2009	$ Change	% Change
Account and activity fee revenue ($ millions):				
Sub-transfer agent services	$ 273.7	$ 269.5	$ 4.2	2%
Retirement account fees	132.7	128.6	4.1	3%
Other account and activity fees	96.9	91.5	5.4	6%
Total account and activity fee revenue	$ 503.3	$ 489.6	$ 13.7	3%
Related metrics (millions):				
Average customer accounts:				
Sub-transfer agent services[1]	15.8	15.4	0.4	3%
Retirement accounts	3.4	3.2	0.2	6%

[1] Amount represents average number of individual mutual fund holdings serviced, on which the Partnership recognizes sub-transfer agent services revenue.

Account and activity fee revenue of $503.3 million increased 3% ($13.7 million) year-over-year. Revenue received from sub-transfer agent services performed for mutual fund companies increased 2% ($4.2 million) to $273.7 million due to an increase in sub-transfer agent services accounts. In addition, retirement account fees increased 3% ($4.1 million) to $132.7 million compared to 2009 due to increases in the number of retirement accounts and termination fees. Other account and activity fees increased 6% ($5.4 million) to $96.9 million due to net increases in various other types of fees including mortgage revenue, proxy revenue, dividend reinvestment fees, transaction fees and other fees.

Net Interest and Dividends

	Years Ended December 31, 2010	Years Ended December 31, 2009	$ Change	% Change
Net interest and dividends revenue ($ millions):				
Customer loan interest	$ 112.7	$ 100.0	$ 12.7	13%
Overnight investing interest	9.9	6.7	3.2	48%
Other interest and dividends	4.2	5.9	(1.7)	-29%
Interest expense	(56.3)	(57.6)	1.3	2%
Total net interest and dividends revenue	$ 70.5	$ 55.0	$ 15.5	28%
Related metrics:				
Average funds invested ($ millions)	$ 4,046.8	$ 3,150.2	$ 896.6	28%
Average rate earned	0.24%	0.21%	0.03%	14%
Average customer loan balance ($ millions)	$ 2,144.3	$ 1,921.9	$ 222.4	12%
Average rate earned	5.26%	5.20%	0.06%	1%

Net interest and dividends revenue increased 28% ($15.5 million) to $70.5 million year-over-year due primarily to increases in customer margin loan balances, average amounts invested and interest rates. Interest from customer loans increased 13% ($12.7 million) to $112.7 million. The average aggregate customer loan balance increased 12% ($222.4 million) to $2.1 billion, and the average rate earned on those customer loan balances increased to 5.26% during 2010 from 5.20% in 2009. Collateral held in customer accounts with loan balances increased 5% ($480.0 million) to $9.9 billion in 2010 as compared to 2009. However, collateral held in customer accounts can fluctuate due to market conditions or the withdrawal of securities, provided the customer remains in compliance with applicable New York Stock Exchange rules (loan no greater than 75% of the value of the securities in the account) and maintenance requirements imposed by the Partnership (generally, loan no greater than 65% of the value of the securities in the account). Losses incurred on customer loan balances were less than $100,000 during 2010 and 2009.

Additionally, interest income from short-term, primarily overnight investments, of cash and cash equivalents, cash and investments segregated under federal regulations and securities purchased under agreements to resell increased 48% ($3.2 million). The related average funds invested during 2010 was $4.0 billion, compared to $3.2 billion in 2009, including $3.0 billion and $2.3 billion of funds that were segregated in special reserve bank accounts for the benefit of U.S. customers under SEC Rule 15c3-3 as of December 31, 2010 and 2009, respectively. The average rate earned on this type of investment increased to 0.24% during 2010 from 0.21% during 2009. In addition, interest expense decreased $1.3 million to $56.3 million during 2010 due primarily to reductions in interest paid on liabilities subordinated to claims of unsecured creditors due to lower outstanding balances and in limited partner interest due to limited partner liquidations. These decreases were partially offset by increases in interest expense on financing activities initiated in 2009. See the Liquidity and Capital Resources discussion below for additional information.

Other Revenue

Other revenue decreased 14% ($5.1 million) to $30.5 million year-over-year. The decrease between years is primarily attributable to the change in value in the investments held related to the Partnership's non-qualified deferred compensation plan, partially offset by an increase in transitional services revenue, resulting from the Transitional Services Agreement related to the sale of the Partnership's U.K. subsidiary, further described in Note 2 to the Consolidated Financial Statements. The investments held related to the non-qualified deferred compensation plan increased in market value by $7.6 million during 2010 versus an increase of $14.8 million in 2009, resulting in a $7.2 million decrease in revenue year-over-year. As the market value of these investments fluctuates, the gains or losses are reflected in other revenue with an offset in compensation and benefits expense, which results in no net impact to the Partnership's income before allocations to partners. This decrease is partially offset by a $3.7 million increase resulting from transitional services revenue received from Towry. However, the Partnership's responsibility to provide transitional services, and the corresponding revenue received ended in the third quarter of 2010, as expected.

Operating Expenses

	Years Ended			
	December 31, 2010	December 31, 2009	$ Change	% Change
Operating expenses ($ millions):				
Compensation and benefits	$ 2,643.7	$ 2,215.8	$ 427.9	19%
Occupancy and equipment	343.3	319.0	24.3	8%
Communications and data processing	290.1	285.9	4.2	1%
Payroll and other taxes	159.9	140.7	19.2	14%
Advertising	55.7	48.4	7.3	15%
Postage and shipping	49.8	50.4	(0.6)	-1%
Clearance fees	11.6	13.1	(1.5)	-11%
Other operating expenses	159.9	148.5	11.4	8%
Total operating expenses	$ 3,714.0	$ 3,221.8	$ 492.2	15%
Related metrics:				
Number of branches	11,375	11,182	193	2%
Full-time equivalent employees:				
Financial advisors:				
At year end	12,616	12,615	1	0%
Average	12,694	12,164	530	4%
Branch employees:				
At year end	13,002	12,310	692	6%
Average	12,665	12,062	603	5%
Headquarters employees:				
At year end	4,898	4,834	64	1%
Average	4,866	4,817	49	1%
Headquarters employees per 100 financial advisors (average)	38.3	39.6	(1.3)	-3%
Branch employees per 100 financial advisors (average)	99.8	99.2	0.6	1%
Operating expenses per average financial advisor(1)	$ 159,000	$ 159,849	$ (849)	-1%

(1) Operating expenses used in calculation represents total operating expenses less financial advisor and variable compensation.

Operating expenses increased 15% ($492.2 million) to $3.7 billion compared to 2009 primarily due to increases in compensation and benefits and related payroll taxes, occupancy and equipment and advertising expenses.

Total compensation and benefits costs increased 19% ($427.9 million) to $2.6 billion, primarily due to increases in financial advisor compensation and variable compensation.

Financial advisor compensation (excluding financial advisor salary and subsidy and variable compensation) increased 22% ($251.9 million). This increase is primarily due to increases in trade and asset-based fee revenue on which financial advisor commissions are paid. Financial advisor salary and subsidy decreased 18% ($29.6 million) due to fewer financial advisor hires participating in these compensation programs as well as changes made to those compensation programs. The Partnership found that potential new financial advisors who would be leaving successful positions in a different industry or at a different firm to embrace a new opportunity at Edward Jones were reluctant to change jobs. To help address this issue, the Partnership is raising the guaranteed base pay to better recruit financial advisors.

Variable compensation (which includes bonuses and profit sharing paid to financial advisors, branch office employees and headquarters employees) expands and contracts in relation to revenues, income before allocations to partners and the Partnership's related profit margin. As the Partnership's financial results and profit margin improve, a significant portion is allocated to variable compensation and paid to employees in the form of increased profit sharing and bonuses. In 2010, variable compensation increased 154% ($166.4 million), to $274.6 million, as compared to $108.2 million in 2009. This increase is a result of the Partnership's increased profitability.

Headquarters salary and benefit expense increased 1% ($2.4 million) to $347.5 million in 2010. Branch salary and benefit expense increased 8% ($33.4 million) to $467.5 million. Branch salary and benefit expense increased as the Partnership added personnel to support increased productivity of its financial advisor network. The Partnership implemented a salary freeze for headquarters and branch employees effective April 1, 2009, due to overall market conditions, which avoided increases in individual employee compensation costs during the last three quarters of 2009 and through the first quarter of 2010. Effective April 1, 2010, the Partnership lifted its salary freeze, which has resulted in approximately $9.0 million of additional annual expense during 2010 as compared to 2009, related to branch and headquarters employees. In addition, an increase in staffing levels also increased compensation costs in 2010 as compared to 2009. On a full-time equivalent ("FTE") basis, the Partnership had 4,898 headquarters employees and 13,002 branch employees as of December 31, 2010, compared to 4,834 headquarters employees and 12,310 branch employees as of December 31, 2009.

The Partnership uses the ratios of the number of headquarters employees to the number of financial advisors and the number of branch employees to financial advisors as key metrics in managing its costs. In 2010, there were an average of 38.3 headquarters employees and 99.8 branch employees for each 100 financial advisors, compared to an average of 39.6 headquarters employees and 99.2 branch employees for each 100 financial advisors in 2009. The decline in the average headquarters employees for each 100 financial advisor ratio is a result of the Partnership's cost management strategy to continue to grow its financial advisor network while growing its headquarters support staff at a slower pace. If the Partnership is unable to grow its financial advisor network in 2011, the average number of headquarters employees per 100 financial advisors is expected to increase in 2011, which will result in growing headquarters compensation costs at a faster rate than financial advisors. The increase in average branch employees for each 100 financial advisor ratio year-over-year is due to growth in branch employees at a higher rate than the growth in financial advisors.

Occupancy and equipment expense increased 8% ($24.3 million) to $343.3 million compared to 2009 due to increases of $15.4 million and $8.9 million in costs related to the continued expansion of the Partnership's branch office network and headquarters facilities, respectively.

The remaining operating expenses increased 6% ($40.0 million) primarily due to increased payroll taxes due to the above noted increase in compensation, as well as an increase in advertising costs as the Partnership has increased its advertising efforts compared to last year.

Segment Information

Operating segments are defined as components of an entity that has all of the following characteristics: it engages in business activities from which it may earn revenues and incur expenses; its operating results are regularly reviewed by the entity's chief operating decision-maker (or decision-making group) for resource allocation and to assess performance; and discrete financial information is available. Operating segments may be combined in certain circumstances into reportable segments for financial reporting. The Partnership has determined it has two operating and reportable segments based upon geographic location, the U.S. and Canada.

Each segment, in its own geographic location, primarily derives its revenues from the retail brokerage business through the sale of listed and unlisted securities and insurance products, investment banking, principal transactions, as a distributor of mutual fund shares and through revenues related to assets held by and account services provided to its customers.

The Partnership evaluates the performance of its segments based upon income from continuing operations as well as income before variable compensation, which is income before expenses for bonuses earned by financial advisors, headquarters and branch employees and profit sharing allocations. Variable compensation is determined at the Partnership level for profit sharing and headquarters bonus amounts, and therefore is allocated to each geographic segment independent of each segment's individual income before variable compensation. While overall Partnership profitability determines the amount of financial advisor and branch employee bonuses, performance at the individual financial advisor level, as well as the number of branch employees, impacts the amount of bonus expense allocated to each reportable segment. As such, both income from continuing operations and income before variable compensation are considered in evaluating each reportable segment's financial performance and are provided in the table below.

The Canada segment information as reported in the following table is based upon the Canadian broker-dealer's Consolidated Financial Statements of the Partnership's Canadian operations without eliminating any intercompany items, such as management fees that it pays to affiliated entities. The U.S. segment information is derived from the Partnership's Consolidated Financial Statements less the Canada segment information as presented. This is consistent with how management reviews the segments in order to assess performance.

Financial information about the Partnership's reportable segments is presented in the following table. All amounts are presented in millions, except the number of financial advisors and as otherwise noted.

	Years Ended December 31, 2010	Years Ended December 31, 2009	$ Change	% Change
Net revenue:				
United States of America	$ 3,939.8	$ 3,367.0	$ 572.8	17%
Canada	167.0	123.4	43.6	35%
Total net revenue	4,106.8	3,490.4	616.4	18%
Operating expenses (excluding variable compensation):				
United States of America	3,261.7	2,957.3	304.4	10%
Canada	177.7	156.3	21.4	14%
Total operating expenses	3,439.4	3,113.6	325.8	10%
Pre-variable income (loss):				
United States of America	678.1	409.7	268.4	66%
Canada	(10.7)	(32.9)	22.2	67%
Total pre-variable income	667.4	376.8	290.6	77%
Variable compensation:				
United States of America	266.1	106.0	160.1	151%
Canada	8.5	2.2	6.3	286%
Total variable compensation	274.6	108.2	166.4	154%
Income (loss) from continuing operations:				
United States of America	412.0	303.7	108.3	36%
Canada	(19.2)	(35.1)	15.9	45%
Income from continuing operations	$ 392.8	$ 268.6	$ 124.2	46%
Customer assets under care ($ billions):				
United States of America				
At year end	$ 557.3	$ 502.5	$ 54.8	11%
Average	$ 521.9	$ 444.6	$ 77.3	17%
Canada				
At year end	$ 15.3	$ 13.0	$ 2.3	18%
Average	$ 13.9	$ 10.8	$ 3.1	29%
Financial advisors:				
United States of America				
At year end	11,980	11,927	53	0%
Average	12,016	11,500	516	4%
Canada				
At year end	636	688	(52)	-8%
Average	677	664	13	2%

United States of America

Net revenue increased 17% ($572.8 million) in 2010 from 2009 primarily due to increases in trade revenue ($139.4 million), service fees ($103.0 million), advisory programs revenue ($350.9 million), and net interest income ($15.8 million), partially offset by a decrease in money market fees ($49.0).

The increase in trade revenue is primarily due to higher margins earned on each $1,000 invested by customers, which increased to $23.90 in 2010 from $22.20 in 2009 due to a product mix shift from lower margin certificate of deposits and fixed income products to higher margin equity and mutual fund products. Additionally, customer dollars invested increased $0.2 billion to $83.8 billion from $83.6 billion in 2009. Service fee revenue increased as higher equity market values in 2010 lifted the average asset values on which service fees are earned. Advisory programs fee revenue increased because customer dollars invested into the programs have grown significantly (21% or $3.8 billion). Net interest income increased primarily due to increases in the average rates earned on an increased amount of overnight investing and increases in client margin loan interest due to an increase in interest rates and average margin loans outstanding. The decrease in money market revenue is primarily due to the voluntary reduction in certain fees earned by the Partnership in order to maintain a positive customer yield, which began in March 2009, and reduced the Partnership's revenue by $83.6 million in 2010, as compared to a reduction of revenue of $51.2 million in 2009, therefore resulting in a decrease in revenue by $32.4 million year-over-year.

Operating expenses (excluding variable compensation) increased 10% ($304.4 million) primarily due to increases in financial advisor compensation, occupancy and equipment costs, payroll and other taxes and advertising costs. The increases in financial advisor compensation of $236.2 million and payroll and other taxes of $18.6 million were due to increases in trade and asset-based fee revenue on which financial advisor commissions are paid. The increase in occupancy and equipment costs of $21.4 million was due to increased costs related to the continued expansion of the Partnership's branch office network and headquarters facilities. The increase in advertising costs of $6.1 million was due to the Partnership increasing its advertising programs as compared to last year.

Canada

Net revenue increased 35% ($43.6 million) in 2010 from 2009 primarily due to increases in trade revenue ($23.1 million), asset-based fee revenue ($11.4 million), account and activity fee revenue ($3.5 million) and other revenue ($6.0 million). Trade revenue increased primarily due to higher margins earned on each $1,000 invested by customers, which increased 9% to $26.20 in 2010 from $24.10 in of 2009. This increase is due to a product mix shift from lower margin certificate of deposits and fixed income products to higher margin equity and mutual fund products, and higher customer dollars invested, which increased 21% ($0.7 billion), from $3.4 billion in 2009, to $4.1 billion in 2010. Asset-based fee revenue has increased due to the increase in average asset values on which these fees are earned, mostly due to the overall improved market conditions year-over-year. Account and activity fee and other revenue increased due to an increase in retirement account fees of $2.0 million as well as an increase in foreign currency gains of $6.0 million due to the revaluation of U.S. dollar denominated balance sheet accounts.

Operating expenses (excluding variable compensation) increased 14% ($21.4 million) in 2010 from 2009 primarily due to a $15.7 million increase in financial advisor compensation resulting from an increase in revenue on which commissions are paid. In addition, headquarters and branch salary and benefit expense increased $4.2 million as the Partnership added personnel to support its financial advisor network. The remainder of the increase is primarily due to increases in occupancy and equipment costs, primarily in rent expense due to prior year growth in the Partnership's branch office network as well as in advertising costs due to an increase in the advertising programs as compared to last year.

As a result, the pre-variable income for the Canadian business segment improved from a loss of $32.9 million in 2009 to a loss of $10.7 million in 2010, an improvement of 67% ($22.2 million).

This improvement to the financial results of the Canadian business segment is due in part to the Partnership's focus on a plan to accelerate the path to profitability for the Canadian segment ("Canada Plan to Profitability"). The Canada Plan to Profitability includes several strategic initiatives to increase revenue and reduce expenses. The revenue initiatives include the roll out of a managed fee-based program as well as other new products or enhancements, which were launched in 2010. Expense reduction efforts in 2010 included a change to new financial advisor compensation, conversion of certain communication systems to lower-cost options and review and renegotiation of several vendor contracts.

However, the fact that the Partnership has had lower financial advisor recruits and a decrease in the number of financial advisors could impact the Partnership's ability to grow revenue in the future, and thus could impact the ability for the Partnership to reach its plan to profitability for the Canadian business segment.

RESULTS OF OPERATIONS FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

2009 was an unusual year, in that turbulent market conditions at the beginning of the year were still being experienced (which began in late 2008), including a continuing decline in asset values, interest rates and customer activity. However, by mid-year, asset values had began to rebound, and was reflected in the Partnership's results, which also improved throughout 2009. The Partnership's net revenues increased in each quarter throughout 2009. Asset values and customer activity began to increase mid-year 2009, consistent with the increase in the Dow Jones Industrial Average ("DJIA"), as of December 31, 2009 as compared to December 31, 2008. Due to the fact that 2008 started off with strong results (before the economic downturn in late 2008), 2009 as compared to 2008 reflects decreases in many of the financial and related metrics used by the Partnership in the evaluation of its business results. Trade revenue comprised 56% and 57% of net revenue for 2009 and 2008, respectively and fee revenue comprised 42% and 41% in 2009 and 2008, respectively. The increase in fee revenue as a percentage of net revenue was caused by an increase in advisory program fees due to increased asset values due to the increase in customer dollars into the program as well as an increase in overall asset values related to market growth. Financial advisor compensation decreased as a result of the decrease in revenues on which financial advisors are compensated and the reduction in the Partnership's profitability.

For 2009, net revenue decreased 7% ($259.1 million) to $3.5 billion, which was primarily attributable to decreased trade revenue, asset-based fee revenue and net interest income, which were partially offset by an increase in account and activity fee revenue and other revenue. Compensation and benefits expenses decreased primarily due to decreased financial advisor compensation and variable compensation due to reduced revenues and reduced Partnership profitability. Income from continuing operations decreased 30% ($116.1 million) to $268.6 million. The Partnership's profit margin based on income from continuing operations decreased to 7.6% in 2009 from 10.1% in 2008.

In addition, the Partnership focused on reducing other operating expenses through cost savings measures, which resulted in an overall decrease in operating expenses, including compensation and benefit costs, of 4%. Despite the unusual economic times, the Partnership remained focused throughout 2009 on growing the number of financial advisors and its branch office network. During 2009, the Partnership added 798 financial advisors ending the year with 12,615 financial advisors, an increase of 7% from 11,817 as of December 31, 2008.

The discussion below details the major fluctuations and the drivers of those fluctuations for each of the major categories of the Partnership's Consolidated Statements of Income for the year ended December 31, 2009 as compared to 2008.

Trade Revenue

Trade revenue of $1.9 billion decreased 9% ($186.5 million) during 2009 compared to 2008. This decrease in trade revenue was due to a decrease in customer dollars invested (the principal amount of customers' buy and sell transactions generating a commission) and one less business day in 2009, which was partially offset by an increase in the margin earned on overall customer dollars invested. Total customer dollars invested were $87.1 billion during 2009, a 23% ($25.9 billion) decrease from $113.0 billion in 2008 primarily caused by recent market conditions and weakened investor confidence. The Partnership's margin earned on each $1,000 invested increased to $22.30 in 2009 from $18.90 in 2008. This increase was primarily due to customer investments beginning to shift back to a longer term oriented product mix, including mutual funds and equities, from short-term (lower margin) certificates of deposit, as the market partially recovered in the second half of 2009. A discussion specific to each component of trade revenue follows.

Commissions

	Years Ended December 31, 2009	Years Ended December 31, 2008	$ Change	% Change
Commissions revenue ($ millions):				
Mutual funds	$ 766.2	$ 946.6	$ (180.4)	-19%
Equities	322.7	323.4	(0.7)	0%
Insurance	271.6	282.4	(10.8)	-4%
Corporate bonds	0.4	0.2	0.2	100%
Total commissions revenue	$ 1,360.9	$ 1,552.6	$ (191.7)	-12%
Related metrics:				
Customer dollars invested ($ billions)	$ 53.2	$ 62.4	$ (9.2)	-15%
Margin per $1,000 invested	$ 25.60	$ 24.90	$ 0.7	3%
U.S. business days	252	253	(1)	0%

Commissions revenue decreased 12% ($191.7 million) in 2009 to $1.4 billion. Commissions revenue decreased year-over-year due primarily to a 15% ($9.2 billion) decrease in customer dollars invested in commission generating transactions to $53.2 billion and one less business day in 2009, which was partially offset by an increase in the margin earned on the customer dollars invested. The Partnership's margin earned on each $1,000 invested in commission generating transactions increased to $25.60 in 2009 from $24.90 in 2008. This increase in margin earned is primarily due to a decrease in the average trade size for mutual funds and equities which earn higher margins, in addition to a shift in product mix from fixed and variable annuities to higher margin life and long-term care insurance products. Underlying the decrease in commission revenues, mutual fund commissions decreased 19% ($180.4 million) and insurance commissions decreased 4% ($10.8 million) due to the decrease in customer dollars invested as mentioned above.

Principal Transactions

	Years Ended December 31, 2009	Years Ended December 31, 2008	$ Change	% Change
Principal transactions revenue ($ millions):				
Municipal bonds	$ 262.0	$ 265.2	$ (3.2)	-1%
Corporate bonds	67.2	125.9	(58.7)	-47%
Certificates of deposit	32.7	65.3	(32.6)	-50%
Government bonds	20.2	15.5	4.7	30%
Collateralized mortgage obligations	9.9	15.9	(6.0)	-38%
Unit investment trusts	6.1	5.5	0.6	11%
Total principal transactions revenue	$ 398.1	$ 493.3	$ (95.2)	-19%
Related metrics:				
Customer dollars invested ($ billions)	$ 28.0	$ 47.1	$ (19.1)	-41%
Margin per $1,000 invested	$ 14.20	$ 10.60	$ 3.60	34%
U.S. business days	252	253	(1)	0%

Principal transactions revenue decreased 19% ($95.2 million) to $398.1 million compared to 2008, primarily attributable to a decrease in customer dollars invested, partially offset by an increase in the margin earned on the customer dollars invested. Customers invested $28.0 billion in products that resulted in principal transactions revenue in 2009 compared to $47.1 billion in 2008. The Partnership's margin earned on principal transactions for each $1,000 invested increased to $14.20 during 2009 from $10.60 during 2008 primarily a result of customers beginning to shift back to a longer term product mix from the short-term (lower margin) certificates of deposit to higher margin fixed income products.

Year-over-year, revenue from municipal bonds decreased 1% ($3.2 million), corporate bonds revenue decreased 47% ($58.7 million), certificate of deposit revenue decreased 50% ($32.6 million) and revenue from collateralized mortgage obligations decreased 38% ($6.0 million), while revenue from government bonds increased 30% ($4.7 million), and unit investment trust revenue increased 11% ($0.6 million). Corporate bonds revenue decreased as a result of reduced activity due to the interest rate and market environment. Certificates of deposit revenue declined from the 2008 levels, primarily due to the shift in product mix away from certificates of deposit in 2009. In the latter part of 2008, customers moved more toward certificates of deposit when the markets became volatile, and then moved away from certificates of deposit in 2009 as the markets began to recover.

In addition, the Partnership has determined that certain unit investment trusts revenue is more appropriately reflected as investment banking revenue and therefore has reclassified the related 2009 and 2008 revenue balances to investment banking revenue, from principal transactions revenue, which better aligns with the nature of the revenue and common industry practice. For further information, see the related discussion in the following investment banking section.

Investment Banking

	Years Ended December 31, 2009	Years Ended December 31, 2008	$ Change	% Change
Investment banking revenue ($ millions):				
Unit investment trusts	$ 116.6	$ 15.0	$ 101.6	677%
Municipal bonds	50.9	50.9	0.0	0%
Corporate bonds	5.8	10.6	(4.8)	-45%
Government bonds	9.2	5.9	3.3	56%
Equities	1.3	1.0	0.3	30%
Total investment banking revenue	$ 183.8	$ 83.4	$ 100.4	120%
Related metrics:				
Customer dollars invested ($ billions)	$ 5.9	$ 3.5	$ 2.4	69%
Margin per $1,000 invested	$ 31.30	$ 24.20	$ 7.10	29%
U.S. business days	252	253	(1)	0%

Investment banking revenue increased 120% ($100.4 million) to $183.8 million in 2009 compared to 2008, due primarily to an increase in customer dollars invested and margin earned on the customer dollars invested. Customers invested $5.9 billion in products that resulted in investment banking revenue in 2009 compared to $3.5 billion in 2008. The Partnership's margin earned on investment banking for each $1,000 invested increased to $31.30 during 2009 from $24.20 during 2008 primarily as a result of a shift in product mix from lower margin tax free fixed-income products to higher margin taxable fixed-income products.

Unit investment trusts revenue increased 677% ($101.6 million) resulting from increased demand for traditional tax free trusts and the introduction of a new trust for taxable municipal bonds.

As unit investment trusts revenue has grown to represent a larger portion of total trade revenue, the Partnership has determined that certain unit investment trusts revenue is more appropriately reflected in investment banking revenue, versus principal transactions revenue, which better aligns with the nature of the revenue and common industry practice.

Fee Revenue

Fee revenue, which consists of asset-based fees and account and activity fees, decreased 5% ($75.6 million) to $1.5 billion compared to 2008. A discussion specific to each component (asset-based and account and activity) of fee revenue follows.

Asset-based

	Years Ended			
	December 31, 2009	December 31, 2008	$ Change	% Change
Asset-based fee revenue ($ millions):				
Service fees	$ 579.7	$ 705.6	$ (125.9)	-18%
Advisory solutions fees	155.0	19.7	135.3	687%
Revenue sharing	110.8	141.3	(30.5)	-22%
Money market fees	69.9	131.2	(61.3)	-47%
Managed account program	37.8	51.0	(13.2)	-26%
Trust fees	14.2	12.8	1.4	11%
Total asset-based fee revenue	$ 967.4	$ 1,061.6	$ (94.2)	-9%
Related metrics ($ billions):				
Average U.S. customer asset values[(1)]:				
Mutual fund assets held outside of Advisory Solutions	$ 216.6	$ 258.7	$ (42.1)	-16%
Insurance	36.4	38.4	(2.0)	-5%
Money market	21.4	23.0	(1.6)	-7%
Advisory Solutions[(2)]	13.1	2.8	10.3	368%
Total customer asset values	$ 287.5	$ 322.9	$ (35.4)	-11%

[(1)] U.S. asset fee revenue represents 97% and 96% of consolidated asset fee revenue for the years ended December 31, 2009 and 2008, respectively.

[(2)] The 2008 amount is the average for the last seven months of the year as the program was not launched until June 2008.

Asset-based fee revenue decreased 9% ($94.2 million) to $967.4 million due primarily to decreases in the average market values of customer mutual fund assets held which is a reflection of the decline in the stock market, which occurred during late 2008 and early 2009. The Advisory Solutions program was first offered by the Partnership in June 2008. The revenue from this program was $155.0 million in 2009 as compared to $19.7 million in 2008, a $135.3 million increase. The value of customer assets in the Advisory Solutions program was $26.0 billion as of December 31, 2009 compared to $5.1 billion as of December 31, 2008. Customer assets held in Advisory Solutions includes other assets previously held with the Partnership.

Money market fees decreased 47% ($61.3 million) due primarily to voluntary reduction of certain fees earned in 2009. As a 49.5% limited partner of Passport Research Ltd., the investment adviser to money market funds made available to Edward Jones customers, the Partnership receives a portion of the income of the investment adviser. Due to the current low interest rate environment, beginning in March 2009, the investment adviser has voluntarily chosen to reduce certain fees charged to the funds to a level that will maintain a positive customer yield on the funds. This reduction of fees resulted in a decrease of $51.2 million to the revenue earned by the Partnership. Money market fees were also lower as a result of a 7% decrease in average asset values during 2009. Based upon the current interest rate environment, the reduction in fees charged to the funds is expected to continue in future periods and is estimated to reduce the Partnership's revenue by a total of approximately $85.0 million annually.

Account and Activity

	Years Ended December 31, 2009	Years Ended December 31, 2008	$ Change	% Change
Account and activity fee revenue ($ millions):				
Sub-transfer agent services	$ 269.5	$ 271.9	$ (2.4)	-1%
Retirement account fees	128.6	118.8	9.8	8%
Other account and activity fees	91.5	80.3	11.2	14%
Total account and activity fee revenue	$ 489.6	$ 471.0	$ 18.6	4%
Related metrics ($ millions):				
Average customer accounts:				
Sub-transfer agent services(1)	15.4	15.9	(0.5)	-3%
Retirement accounts	3.2	3.0	0.2	7%

(1) Amount represents average number of individual mutual fund holdings serviced, on which the Partnership recognizes sub-transfer agent services revenue.

Account and activity fee revenue of $489.6 million increased 4% ($18.6 million) year-over-year. Revenue received from sub-transfer agent services performed for mutual fund companies decreased $2.4 million to $269.5 million. In addition, retirement account fees increased 8% ($9.8 million) to $128.6 million compared to 2008, due primarily to an increase in the number of U.S. retirement accounts. The major components of other account and activity fees revenue are mortgage revenue, proxy revenue, dividend reinvestment fees, postage and handling fees and other fees. Other account and activity fees revenue is up $11.2 million to $91.5 million in 2009. The primary reason for the increase is due to an increase in the revenue earned from mortgage services provided to customers of the Partnership through a joint venture. The interest rate environment in 2009 resulted in an increase in mortgage refinance activity and therefore an increase in the related revenue.

Net Interest and Dividends

	Years Ended			
	December 31, 2009	December 31, 2008	$ Change	% Change
Net interest and dividends revenue ($ millions):				
Customer loan interest	$ 100.0	$ 120.3	$ (20.3)	-17%
Overnight investing interest	6.7	45.5	(38.8)	-85%
Other interest and dividends	5.9	19.2	(13.3)	-69%
Interest expense	(57.6)	(71.8)	14.2	20%
Total net interest and dividends revenue	$ 55.0	$ 113.2	$ (58.2)	-51%
Related metrics:				
Average funds invested ($ millions)	$ 3,150.2	$ 2,337.0	$ 813.2	35%
Average rate earned	0.21%	1.90%	-1.69%	-89%
Average customer loan balance ($ millions)	$ 1,921.9	$ 1,986.1	$ (64.2)	-3%
Average rate earned	5.20%	6.04%	-0.84%	-14%

Net interest and dividend income decreased 51% ($58.2 million) to $55.0 million year-over-year due primarily to a decrease in interest rates. Interest income from cash and cash equivalents, cash and investments segregated under federal regulations and securities purchased under agreements to resell decreased 85% ($38.8 million). The related average funds invested during 2009 was $3.2 billion, compared to $2.3 billion in 2008, of which $2.3 billion and $1.6 billion of these funds were segregated in special reserve bank accounts for the benefit of U.S. customers under SEC Rule 15c3-3 as of December 31, 2009 and 2008, respectively. The average rate earned on these investments decreased to 0.21% during 2009 from 1.90% during 2008. Additionally, interest income from customer loans decreased 17% ($20.3 million) to $100.0 million. The average aggregate customer loan balance decreased 3% ($64.2 million) to $1.9 billion, and the average rate earned on those customer loan balances decreased as a result of the decline in interest rates during the past year to approximately 5.20% during 2009 from approximately 6.04% during 2008. Collateral on customer loan balances increased 24% ($1.8 billion) to $9.4 billion as of December 31, 2009. Losses incurred on customer loan balances were less than $100,000 during 2009 and 2008. In addition, interest expense decreased 20% ($14.2 million) to $57.6 million during 2009 due primarily to reductions in customer credit interest and bank interest expense due primarily to decreases in interest rates paid.

Other Revenue

Other revenue increased $61.2 million year-over-year. The increase between years is primarily attributable to the increase in value in the investments held related to the Partnership's non-qualified deferred compensation plan and foreign currency translation gains in 2009. The investments held related to the non-qualified deferred compensation plan increased in fair value by $14.8 million through December 31, 2009, versus a decrease of $28.4 million in 2008, resulting in a $43.2 million increase in revenue year-over-year. As the fair value of the investments held related to the non-qualified compensation plan fluctuates, the gains or losses are reflected in other revenue with an offset in compensation and benefits expense, which results in no net impact to the Partnership's income before allocations to partners. See Note 1 to the Consolidated Financial Statements for further information on the non-qualified deferred income plan. The translation of the Partnership's Canadian subsidiary's Consolidated Statement of Financial Condition from local currency to U.S. dollars resulted in a $6.4 million gain during 2009 compared to a $5.2 million loss in the same period of 2008, resulting in a $11.6 million increase in revenue.

Operating Expenses

	Years Ended December 31, 2009	Years Ended December 31, 2008	$ Change	% Change
Operating expenses ($ millions):				
Compensation and benefits	$ 2,215.8	$ 2,290.6	$ (74.8)	-3%
Occupancy and equipment	319.0	297.6	21.4	7%
Communications and data processing	285.9	309.2	(23.3)	-8%
Payroll and other taxes	140.7	138.2	2.5	2%
Postage and shipping	50.4	56.1	(5.7)	-10%
Advertising	48.4	64.1	(15.7)	-24%
Clearance fees	13.1	18.0	(4.9)	-27%
Other operating expenses	148.5	191.0	(42.5)	-22%
Total operating expenses	$ 3,221.8	$ 3,364.8	$ (143.0)	-4%
Related metrics:				
Number of branches	11,182	10,512	670	6%
Full-time equivalent employees:				
Financial advisors:				
At year end	12,615	11,817	798	7%
Average	12,164	11,395	769	7%
Branch employees:				
At year end	12,310	11,818	492	4%
Average	12,062	11,570	492	4%
Headquarters employees:				
At year end	4,834	4,812	22	0%
Average	4,817	4,724	93	2%
Headquarters employees per 100 financial advisors (average)	39.6	41.5	(1.9)	-5%
Branch employees per 100 financial advisors (average)	99.2	101.5	(2.3)	-2%
Operating expenses per average financial advisor[1]	$ 159,849	$ 172,686	$(12,837)	-7%

[1] Operating expenses used in calculation represents total operating expenses less financial advisor and variable compensation.

Operating expenses decreased 4% ($143.0 million) to $3.2 billion compared to 2008.

Total compensation and benefits costs decreased 3% ($74.8 million) to $2.2 billion, primarily due to decreases in financial advisor compensation and variable compensation, partially offset by increases in financial advisor salary and subsidy and headquarters and branch salary and fringe benefits.

Financial advisor compensation (excluding variable compensation and financial advisor salary and subsidy discussed below) decreased 4% ($52.9 million). This decrease is primarily due to a $96.1 million decrease in the financial advisor compensation due to decreased trade and service fee revenue on which financial advisor commissions are paid, partially offset by the $43.2 million increase related to the Partnership's non-qualified deferred compensation plan mentioned above.

Variable compensation (which includes bonuses and profit sharing paid to financial advisors, branch office assistants and headquarters employees) expands and contracts in relation to revenues, income before allocations to partners and the Partnership's related profit margin. In 2009, variable compensation decreased 38% ($66.8 million) to $108.2 million, as compared to $175.0 million in 2008.

Financial advisor salary and subsidy, which includes financial advisor compensation programs during their initial years of service, increased 11% ($16.3 million) as a result of new financial advisor compensation programs as well as an increased number of financial advisors participating in the programs.

Headquarters salary and benefit expense increased 4% ($14.3 million) to $345.1 million year-over-year. Branch salary and benefit expense increased 4% ($18.3 million) to $434.1 million. Headquarters and branch salary and benefit expense increased as the Partnership added personnel to support its expanding financial advisor network. The Partnership implemented a salary freeze for headquarters and branch employees effective April 1, 2009, due to overall market conditions, which avoided increases in individual employee compensation costs during 2009. Effective April 1, 2010, the Partnership anticipates it will lift its salary freeze, which will result in a future increase to headquarters and branch salary and benefit expense. On a FTE basis, the Partnership had 4,834 headquarters employees and 12,310 branch staff employees as of December 31, 2009, compared to 4,812 headquarters employees and 11,818 branch staff employees as of December 31, 2008. The increase in branch employees is to directly support the increased number of financial advisors. The Partnership uses the ratios of the number of headquarters employees to the number of financial advisors and the number of branch staff to financial advisors as key metrics in managing its costs. For the year ended December 31, 2009, there was an average of 39.6 headquarters employees and 99.2 branch staff for each 100 financial advisors, compared to 41.5 headquarters employees and 101.5 branch staff for each 100 financial advisors in 2008. The decline in both ratios during 2009 is a result of the Partnership's cost management strategy to continue to grow its financial advisor network while growing its support staff at a slower pace.

Occupancy and equipment expense increased 7% ($21.4 million) to $319.0 million compared to 2008 due to increased costs related to the continued expansion of the Partnership's branch office network and headquarters facilities.

The remaining operating expenses decreased 12% ($89.6 million) primarily due to the Partnership's focus on reducing discretionary operating costs, most notably in the communications and data processing, advertising and other operating expense categories.

Segment Information

Financial information about the Partnership's reportable segments, for the years ended December 31, 2009 and 2008, is presented in the following table. All amounts are presented in millions, except the number of financial advisors and as otherwise noted.

	Years Ended December 31, 2009	Years Ended December 31, 2008	$ Change	% Change
Net revenue:				
United States of America	$ 3,367.0	$ 3,590.9	$ (223.9)	-6%
Canada	123.4	158.6	(35.2)	-22%
Total net revenue	3,490.4	3,749.5	(259.1)	-7%
Operating expenses:				
United States of America	2,957.3	3,015.0	(57.7)	-2%
Canada	156.3	174.8	(18.5)	-11%
Total operating expenses	3,113.6	3,189.8	(76.2)	-2%
Pre-variable income (loss):				
United States of America	409.7	575.9	(166.2)	-29%
Canada	(32.9)	(16.2)	(16.7)	-103%
Total pre-variable income	376.8	559.7	(182.9)	-33%
Variable compensation:				
United States of America	106.0	165.6	(59.6)	-36%
Canada	2.2	9.4	(7.2)	-77%
Total variable compensation	108.2	175.0	(66.8)	-38%
Income (loss) from continuing operations:				
United States of America	303.7	410.3	(106.6)	-26%
Canada	(35.1)	(25.6)	(9.5)	-37%
Income from continuing operations	$ 268.6	$ 384.7	$ (116.1)	-30%
Customer assets under care ($ billions):				
United States of America				
At year end	$ 502.5	$ 411.7	$ 90.8	22%
Average	$ 444.6	$ 478.1	$ (33.5)	-7%
Canada				
At year end	$ 13.0	$ 9.1	$ 3.9	43%
Average	$ 10.8	$ 11.8	$ (1.0)	-8%
Financial advisors:				
United States of America				
At year end	11,927	11,183	744	7%
Average	11,500	10,770	730	7%
Canada				
At year end	688	634	54	9%
Average	664	625	39	6%

United States of America

Net revenues decreased 6% ($223.9 million) in 2009, from 2008 primarily due to decreases in trade revenue ($169.6 million), service fees ($117.9 million), money market ($61.3 million) and net interest income ($53.3 million), partially offset by increases in Advisory Solutions revenue ($135.3 million) and in the value of the investments held related to the non-qualified deferred compensation plan ($43.2 million).

Trade revenue decreased primarily due to lower customer dollars invested, which decreased $24.5 billion (23%) from $108.1 billion, to $83.6 billion in 2009. Service fee revenue decreased due to the decline in average asset values on which service fees are earned, due to the market downturn in late 2008 and early 2009. The decrease in money market revenue is due to the reduction in certain fees earned by the Partnership in order to maintain a positive customer yield, which began in March 2009, and reduced the Partnership's revenue by $51.2 million in 2009. Net interest income declined primarily due to further declines in the average rates earned on overnight investing and declines in client margin loan interest. Advisory Solutions growth in revenue is due to the fact that the program was launched in mid-2008 and customer dollars invested into the program have grown significantly. The increase in the value of the investments held related to the non-qualified deferred compensation plan of $14.8 million in 2009, as compared to a decrease in 2008 of $28.4 million, resulted in an increase in revenue in 2009 of $43.2 million.

Operating expenses decreased 2% ($57.7 million) primarily due to the cost savings measures that the Partnership put in place in 2009 partially offset by increases in costs related to the growth of the financial advisor network and the related expense due to the increase in the value of the investments held related to the non-qualified deferred compensation plan (described above).

Canada

Net revenue decreased 22% ($35.2 million) in 2009, from 2008 primarily due to decreases in trade revenue ($16.9 million), asset-based fee revenue ($8.1 million) and in net interest income ($4.8 million). Trade revenue decreased primarily due to lower customer dollars invested, which decreased $1.4 billion (29%), from $4.8 billion in 2008, to $3.4 billion in 2009. Asset-based fee revenue has decreased due to the decline in average asset values on which these fees are earned, mostly due to the decline in the market in late 2008 and into early 2009. The decrease in net interest income is due to the significant declines of interest rates earned on interest bearing assets.

Operating expenses decreased 11% ($18.5 million) in 2009, from 2008 primarily due to a $13.2 million decrease in financial advisor compensation (excluding financial advisor salary and subsidy and variable compensation) due to the decrease in revenue on which commissions are paid. In addition, there were decreases in advertising expense ($4.0 million) and travel and entertainment expenses ($2.0 million) due to cost savings efforts in place in 2009. In July 2008, the Canadian broker-dealer's parent company, Edward Jones, began allocating costs for administrative and management support to the Canadian broker-dealer. Had the Partnership been allocating these costs during the entire year, 2008 management fee expense, as well as the loss from continuing operations, would have been approximately $4.0 million higher.

As a result of the decrease in revenue being more than the reduction in operating expenses, the pre-variable income for the Canadian business segment decreased from a loss of $16.2 million in 2008 to a loss of $32.9 million in 2009.

During the fifteen year period in which it has operated in Canada, the Partnership has been continually hiring new financial advisors as it attempts to grow its network. In Canada, nearly half of the financial advisors have less than three years of tenure with the Partnership, resulting in the Partnership experiencing an increased investment in the related recruiting and training expenses in Canada.

REGULATORY REFORM

Financial Services Regulatory Reform. The SEC is responsible for implementing a series of regulatory initiatives under the Dodd-Frank Act. Among numerous other provisions, the Dodd-Frank Act directs the SEC to study existing practices in the industry and grants the SEC discretionary rulemaking authority to establish, among other things, comparable standards of conduct for broker-dealers and investment advisers when providing personalized investment advice about securities to retail customers, and such other customers as the SEC provides by rule. For further discussion of this Act, see "Regulatory Reform" risk factor in Part II, Item 1A – Risk Factors section.

Healthcare Reform. The PPACA was signed into law on March 23, 2010. PPACA requires employers to provide affordable coverage with a minimum essential benefit to full-time employees or pay a financial penalty. The bill contains provisions that go into effect over the next several years that expand employee eligibility for the Partnership's medical plan and places limits on plan design. Regulatory guidance required to fully assess the impact of this law is still forthcoming. Accordingly, the Partnership is not yet able to determine the full potential financial impact on its operating results. However, the Partnership has performed an initial evaluation of the impact of the increase in dependent eligibility applicable to 2011 and related premiums to employees and has determined that this element of the reform is not expected to have a material impact on the Partnership's Consolidated Financial Statements.

Rule 12b-1 Fees. The Partnership receives various payments in connection with the purchase, sale and holding of mutual fund shares by its clients. Those payments include "Rule 12b-1 fees" and expense reimbursements. Rule 12b-1 allows a mutual fund to pay distribution and marketing expenses out of the funds assets. The SEC currently does not limit the size of Rule 12b-1 fees that funds may pay. FINRA does impose such limitations. However, on July 21, 2010 the SEC proposed reform of Rule 12b-1 under the ICA. The proposal includes: rescission of Rule 12b-1 and a proposed new Rule 12b-2 which would allow funds to deduct a fee on an annual basis of up to 25 basis points to pay for distribution expenses without a cumulative cap on this fee. Additionally, the proposal includes other amendments that would permit funds to deduct an asset-based distribution fee in which the fund may deduct ongoing sales charges with no annual limit, but cumulatively the asset-based distribution fee could not exceed the amount of the highest front-end load for a particular fund. The proposed rule also allows funds to create and distribute a class of shares at net asset value and dealers could establish their own fee schedule. The proposal includes additional requirements for disclosure on trade confirmations and in fund documents. These proposed rules have not been enacted and the Partnership cannot predict with any certainty whether or which of these proposals will be enacted in their current form, revised form or not enacted at all. In addition, the Partnership is not yet able to determine the potential financial impact on its operating results, related to this proposed reform of Rule 12b-1.

MUTUAL FUNDS AND ANNUITIES

The Partnership derived 66%, 60% and 62% of its total revenue from sales and services related to mutual fund and annuity products in 2010, 2009 and 2008, respectively. In addition, the Partnership derived 21%, 25% and 31% of its total revenue in 2010, 2009 and 2008, respectively, from one mutual fund vendor. All of the revenue generated from this vendor relates to business conducted with the Partnership's U.S. segment.

Significant reductions in the revenues from this mutual fund source due to regulatory reform or other changes to the Partnership's relationship with mutual fund vendors could have a material adverse effect on the Partnership's results of operations.

LIQUIDITY AND CAPITAL RESOURCES

The Partnership requires liquidity to cover its operating expenses, net capital requirements, capital expenditures, debt repayment obligations and redemptions of partnership interests. The principal sources for meeting the Partnership's liquidity requirements include existing liquidity and capital resources of the Partnership and funds generated from operations. The Partnership believes that the liquidity provided by these sources will be sufficient to meet its capital and liquidity requirements for the next twelve months. Depending on conditions in the capital markets and other factors, the Partnership will, from time to time, consider the issuance of debt and additional partnership capital, the proceeds of which could be used to meet growth needs or for other purposes.

Partnership Capital

A portion of the Partnership's growth in capital has historically been through the sale of limited partnership interests to its employees and existing limited partners, the sale of subordinated limited partnership interests to its current or retiring general partners and retention of general partner earnings.

The Partnership commenced an offering of limited partnership interests in 2010. In connection with the 2010 limited partnership offering, it filed a Registration Statement with the SEC on July 2, 2010, and an amendment thereto on September 3, 2010. The Registration Statement was also filed with various state securities commissions. The SEC declared the Registration Statement effective as of September 27, 2010, and the Registration Statement was declared effective by state securities commissions at or around the same time. As indicated in the Registration Statement, limited partnership interests were offered in the U.S. to certain current and former employees of the Partnership's subsidiaries and certain general partners of the Partnership. The limited partnership interests were also offered in Canada to such persons pursuant to an exemption from the prospectus requirements under applicable Canadian securities laws and, in certain instances, pursuant to an order from certain Canadian securities commissions granting exemptive relief from such prospectus requirements. The Limited Partnership Offering closed on January 3, 2011 with $223.9 million limited partner capital accepted. The Partnership intends to use the proceeds of the limited partnership offering for working capital and general corporate purposes, including continued satisfaction of regulatory net capital requirements. The Partnership now has approximately 15,000 limited partners owning nearly $675.0 million of limited partner capital.

The Partnership's capital subject to mandatory redemption at December 31, 2010, net of the reserve for anticipated withdrawals, was $1.5 billion, an increase of $60.2 million from December 31, 2009, which excludes the proceeds of the limited partnership offering discussed above. The increase in the Partnership's capital subject to mandatory redemption is primarily due to the retention of general partner earnings ($84.8 million) and the issuance of subordinated limited partner interests ($36.0 million), offset by redemption of limited partner, subordinated limited partner and general partner interests ($11.6 million, $10.0 million and $39.0 million, respectively). The Partnership Agreement provides, subject to the Managing Partner's discretion, that it is the intention, but not requirement, of the Partnership to retain approximately 28% of income allocated to general partners. During the years ended December 31, 2010, 2009 and 2008, the Partnership retained 27.6%, 26.6% and 27.6%, respectively, of income allocated to general partners. Beginning in 2011, the Partnership intends to decrease the amount of retention to approximately 23% of net income allocated to general partners. If individual income tax rates increase, the Partnership may decrease the percentage of retained net income further.

Under the terms of the Partnership Agreement, a partner's capital is required to be redeemed by the Partnership in the event of the partner's death, resignation or termination from the Partnership, subject to compliance with ongoing regulatory capital requirements. In the event of a partner's death, the Partnership must generally redeem the partner's capital within six months. The Partnership has withdrawal restrictions in place limiting the amount of capital that can be withdrawn at the discretion of the individual partner. Further, under the terms of the Partnership Agreement, limited partners withdrawing from the Partnership due to the partner's termination or resignation from the Partnership are to be repaid their capital in three equal annual installments beginning the month after their resignation or termination. The capital of general partners resigning or terminating from the Partnership is usually converted to subordinated limited partnership capital or, at the discretion of the Managing Partner, redeemed by the Partnership. Subordinated limited partners are repaid their capital in six equal annual installments beginning the month after their request for withdrawal of contributed capital. The Partnership's Managing Partner has discretion to waive these withdrawal restrictions and to accelerate the return of capital.

Partnership capital consists of capital contributions made by individual limited partners, general partners and subordinated limited partners of the Partnership. Historically, the Partnership has asked certain banks if they would make financing available to partners and have provided the initial documentation to the partner for such banks. Any such bank loan agreement is between the individual and the bank. As of March 31, 2011, the current bank loans of the individual general partners are one year term loans due on February 24, 2012, which are subject to annual renewal and have no required principal payments prior to maturity. In relation to the Partnership's 2010 Limited Partnership Offering, new bank loans were extended to individual limited partners requiring financing. The current bank loans of the individual limited partners are primarily due on January 2, 2014 and also have no required principal payments prior to that time. The Partnership does not guarantee these bank loans nor can the individual general, subordinated limited or limited partner pledge their partnership interest as collateral for their bank loan.

Additionally, the Partnership has performed certain administrative functions in connection with its partners who have elected to finance a portion of the purchase of partnership interests through individual unsecured bank loans from banks with whom the Partnership has other banking relationships. For all individual purchases financed through such agreements, the individual partner provides an irrevocable letter of instruction instructing the Partnership to apply the proceeds from the liquidation of the partner's capital account to the repayment of the partner's bank loan prior to any funds being released to the partner. In addition, these partners are required to apply partnership earnings, net of any firm retention and any distributions to pay taxes, to service the interest and principal on their bank loan. Should a partner's individual bank loan not be renewed upon maturity for any reason, the Partnership could experience increased requests for capital liquidations, which could adversely impact the Partnership's liquidity.

Individual partners who finance all or a portion of their partnership interest with bank financing may be more likely to request the withdrawal of capital to meet bank financing requirements should the individual partners experience a period of reduced earnings, including potential operating losses. As a partnership, any withdrawals by general partners, subordinated limited partners or limited partners would reduce the Partnership's available liquidity and capital.

As mentioned above, many of the same banks which provide financing to individual partners also provide various forms of financing to the Partnership. To the extent these banks increase credit available to the individual partners, financing available to the Partnership may be reduced.

The Partnership, while not a party to any individual partner bank loan, does facilitate making payments of allocated income to certain banks on behalf of the partner. The following table represents amounts related to individual partner bank loans for which the Partnership facilitates certain administrative functions. Individual partners may have arranged their own bank loans to finance their partnership capital for which the Partnership does not facilitate certain administrative functions and therefore any such loans are not included in the following table, which shows the composition of individual loans with banks:

	As of December 31, 2010			
(Dollars in thousands)	Limited Partnership Interests	Subordinated Limited Partnership Interests	General Partnership Interests	Total Partnership Capital
Partnership capital[1]:				
Total partnership capital	$ 451,349	$ 221,968	$ 823,408	$ 1,496,725
Partnership capital owned by partners with individual bank loans	$ 108,642	$ 956	$ 334,118	$ 443,716
Partnership capital owned by partners with individual bank loans as a percent of total partnership capital	24.1%	0.4%	40.6%	29.6%
Bank loans:				
Individual bank loans	$ 27,798	$ 274	$ 107,548	$ 135,620
Individual bank loans as a percent of total partnership capital	6.2%	0.1%	13.1%	9.1%
Individual bank loans as a percent of partnership capital owned by partners with individual bank loans	25.6%	28.7%	32.2%	30.6%

[1]Partnership capital is net of reserve for anticipated withdrawals

Historically, neither the amount of partnership capital financed with individual bank loans as indicated in the table above, nor the amount of individual partner capital withdrawal requests has had a significant impact on the Partnership's liquidity or capital resources.

Beginning in 2011, the Partnership will make loans available to those general partners that require financing for some or all of their new purchases of individual partnership interests. Prior to 2011, as noted above, general partners obtained loans from banks to finance these partnership interests, as necessary. The Partnership expects that these loans will continue to be renewed by individual partners and will remain with the banks. Loans made by the Partnership to general partners will generally be for a period of one year and will bear interest at the Prime Rate, as defined in the loan documents. The Partnership will recognize interest income for the interest paid by general partners in connection with such loans. General partners borrowing from the Partnership will be required to repay such loans by applying the majority of earnings received from the Partnership to such loans, net of amounts retained by the Partnership according to the Partnership Agreement and amounts distributed for income taxes. However, any bank loans held by a general partner will be repaid prior to any application of earnings towards that partner's Partnership loans. The Partnership will have full recourse against any general partner that defaults on loan obligations to the Partnership. The general partner capital purchased with a loan from the Partnership will be reflected with an offsetting loan amount in the Partnership's Consolidated Statements of Changes in Partnership Capital Subject to Mandatory Redemption.

In addition, the Partnership will not provide loans to members of the Executive Committee (see Item 10 – Directors, Executive Officers and Corporate Governance). Executive Committee members who require financing for some or all of their individual partner capital contributions will continue to obtain a loan directly with banks willing to provide such financing on an individual basis. The Partnership does not anticipate that these changes will have a significant impact on the Partnership's liquidity or capital resources.

The following table shows the composition of individual loans with banks and the Partnership:

(Dollars in thousands)	As of February 25, 2011 Limited Partnership Interests	Subordinated Limited Partnership Interests	General Partnership Interests	Total Partnership Capital
Partnership capital[1]:				
Total partnership capital	$ 673,678	$ 247,366	$ 887,757	$ 1,808,801
Partnership capital owned by partners with individual loans	$ 443,936	$ 656	$ 426,325	$ 870,917
Partnership capital owned by partners with individual loans as a percent of total partnership capital	65.9%	0.3%	48.0%	48.1%
Individual loans:				
Individual bank loans	$ 145,780	$ 225	$ 91,681	$ 237,686
Individual partnership loans	-	-	89,438	89,438
Total individual loans	$ 145,780	$ 225	$ 181,119	$ 327,124
Individual loans as a percent of total partnership capital	21.6%	0.1%	20.4%	18.1%
Individual loans as a percent of partnership capital owned by partners with individual loans	32.8%	34.3%	42.5%	37.6%

[1]Partnership capital is net of reserve for anticipated withdrawals

Partnership Debt

The following table shows the composition of the Partnership's aggregate bank lines of credit in place as of:

(Dollars in thousands)	**December 31, 2010**	**December 31, 2009**
Committed unsecured credit facilities:		
2008 Credit Facility[1]	$ -	$ 120,000
2010 Credit Facility	320,000	-
Total committed	320,000	120,000
Uncommitted credit facilities:		
Secured	595,000	645,000
Unsecured	50,000	50,000
Total uncommitted	645,000	695,000
Total bank lines of credit	$ 965,000	$ 815,000

[1] The 2008 Credit Facility was terminated on July 29, 2010. See discussion below for further information.

In July 2010, the Partnership retired its $120 million committed unsecured revolving credit facility obtained in 2008 ("2008 Credit Facility"), which was used for funding the construction of the new buildings and parking garages at its headquarters facilities in St. Louis, Missouri and Tempe, Arizona. The 2008 Credit Facility had a final maturity date of August 22, 2010. As of December 31, 2009, the Partnership had drawn $88.0 million and repaid $30.0 million, resulting in $58.0 million outstanding on the 2008 Credit Facility. On July 29, 2010, the Partnership re-paid the remaining balance outstanding on the 2008 Credit Facility. This final payment terminated the 2008 Credit Facility.

In April 2010, the Partnership entered into an agreement with eight banks for a $320 million committed unsecured revolving line of credit ("2010 Credit Facility"), which had a final maturity date of April 20, 2011. The 2010 Credit Facility was intended to provide short-term liquidity to the Partnership should the need arise. In March 2011, the Partnership replaced the 2010 Credit Facility with a new revolving line of credit (see discussion below for further information). The 2010 Credit Facility had a tiered interest rate based on leverage ratio (ratio of total net debt to total capitalization) or credit rating. Borrowings made with a three-day-advance notice had a rate of LIBOR plus a margin ranging from 2.38% to 3.00%. Same-day borrowings had a rate consisting of a margin ranging from 1.13% to 1.75% plus the greater of the prime rate, the federal funds effective rate plus 1.50% or the one month LIBOR rate plus 1.50%. In accordance with this agreement, the Partnership was required to maintain a leverage ratio of no more than 35% and minimum partnership capital, net of reserve for anticipated withdrawals, of at least $1.1 billion plus 50% of subsequent issuances in partnership capital, net of reserve for anticipated withdrawals, for each fiscal quarter. As of March 31, 2011, the Partnership has not borrowed against the 2010 Credit Facility.

In March 2011, the Partnership entered into an agreement with 10 banks for a three year $395 million committed unsecured revolving line of credit ("2011 Credit Facility"), which has a final maturity date of March 18, 2014. The 2011 Credit Facility is intended to provide short-term liquidity to the Partnership should the need arise. The 2011 Credit Facility has a tiered interest rate based on the Partnership's leverage ratio (ratio of total debt to total capitalization). Borrowings made with a three-day-advance notice will have a rate of LIBOR plus a margin ranging from 1.50% to 2.25%. Same-day borrowings will have a rate consisting of a margin ranging from 0.50% to 1.25% plus the greater of the prime rate, the federal funds effective rate plus 1.00% or the one month LIBOR rate plus 1.00%. In accordance with this agreement, the Partnership is required to maintain a leverage ratio of no more than 35% and minimum partnership capital, net of reserve for anticipated withdrawals, of at least $1.2 billion plus 50% of subsequent issuances of partnership capital. As of March 31, 2011, the Partnership has not borrowed against the 2011 Credit Facility.

The Partnership's uncommitted lines of credit are subject to change at the discretion of the banks and, therefore, due to credit market conditions and the uncommitted nature of these credit facilities, it is possible that these lines of credit could decrease or not be available in the future. During 2010, the Partnership's uncommitted lines of credit were reduced by $50.0 million by banks participating in the Partnership's agreement for the 2010 Credit Facility discussed above. This decrease reduced the aggregated uncommitted bank lines of credit to $645.0 million. Subsequent to December 31, 2010, the Partnership's uncommitted lines of credit were reduced by an additional $50.0 million by banks participating in the Partnership's agreement for the 2011 Credit Facility and in individual bank loans to limited partners in connection with the Partnership's 2010 Limited Partnership Offering. This decrease reduced the aggregated uncommitted bank lines of credit to $595.0 million.

Actual borrowing availability on the secured lines is based on customer margin securities and Partnership securities, which serve as collateral on loans. There were no amounts outstanding on the uncommitted lines of credit as of December 31, 2010 and 2009. However, the Partnership had two overnight draws against uncommitted secured lines of credit during the year ended December 31, 2010 totaling $154.0 million and two overnight draws against an uncommitted secured line of credit during the year ended December 31, 2009 totaling $55.0 million.

The following table shows the activity for the Partnership's long-term debt agreements during the year-ended December 31, 2010:

(Dollars in thousands)	**December 31, 2009**	**Borrowings**	**Payments**	**December 31, 2010**
Activity during period:				
2002 Fixed Rate Mortgage	$ 8,290	$ -	$ (863)	$ 7,427
2009 Office Equipment Note Payable	14,610	14,806	(5,722)	23,694
2009 Fixed Rate Mortgage	36,400	-	(1,124)	35,276
Total long-term debt	$ 59,300	$ 14,806	$ (7,709)	$ 66,397

In 2009, the Partnership entered into a financing agreement with three banks to fund up to $30.0 million for purchases of office equipment. Each borrowing under this financing agreement will be repaid over a term of 48 months at a rate of 315 basis points (3.15%) in excess of the one-month LIBOR rate and is secured by the equipment being financed. No further amounts are expected to be borrowed under this agreement.

In addition, the Partnership also entered into a $36.4 million fixed rate mortgage in 2009, collateralized by a headquarters building and related parking garage located on its St. Louis, Missouri, North Campus location. The loan has a fixed monthly principal and interest payment beginning February 1, 2010 through December 1, 2012. On the maturity date of December 22, 2012, the entire unpaid balance plus accrued interest, totaling $32.7 million, is due. The fixed interest rate of 3.5% is contingent upon the Partnership, or a subsidiary, maintaining a matching interest bearing deposit account with the lender in an amount equal to or exceeding the principal amount. If the matching deposit is withdrawn, the interest rate converts to a floating rate of the one-month LIBOR rate plus 5.0%. The matching deposit is currently maintained by Edward Jones, and the Partnership anticipates that the matching deposit will continue to be maintained throughout the life of the loan.

In 2002, the Partnership entered into a $13.1 million fixed rate mortgage on a headquarters building located on its Tempe, Arizona Campus location. The loan has a balance of $7.4 million as of December 31, 2010, and monthly principal and interest payments ending June 1, 2017. The note payable is collateralized by the building, which has a cost of $15.8 million and a carrying value of $10.8 million as of December 31, 2010.

As of December 31, 2010, the Partnership is in compliance with all covenants related to the previously mentioned debt agreements. For further details on covenants, see discussion regarding debt covenants in the Notes to the Consolidated Financial Statements.

Over the past few years, the Partnership has been in the process of expanding its headquarters facilities in order to support its current and future growth plans. Construction activities completed during 2009 included an office building at its St. Louis, Missouri, North Campus location, a building addition and garage at its St. Louis, Missouri South Campus location, and a parking garage at its Tempe, Arizona campus. The Partnership has substantially satisfied all commitments relating to these construction activities as of December 31, 2010. See the Notes to the Consolidated Financial Statements in the Partnership's Annual Report on Form 10-K for the year ended December 31, 2009 for further details on the completion of these activities.

In addition, the Partnership committed, in October 2009, to construct an additional parking garage at its St. Louis, Missouri, North Campus location. The Partnership estimated the cost to construct the garage to be approximately $24.5 million and has executed agreements of $24.2 million for the construction. As of December 31, 2010, the Partnership has paid $15.0 million related to commitments for this construction project resulting in $9.2 million of remaining commitments. The Partnership anticipates the remaining estimated amounts to be incurred and paid throughout the early portion of 2011. The total estimated amount needed to complete the construction of this parking garage will be financed through the Partnership's existing working capital.

Cash Activity

As of December 31, 2010, the Partnership had $87.6 million in cash and cash equivalents and $955.2 million in securities purchased under agreements to resell, which have maturities of less than one week. This totals $1,042.8 million of Partnership liquidity as of December 31, 2010, a 5% ($49.0 million) increase from $993.8 million at December 31, 2009. In addition, the Partnership also had $3.6 billion in cash and investments segregated under federal regulations, which was not available for general use.

During 2010, cash and cash equivalents of $87.6 million decreased $140.0 million from $227.5 million as of December 31, 2009. Cash provided by operating activities was $314.9 million. The primary sources of cash provided by operating activities include income before allocations to partners ($392.8 million) adjusted for depreciation expense ($98.2 million) and a net increase in liabilities ($863.8 million), partially offset by a net increase in assets ($1,039.9 million). During 2010, cash used in investing activities was $95.7 million consisting of capital expenditures supporting the growth of the Partnership's operations and for the construction of new office space as noted above. During 2010, cash used in financing activities was $359.2 million, consisting primarily of partnership withdrawals and distributions ($230.0 million), redemption of partnership interests ($60.6 million), and repayment of debt ($119.4 million), partially offset by the issuance of long-term debt ($14.8 million) and the issuance of partnership interests ($36.0 million).

Regulatory Requirements

As a result of its activities as a U.S. broker-dealer, Edward Jones, is subject to the net capital provisions of Rule 15c3-1 of the Securities Exchange Act of 1934 (the "Exchange Act") and withdrawal rules of the FINRA Rule 4110. Under the alternative method permitted by the rules, Edward Jones must maintain minimum net capital, as defined, equal to the greater of $0.25 million or 2% of aggregate debit items arising from customer transactions. The net capital rules also provide that partnership capital may not be withdrawn if the resulting net capital would be less than minimum requirements. Additionally, certain withdrawals require the approval of the SEC and FINRA to the extent they exceed defined levels, even though such withdrawals would not cause net capital to be less than 5% of aggregate debit items. As of December 31, 2010, Edward Jones' net capital of $725.2 million was 33.7% of aggregate debit items and its net capital in excess of the minimum required was $682.1 million. Net capital as a percentage of aggregate debit items after anticipated withdrawals was 31.3%. Net capital and the related capital percentage may fluctuate on a daily basis. As of December 31, 2010, the Partnership's Canadian broker-dealer's regulatory risk adjusted capital of $47.2 million was $37.7 million in excess of the capital that IIROC requires to be held. In addition, EJTC was in compliance with regulatory capital requirements in the jurisdiction in which it operates.

OFF BALANCE SHEET ARRANGEMENTS

The Partnership does not have any significant off-balance-sheet arrangements.

CONTRACTUAL COMMITMENTS AND OBLIGATIONS

The following table summarizes the Partnership's long-term financing commitments and obligations, as of December 31, 2010. Subsequent to December 31, 2010, these commitments and obligations may have fluctuated based on the changing business environment. The interest on financing commitments is based upon the stated rates of the underlying instruments, which range from 3.38% to 7.79%. For further disclosure regarding long-term debt, liabilities subordinated to claims of general creditors and rental commitments, see Notes 9, 10 and 15, respectively, to the Consolidated Financial Statements.

(Dollars in thousands)	Payments Due by Period						
	2011	*2012*	*2013*	*2014*	*2015*	*Thereafter*	*Total*
Long-term debt	$ 9,105	$ 42,470	$ 8,288	$ 3,257	$ 1,240	$ 2,037	$ 66,397
Liabilities subordinated to claims of general creditors	53,700	50,000	50,000	50,000	-	-	203,700
Interest on financing commitments[1]	15,507	11,321	6,066	2,143	198	119	35,354
Rental commitments	127,102	36,106	23,229	16,522	12,725	57,728	273,412
Construction commitments	9,218	-	-	-	-	-	9,218
Total financing commitments and obligations	$ 214,632	$ 139,897	$ 87,583	$ 71,922	$ 14,163	$ 59,884	$ 588,081

[1] Interest paid may vary depending on timing of principal payments in addition to changes in variable interest rates on underlying obligations.

In addition to the above table, the Partnership has a revolving unsecured line of credit outstanding as of December 31, 2010 (see Note 8 to the Consolidated Financial Statements). The Partnership would incur termination fees of $134.3 million in 2011 in the event the Partnership terminated existing contractual commitments with certain vendors providing ongoing services. These termination fees will decrease over the related contract period, which generally expires within the next three years.

CRITICAL ACCOUNTING POLICIES

The Partnership's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America, which may require judgment and involve estimation processes to determine its assets, liabilities, revenues and expenses which affect its results of operations.

The Partnership believes that of its significant accounting policies, the following critical policies require estimates that involve a higher degree of judgment and complexity.

Customers' transactions are recorded on a settlement date basis with the related revenue and expenses recorded on a trade date basis. The Partnership may be exposed to risk of loss in the event customers, other brokers and dealers, banks, depositories or clearing organizations are unable to fulfill contractual obligations. For transactions in which it extends credit to customers, the Partnership seeks to control the risks associated with these activities by requiring customers to maintain margin collateral in compliance with various regulatory and internal guidelines. Securities owned and sold, not yet purchased, including inventory securities and investment securities, are recorded at fair value.

The Partnership provides for potential losses that may arise out of litigation, regulatory proceedings and other contingencies to the extent that such losses can be estimated, in accordance with ASC No. 450, Contingencies. See Item 3 – Legal Proceedings, Item 7 – Management's Discussion and Analysis of Financial Condition and Results of Operations – Mutual Fund and Annuities and Note 16 to the Consolidated Financial Statements for further discussion of these items. The Partnership regularly monitors its exposures for potential losses. The Partnership's total liability with respect to litigation and regulatory proceedings represents the best estimate of probable losses after considering, among other factors, the progress of each case, the Partnership's experience and discussions with legal counsel.

The Partnership's periodic evaluation of the estimated useful lives of equipment, property and improvements is based on the original life determined at the time of purchase and any events or changes in circumstances that would result in a change in the useful life.

Included in Item 7A – Quantitative and Qualitative Disclosures about Market Risk and in the notes to the financial statements (see Note 1 to the Consolidated Financial Statements), are additional discussions of the Partnership's accounting policies.

THE EFFECTS OF INFLATION

The Partnership's net assets are primarily monetary, consisting of cash and cash equivalents, cash and investments segregated under federal regulations, securities inventories and receivables less liabilities. Monetary net assets are primarily liquid in nature and would not be significantly affected by inflation. Inflation and future expectations of inflation influence securities prices, as well as activity levels in the securities markets. As a result, profitability and capital may be impacted by inflation and inflationary expectations. Additionally, inflation's impact on the Partnership's operating expenses may affect profitability to the extent that additional costs are not recoverable through increased prices of services offered by the Partnership.

RECENTLY ISSUED ACCOUNTING STANDARDS

In July 2010, the FASB issued Accounting Standards Update ("ASU") No. 2010-20, Receivables (Topic 855): Disclosures about the Credit Quality of Financing Receivables and the Allowance for Credit Losses ("ASU 2010-20"), to improve the disclosures that an entity provides about the credit quality of its financing receivables and the related allowance for credit losses. ASU 2010-20 is effective for interim and annual periods ending after December 15, 2010. The Partnership adopted ASU 2010-20 as of the effective date, which did not have a significant impact on the Partnership's Consolidated Financial Statements.

In February 2010, the FASB issued ASU No. 2010-09, Subsequent Events (Topic 855): Amendments to Certain Recognition and Disclosure Requirements ("ASU 2010-09"), amending ASC No. 855, Subsequent Events, to remove the requirement that an entity that is an SEC filer is required to disclose the date through which subsequent events have been evaluated. ASU 2010-09 is effective upon issuance of the ASU. Adoption of ASU 2010-09 did not have an impact on the Partnership's Consolidated Financial Statements.

In January 2010, the FASB issued ASU No. 2010-06, Fair Value Measurements and Disclosures (Topic 820): Improving Disclosures about Fair Value Measurements ("ASU 2010-06"). ASU 2010-06 amends ASC 820, Fair Value Measurements and Disclosures, to require new disclosures related to transfers into and out of Levels I, II and III of the fair value hierarchy and additional disclosures relating to Level III measurements. The guidance also clarifies existing fair value measurement disclosures about the level of disaggregation and about inputs and valuation techniques used to measure fair value. ASU 2010-06 is effective for the first reporting period beginning after December 15, 2009, except for the additional disclosure requirements related to Level III measurements which are effective for fiscal years beginning after December 15, 2010. Adoption of ASU 2010-06 did not have an impact on the Partnership's Consolidated Financial Statements. The additional disclosure requirements effective for periods beginning after December 15, 2010 are also not expected to have an impact on the Partnership's Consolidated Financial Statements.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The SEC requires market risk disclosures of accounting policies for derivatives and other financial instruments and to provide quantitative and qualitative disclosures about market risk inherent in derivatives and other financial instruments. Various levels of management within the Partnership manage the Partnership's risk exposure. Position limits in trading and inventory accounts are established and monitored on an ongoing basis. Credit risk related to various financing activities is reduced by the industry practice of obtaining and maintaining collateral. The Partnership monitors its exposure to counterparty risk through the use of credit exposure information, the monitoring of collateral values and the establishment of credit limits. For further discussion of monitoring, see the Risk Management discussion in Item 10 – Directors, Executive Officers and Corporate Governance of this Form 10-K.

The Partnership is exposed to market risk from changes in interest rates. Such changes in interest rates impact the income from interest earning assets, primarily receivables from customers on margin balances and average overnight investments, which were $2.2 billion and $4.0 billion as of December 31, 2010, respectively. The changes in interest rates may also have an impact on the expense related to liabilities that finance these assets, such as amounts payable to customers and other interest and non-interest bearing liabilities.

The Partnership performed an analysis of its financial instruments and assessed the related interest rate risk and materiality in accordance with the SEC rules. Under current market conditions and based on current levels of interest earning assets and the liabilities that finance these assets, the Partnership estimates that a 100 basis point (1.00%) increase in short-term interest rates could increase its annual net interest income by approximately $31.0 million. Conversely, the Partnership estimates that a 100 basis point (1.00%) decrease in short-term interest rates could decrease the Partnership's annual net interest income by approximately $9.0 million. A decrease in short-term interest rates currently has a less significant impact on net interest income due to the current low interest rate environment. The Partnership has two distinct types of interest bearing assets: customer receivables from margin accounts and short-term, primarily overnight, investments, which are primarily comprised of cash and investments segregated under federal regulations and securities purchased under agreements to resell. These investments have earned interest at an average rate of approximately 24 basis points (0.24%) in 2010, and therefore the financial dollar impact of further declines in rates is minimal. The Partnership has put in place an interest rate floor for the interest charged related to its customer margin loans, which helps to limit the negative impact of declining interest rates.

In addition to the interest earning assets and liabilities noted above, the Partnership's revenue earned related to its minority ownership interest in the advisor to the Edward Jones money market funds is also impacted by changes in interest rates. As noted in previous discussions, as a 49.5% limited partner of Passport Research Ltd., the investment adviser to some of the money market funds made available to Edward Jones customers, the Partnership receives a portion of the income of the investment adviser. Due to the current historically low interest rate environment, the investment adviser voluntarily chose (beginning in March 2009) to reduce certain fees charged to the funds to a level that will maintain a positive customer yield on the funds. This reduction of fees reduced the Partnership's revenue by a total of $83.6 million for the year ended December 31, 2010 and is expected to continue at that level in future periods, based upon the current interest rate environment. Alternatively, if the interest rate environment improved such that that this reduction in fees was no longer necessary to maintain a positive customer yield, the Partnership's revenue could increase annually by that same level.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Financial Statements Included in this Item

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management of The Jones Financial Companies, L.L.L.P. and all wholly-owned subsidiaries (collectively, the "Partnership"), is responsible for establishing and maintaining adequate internal control over financial reporting. The Partnership's internal control over financial reporting is a process designed under the supervision of the Partnership's chief executive officer and chief financial officer to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Partnership's financial statements for external purposes in accordance with U.S. generally accepted accounting principles.

As of the end of the Partnership's 2010 fiscal year, management conducted an assessment of the effectiveness of the Partnership's internal control over financial reporting based on the framework established in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on this assessment, management has determined that the Partnership's internal control over financial reporting as of December 31, 2010 was effective.

The Partnership's internal control over financial reporting includes policies and procedures that pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect transactions and dispositions of assets; provide reasonable assurances that transactions are recorded as necessary to permit preparation of financial statements in accordance with U.S. generally accepted accounting principles, and that receipts and expenditures are being made only in accordance with authorizations of management of the Partnership; and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Partnership's assets that could have a material effect on its financial statements.

The Partnership's internal control over financial reporting as of December 31, 2010 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their accompanying report, which expresses an unqualified opinion on the effectiveness of the Partnership's internal control over financial reporting as of December 31, 2010.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To The Jones Financial Companies, L.L.L.P.:

In our opinion, the accompanying Consolidated Statements Of Financial Condition and the related consolidated statements of income, of changes in partnership capital subject to mandatory redemption and of cash flows present fairly, in all material respects, the consolidated financial position of The Jones Financial Companies, L.L.L.P. and its subsidiaries (the "Partnership") at December 31, 2010 and 2009, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2010, 2009 and 2008 in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statement schedules listed in the index appearing under Item 15(a)(2) present fairly, in all material respects, the information set forth therein when read in conjunction with the related Consolidated Financial Statements. Also in our opinion, the Partnership maintained, in all material respects, effective internal control over financial reporting as of December 31, 2010, based on criteria established in *Internal Control – Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Partnership's management is responsible for these financial statements and financial statement schedules, for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express opinions on these financial statements, on the financial statement schedules, and on the Partnership's internal control over financial reporting based on our integrated audits. We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ PricewaterhouseCoopers LLP

St. Louis, Missouri
March 31, 2011

THE JONES FINANCIAL COMPANIES, L.L.L.P.
CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION
ASSETS

(Dollars in thousands)	*December 31, 2010*	*December 31, 2009*
Cash and cash equivalents	$ 87,584	$ 227,544
Cash and investments segregated under federal regulations	3,614,163	2,812,154
Securities purchased under agreements to resell	955,209	766,277
Receivable from:		
Customers	2,318,306	2,151,243
Brokers, dealers and clearing organizations	239,520	197,823
Mutual funds, insurance companies and other	142,480	149,531
Securities owned, at fair value:		
Inventory securities	81,175	76,346
Investment securities	93,411	91,041
Equipment, property and improvements, at cost, net of accumulated depreciation and amortization	615,036	620,229
Other assets	94,266	76,187
TOTAL ASSETS	$ 8,241,150	$ 7,168,375

The accompanying notes are an integral part of these Consolidated Financial Statements.

THE JONES FINANCIAL COMPANIES, L.L.L.P.
CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION
LIABILITIES

(Dollars in thousands)	*December 31, 2010*	*December 31, 2009*
Payable to:		
Customers	$ 5,606,760	$ 4,715,729
Brokers, dealers and clearing organizations	59,233	44,331
Securities sold, not yet purchased, at fair value	6,704	10,656
Accrued compensation and employee benefits	506,221	380,547
Accounts payable and accrued expenses	187,162	175,600
Bank loans	-	58,000
Long-term debt	66,397	59,300
	6,432,477	5,444,163
Liabilities subordinated to claims of general creditors	203,700	257,400
Commitments and contingencies (Notes 15 and 16)		
Partnership capital subject to mandatory redemption,net of reserve for anticipated withdrawals	1,496,725	1,436,528
Reserve for anticipated withdrawals	108,248	30,284
Total partnership capital subject to mandatory redemption	1,604,973	1,466,812
TOTAL LIABILITIES	$ 8,241,150	$ 7,168,375

The accompanying notes are an integral part of these Consolidated Financial Statements.

THE JONES FINANCIAL COMPANIES, L.L.L.P.
CONSOLIDATED STATEMENTS OF INCOME

(Dollars in thousands, except per unit information)	*For the Years Ended December 31,* 2010	2009	2008
Revenue:			
Trade revenue			
Commissions	$ 1,575,852	$ 1,360,927	$ 1,552,559
Principal transactions	320,777	398,108	493,335
Investment banking	208,615	183,797	83,442
Total trade revenue	2,105,244	1,942,832	2,129,336
Fee revenue			
Asset-based	1,397,333	967,386	1,061,593
Account and activity	503,264	489,605	470,978
Total fee revenue	1,900,597	1,456,991	1,532,571
Interest and dividends	126,769	112,637	184,919
Other revenue (loss)	30,489	35,558	(25,572)
Total revenue	4,163,099	3,548,018	3,821,254
Interest expense	56,323	57,599	71,752
Net revenue	4,106,776	3,490,419	3,749,502
Operating expenses:			
Compensation and benefits	2,643,683	2,215,791	2,290,566
Occupancy and equipment	343,305	318,953	297,593
Communications and data processing	290,070	285,870	309,189
Payroll and other taxes	159,916	140,683	138,226
Advertising	55,677	48,389	64,154
Postage and shipping	49,848	50,431	56,097
Clearance fees	11,562	13,130	18,056
Other operating expenses	159,930	148,534	190,954
Total operating expenses	3,713,991	3,221,781	3,364,835
Income from continuing operations	392,785	268,638	384,667
Loss from discontinued operations (Note 2)	-	(104,331)	(72,858)
Income before allocations to partners	392,785	164,307	311,809
Allocations to partners:			
Limited partners	43,803	19,543	42,236
Subordinated limited partners	41,720	16,530	29,656
General partners	307,262	128,234	239,917
Net income	$ -	$ -	$ -
Income allocated to limited partners per weighted average $1,000 equivalent limited partnership unit outstanding	$ 96.07	$ 41.44	$ 86.21
Weighted average $1,000 equivalent limited partnership units outstanding	455,949	471,597	489,920

The accompanying notes are an integral part of these Consolidated Financial Statements.

THE JONES FINANCIAL COMPANIES, L.L.L.P.
CONSOLIDATED STATEMENTS OF CHANGES IN PARTNERSHIP CAPITAL SUBJECT TO MANDATORY REDEMPTION
FOR THE YEARS ENDED DECEMBER 31, 2010, 2009 and 2008

(Dollars in thousands)	*Limited Partnership Capital*	*Subordinated Limited Partnership Capital*	*General Partnership Capital*	*Total*
TOTAL PARTNERSHIP CAPITAL SUBJECT TO MANDATORY REDEMPTION, DECEMBER 31, 2007	**$ 545,199**	**$ 158,133**	**$ 747,448**	**$ 1,450,780**
Reserve for anticipated withdrawals	(50,713)	(11,456)	(60,269)	(122,438)
Partnership capital subject to mandatory redemption, net of reserve for anticipated withdrawals, December 31, 2007	$ 494,486	$ 146,677	$ 687,179	$ 1,328,342
Issuance of partnership interests	-	31,438	-	31,438
Redemption of partnership interests	(12,120)	(1,182)	-	(13,302)
Income allocated to partners	42,236	29,656	239,917	311,809
Withdrawals and distributions	(20,554)	(24,276)	(138,142)	(182,972)
TOTAL PARTNERSHIP CAPITAL SUBJECT TO MANDATORY REDEMPTION, DECEMBER 31, 2008	**$ 504,048**	**$ 182,313**	**$ 788,954**	**$ 1,475,315**
Reserve for anticipated withdrawals	(21,682)	(5,380)	(35,558)	(62,620)
Partnership capital subject to mandatory redemption, net of reserve for anticipated withdrawals, December 31, 2008	$ 482,366	$ 176,933	$ 753,396	$ 1,412,695
Issuance of partnership interests	-	25,312	-	25,312
Redemption of partnership interests	(19,365)	(6,304)	(9,885)	(35,554)
Income allocated to partners	19,543	16,530	128,234	164,307
Withdrawals and distributions	(6,807)	(13,558)	(79,583)	(99,948)
TOTAL PARTNERSHIP CAPITAL SUBJECT TO MANDATORY REDEMPTION, DECEMBER 31, 2009	**$ 475,737**	**$ 198,913**	**$ 792,162**	**$ 1,466,812**
Reserve for anticipated withdrawals	(12,736)	(2,972)	(14,576)	(30,284)
Partnership capital subject to mandatory redemption, net of reserve for anticipated withdrawals, December 31, 2009	$ 463,001	$ 195,941	$ 777,586	$ 1,436,528
Issuance of partnership interests	-	35,984	-	35,984
Redemption of partnership interests	(11,652)	(9,957)	(38,982)	(60,591)
Income allocated to partners	43,803	41,720	307,262	392,785
Withdrawals and distributions	(15,598)	(26,273)	(157,862)	(199,733)
TOTAL PARTNERSHIP CAPITAL SUBJECT TO MANDATORY REDEMPTION, DECEMBER 31, 2010	**$ 479,554**	**$ 237,415**	**$ 888,004**	**$ 1,604,973**
Reserve for anticipated withdrawals	(28,205)	(15,447)	(64,596)	(108,248)
Partnership capital subject to mandatory redemption, net of reserve for anticipated withdrawals, December 31, 2010	$ 451,349	$ 221,968	$ 823,408	$ 1,496,725

The accompanying notes are an integral part of these Consolidated Financial Statements.

THE JONES FINANCIAL COMPANIES, L.L.L.P.
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the years ended December 31,		
(Dollars in thousands)	*2010*	*2009*	*2008*
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income	$ -	$ -	$ -
Adjustments to reconcile net income to net cash provided by operating activities:			
Income before allocations to partners	392,785	164,307	311,809
Depreciation and amortization	98,187	93,076	89,838
Loss on sale of subsidiary	-	70,000	-
Changes in assets and liabilities:			
Cash and investments segregated under federal regulations	(802,009)	(665,790)	(549,166)
Securities purchased under agreements to resell	(188,932)	587,723	(759,000)
Net payable to customers	723,968	(27,118)	1,347,776
Net receivable from brokers, dealers and clearing organizations	(26,795)	135,338	81,172
Receivable from mutual funds, insurance companies and other	7,051	(25,797)	25,802
Securities owned, net	(11,151)	(28,000)	87,839
Other assets	(18,079)	736	(3,338)
Accrued compensation and employee benefits	125,674	63,742	(172,807)
Accounts payable and accrued expenses	14,221	6,530	(43,444)
Net cash provided by operating activities	314,920	374,747	416,481
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of equipment, property and improvements, net	(95,653)	(213,801)	(266,024)
Proceeds from sale of subsidiary	-	10,160	-
Cash retained by sold subsidiary	-	(23,121)	-
Net cash used in investing activities	(95,653)	(226,762)	(266,024)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Issuance of bank loans	-	45,000	43,000
Repayment of bank loans	(58,000)	(30,000)	-
Issuance of long-term debt	14,806	51,593	-
Repayment of long-term debt	(7,709)	(1,385)	(1,742)
Repayment of subordinated liabilities	(53,700)	(3,700)	(14,200)
Issuance of partnership interests	35,984	25,312	31,438
Redemption of partnership interests	(60,591)	(35,554)	(13,302)
Withdrawals and distributions from partnership capital	(230,017)	(162,568)	(305,410)
Net cash used in financing activities	(359,227)	(111,302)	(260,216)
CHANGES IN CASH AND CASH EQUIVALENTS ASSOCIATED WITH SOLD SUBSIDIARY	-	-	(3,854)
Net (decrease) increase in cash and cash equivalents	(139,960)	36,683	(113,613)
CASH AND CASH EQUIVALENTS			
Beginning of year	227,544	190,861	304,474
End of year	$ 87,584	$ 227,544	$ 190,861
Cash paid for interest	$ 56,403	$ 57,868	$ 73,311
Cash paid for taxes (Note 14)	$ 4,043	$ 3,134	$ 3,434
NON-CASH ACTIVITIES:			
Additions of equipment, property and improvements in accounts payable and accrued expenses	$ 2,153	$ 4,812	$ 26,520

The accompanying notes are an integral part of these Consolidated Financial Statements.

THE JONES FINANCIAL COMPANIES, L.L.L.P.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Dollars in thousands, except per unit information)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Partnership's Business and Basis of Accounting. The accompanying Consolidated Financial Statements include the accounts of The Jones Financial Companies, L.L.L.P. and all wholly-owned subsidiaries (collectively, the "Partnership"). All material intercompany balances and transactions have been eliminated in consolidation. Non-controlling minority interests are accounted for under the equity method. The results of the Partnership's subsidiary in Canada are included in the Partnership's Consolidated Financial Statements for the twelve months ended November 30, 2010, 2009 and 2008 because of the timing of the Partnership's financial reporting process.

The Partnership's principal operating subsidiary, Edward D. Jones & Co., L.P. ("Edward Jones"), is comprised of two registered broker-dealers primarily serving individual investors in the United States of America ("U.S.") and Canada. Edward Jones primarily derives its revenues from the retail brokerage business through the sale of listed and unlisted securities and insurance products, investment banking, principal transactions, as a distributor of mutual fund shares and through revenues related to assets held by and account services provided to its customers. The Partnership conducts business in the U.S. and Canada with its customers, various brokers, dealers, clearing organizations, depositories and banks. For financial information related to the Partnership's two operating segments for the years ended December 31, 2010, 2009 and 2008, see Note 17 to the Consolidated Financial Statements. Trust services are offered to Edward Jones' U.S. customers through Edward Jones Trust Company ("EJTC"), a wholly-owned subsidiary of the Partnership.

On November 12, 2009, Edward Jones completed the sale of the issued and outstanding shares of its U.K. subsidiary, Edward Jones Limited ("EDJ Limited"). EDJ Limited is presented as a discontinued operation for all periods prior to the completion of the sale. All other information contained in these Consolidated Financial Statements is presented on a continuing operations basis unless otherwise noted. See Note 2 to the Consolidated Financial Statements for further details on this sale.

The Consolidated Financial Statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the U.S. which require the use of certain estimates by management in determining the Partnership's assets, liabilities, revenues and expenses. Actual results could differ from these estimates.

Under the terms of the Eighteenth Amended and Restated Partnership Agreement (the "Partnership Agreement"), a partner's capital will be redeemed by the Partnership in the event of the partner's death, resignation or termination. In the event of a partner's death, the Partnership must generally redeem the partner's capital within six months. Limited partners withdrawing from the Partnership due to termination or resignation are repaid their capital in three equal annual installments beginning the month after their resignation or termination. The capital of general partners resigning or terminating from the Partnership is usually converted to subordinated limited partnership capital. Subordinated limited partners are repaid their capital in six equal annual installments beginning the month after their request for withdrawal of contributed capital. The Partnership's Managing Partner has discretion to waive these withdrawal restrictions. All current and future partnership capital is subordinate to all current and future liabilities of the Partnership.

Transaction Risk. The Partnership's securities activities involve execution, settlement and financing of various securities transactions for customers. The Partnership may be exposed to risk of loss in the event customers, other brokers and dealers, banks, depositories or clearing organizations are unable to fulfill contractual obligations. For transactions in which it extends credit to customers, the Partnership seeks to control the risks associated with these activities by requiring customers to maintain margin collateral in compliance with various regulatory and internal guidelines. Cash balances held at various major U.S. financial institutions, which typically exceed Federal Deposit Insurance Corporation insurance coverage limits, subject the Partnership to a concentration of credit risk. Additionally, the Partnership's Canadian broker-dealer may also have cash deposits in excess of the applicable insured amounts. The Partnership regularly monitors the credit ratings of these financial institutions in order to mitigate the credit risk that exists with the deposits in excess of insured amounts.

Revenue Recognition. The Partnership records customer transactions on a settlement date basis and the related commissions, principal transactions and investment banking revenues are recorded on a trade date basis. All other forms of revenue are recorded on an accrual basis.

Commissions consist of charges to customers for the purchase or sale of listed and unlisted securities, insurance products and mutual fund shares.

Principal transactions revenue is the result of the Partnership's participation in market-making activities in over-the-counter corporate securities, municipal obligations (including general obligations and revenue bonds), U.S. government obligations, unit investment trusts, mortgage-backed securities and certificates of deposit. In addition, the Partnership has determined that certain unit investment trusts revenue is more appropriately reflected as investment banking revenue and therefore has reclassified the related prior year revenue balances to investment banking revenue, from principal transactions revenue, which better aligns with the nature of the revenue and common industry practice.

Investment banking revenue is derived from the Partnership's underwriting of corporate securities and municipal obligations and distribution of U.S. government obligations and unit investment trusts on behalf of issuers.

Asset-based fee revenue consists of service fees and other revenues received under agreements with mutual fund and insurance companies based on the underlying value of the Partnership's customers' assets invested in those companies' products. The Partnership also receives asset-based fee revenue from its advisory programs, which primarily include Advisory Solutions and Managed Account Program products. These programs provide investment advisory services to its customers for a fee based upon their asset values in the program. Asset-based fee revenue related to the Partnership's interest in the advisor to the Edward Jones Money Market Funds (Passport Research Ltd.) is included in asset-based fee revenue.

Account and activity fee revenue includes fees received from mutual fund companies for sub-transfer agent accounting services performed by the Partnership and self-directed IRA custodian account fees. It also includes other activity-based fee revenue from customers, mutual fund companies and insurance companies.

Interest and dividend income is earned on margin account balances, cash and cash equivalents, cash and investments segregated under federal regulations, securities purchased under agreements to resell, inventory securities and investment securities.

The Partnership derived 21%, 25% and 30% of its total revenue for the years ended December 31, 2010, 2009 and 2008, respectively, from one mutual fund vendor. All of the revenue generated from this vendor relates to business conducted with the Partnership's U.S. segment. Significant reductions in the revenues from this mutual fund source due to regulatory reform or other changes to the Partnership's relationship with this mutual fund vendor could have a material impact on the Partnership's results of operations.

Foreign Exchange. Assets and liabilities denominated in a foreign currency are translated at the exchange rate at the end of the period. Revenue and expenses denominated in a foreign currency are translated using the average exchange rate for each period. Foreign exchange gains and losses are included in other revenue on the Consolidated Statements of Income.

Fair Value. Substantially all of the Partnership's financial assets and liabilities are carried at fair value or contracted amounts which approximate fair value.

Fair value of a financial instrument is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (the "exit price"). Financial assets are marked to bid prices and financial liabilities are marked to offer prices. Upon the adoption of fair value guidance set forth in Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") No. 825, *Financial Instruments*, the Partnership elected not to take the fair value option on all debt and liabilities subordinated to the claims of general creditors.

The Partnership's financial assets and liabilities recorded at fair value in the Consolidated Statements of Financial Condition are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Hierarchical levels, defined by FASB ASC No. 820, *Fair Value Measurement and Disclosure*, and directly related to the amount of subjectivity associated with the inputs to fair valuation of these assets and liabilities, are as follows:

Level I – Inputs are unadjusted, quoted prices in active markets for identical assets or liabilities at the measurement date.

The types of assets and liabilities categorized as Level I generally are government and agency securities, equities listed in active markets, unit investment trusts and investments in publicly traded mutual funds with quoted market prices.

Level II – Inputs (other than quoted prices included in Level I) are either directly or indirectly observable for the asset or liability through correlation with related market data at the measurement date and for the duration of the instrument's anticipated life. The Partnership uses the market approach valuation technique (incorporates prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities) in valuing these types of investments.

The types of assets and liabilities categorized as Level II generally are certificates of deposit, municipal bonds, mortgage and asset backed securities and corporate debt.

Level III – Inputs are both unobservable and significant to the overall fair value measurement.

These inputs reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date. Consideration is given to the risk inherent in the valuation technique and the risk inherent in the inputs to the model.

The Partnership did not have any assets or liabilities categorized as Level III during the years ended December 31, 2010 and 2009. In addition, there were no transfers into or out of Levels I, II or III during these periods.

Due to the short-term nature of the Partnership's bank loans and the portion of liabilities subordinated to claims of general creditors maturing within one year, the fair value of these items is estimated at carrying value. The Partnership estimates the fair value of long-term debt and the portion of liabilities subordinated to claims of general creditors maturing beyond one year, based on the present value of future principal and interest payments associated with the debt, using current rates obtained from external lenders that are extended to organizations for debt of a similar nature as that of the Partnership.

Cash and Cash Equivalents. The Partnership considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

Cash and Investments Segregated under Federal Regulations. Cash of $2,708,256 and $2,412,154 and investments of $905,907 and $400,000 as of December 31, 2010 and 2009, respectively, were segregated in special reserve bank accounts for the benefit of U.S. customers under rule 15c3-3 of the Securities and Exchange Commission ("SEC").

Securities Purchased Under Agreements to Resell. The Partnership participates in short-term resale agreements collateralized by U.S. government and agency securities. These transactions are reported as collateralized financing. The fair value of the underlying collateral as determined daily, plus accrued interest, must equal or exceed 102% of the carrying amount of the transaction. It is the Partnership's policy to have such underlying resale agreement collateral delivered to the Partnership or deposited in its accounts at its custodian banks. Resale agreements are carried at the amount at which the securities will be subsequently resold as specified in the agreements. The Partnership considers these financing receivables to be of good credit quality and, in response, has not recorded a related allowance for credit loss due to the fact that these securities are fully collateralized and, as a result, the Partnership considers risk related to these securities to be minimal.

Securities Borrowing and Lending Activities. Securities borrowed and securities loaned transactions are reported as collateralized financings. Securities borrowed transactions require the Partnership to deposit cash or other collateral with the lender. In securities loaned transactions, the Partnership receives collateral in the form of cash or other collateral. Collateral for both securities borrowed and securities loaned is based on 102% of the fair value of the underlying securities loaned. The Partnership monitors the fair value of securities borrowed and loaned on a daily basis, with additional collateral obtained or refunded as necessary. Securities borrowed and securities loaned are included in receivable from and payable to brokers, dealers and clearing organizations in the Consolidated Statements of Financial Condition.

Collateral. The Partnership reports as assets, collateral it has pledged in secured borrowings and other arrangements when the secured party cannot sell or repledge the assets or the Partnership can substitute collateral or otherwise redeem it on short notice. The Partnership does not report collateral it has received in secured lending and other arrangements as an asset when the debtor has the right to redeem or substitute the collateral on short notice.

Securities Owned and Sold, Not Yet Purchased. Securities owned and sold, not yet purchased, including inventory securities and investment securities, are recorded at fair value. Fair value is determined by using quoted market or dealer prices. The Partnership records the related unrealized gains and losses in principal transactions revenue, within trade revenue.

Equipment, Property and Improvements. Equipment, including furniture and fixtures, is recorded at cost and depreciated using straight-line and accelerated methods over estimated useful lives of two to twelve years. Buildings are depreciated using the straight-line method over their useful lives, which are estimated at thirty years. Leasehold improvements are amortized based on the term of the lease or the economic useful life of the improvement, whichever is less. The Partnership's construction in progress assets, included in the building and improvements category, are reclassified into the appropriate asset category and begin depreciation at the time the assets are placed into service. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation or amortization is removed from the respective category and any related gain or loss is recorded in the Consolidated Statements of Income. The cost of maintenance and repairs is charged against income as incurred, whereas significant enhancements are capitalized. Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the book value of the asset may not be fully recoverable. If impairment is indicated, the asset value is written down to its fair value.

Non-qualified Deferred Income Plan. The Partnership has a non-qualified deferred compensation plan for certain financial advisors. The Partnership has recorded a liability for the future payments due to financial advisors participating in the non-qualified deferred compensation plan. As the future amounts due to financial advisors change in accordance with plan requirements, the Partnership records the change in future amounts owed to financial advisors as an increase or decrease in accrued compensation and employee benefits expense. The Partnership has chosen to hedge this future liability by purchasing investment securities in an amount similar to the future liability expected to be due in accordance with the plan. As the fair value of the investment securities fluctuates, the gains or losses are reflected in other revenue. Each period, the net impact of the change in future amounts owed to financial advisors in the non-qualified deferred compensation plan and the change in investment securities are approximately the same, resulting in no net impact on the Partnership's financial results.

Lease Accounting. The Partnership enters into lease agreements for certain headquarters facilities as well as branch office locations. The associated lease expense is recognized on a straight-line basis over the minimum lease terms.

Income Taxes. Income taxes have not been provided for in the Consolidated Financial Statements since the Partnership is organized as a partnership and each partner is liable for its own tax payments. Any subsidiaries' income tax provisions are insignificant (see Note 13).

Reclassification. Certain prior year balances have been reclassified to conform to the current year presentation, which includes discontinued operations.

Partnership Capital Subject to Mandatory Redemption. FASB ASC No. 480, *Distinguishing Liabilities from Equity* ("ASC 480"), established standards for classifying and measuring certain financial instruments with characteristics of both liabilities and equity. Under the provisions of ASC 480, the obligation to redeem a partner's capital in the event of a partner's death is one of the criteria requiring capital to be classified as a liability.

Since the Partnership Agreement obligates the Partnership to redeem a partner's capital after a partner's death, ASC 480 requires all of the Partnership's equity capital to be classified as a liability. Income allocable to limited, subordinated limited and general partners prior to the issuance of ASC 480 was classified in the Partnership's Consolidated Statement of Income as net income. In accordance with ASC 480, these allocations are now classified as a reduction of income before allocations to partners, which results in a presentation of $0 net income for the years ended December 31, 2010, 2009 and 2008. The financial statement presentations required to comply with ASC 480 do not alter the Partnership's treatment of income, income allocations or capital for any other purposes.

Net income, as defined in the Partnership Agreement, is now equivalent to income before allocations to partners on the Consolidated Statements of Income. Such income, if any, for each calendar year is allocated to the Partnership's three classes of capital in accordance with the formulas prescribed in the Partnership Agreement. First, limited partners are allocated net income (as defined in the Partnership Agreement) in accordance with the prescribed formula for their share of net income. Limited partners do not share in the net loss in any year in which there is a net loss and the Partnership is not dissolved or liquidated. Thereafter, subordinated limited partners and general partners are allocated any remaining net income or net loss based on formulas as defined in the Partnership Agreement.

Recently Issued Accounting Standards. In July 2010, the FASB issued Accounting Standards Update ("ASU") No. 2010-20, *Receivables (Topic 855): Disclosures about the Credit Quality of Financing Receivables and the Allowance for Credit Losses* ("ASU 2010-20"), to improve the disclosures that an entity provides about the credit quality of its financing receivables and the related allowance for credit losses. ASU 2010-20 was effective for interim and annual periods ending after December 15, 2010. The Partnership adopted ASU 2010-20 as of the effective date, which did not have a significant impact on the Partnership's Consolidated Financial Statements.

In February 2010, the FASB issued ASU No. 2010-09, *Subsequent Events (Topic 855): Amendments to Certain Recognition and Disclosure Requirements* ("ASU 2010-09"), amending ASC No. 855, Subsequent Events, to remove the requirement that an entity that is an SEC filer is required to disclose the date through which subsequent events have been evaluated. ASU 2010-09 is effective upon issuance of the ASU. Adoption of ASU 2010-09 did not have an impact on the Partnership's Consolidated Financial Statements.

In January 2010, the FASB issued ASU No. 2010-06, *Fair Value Measurements and Disclosures (Topic 820): Improving Disclosures about Fair Value Measurements* ("ASU 2010-06"). ASU 2010-06 amends ASC 820, Fair Value Measurements and Disclosures, to require new disclosures related to transfers into and out of Levels I, II and III of the fair value hierarchy and additional disclosures relating to Level III measurements. The guidance also clarifies existing fair value measurement disclosures about the level of disaggregation and about inputs and valuation techniques used to measure fair value. ASU 2010-06 is effective for the first reporting period beginning after December 15, 2009, except for the additional disclosure requirements related to Level III measurements which are effective for fiscal years beginning after December 15, 2010. Adoption of ASU 2010-06 did not have an impact on the Partnership's Consolidated Financial Statements. The additional disclosure requirements effective for periods beginning after December 15, 2010 are also not expected to have an impact on the Partnership's Consolidated Financial Statements.

NOTE 2 – DISCONTINUED OPERATIONS

As noted in the Partnership's Annual Report on Form 10-K for the year ended December 31, 2009, Edward Jones completed the sale of all of the issued and outstanding shares of its U.K. subsidiary, EDJ Limited, to Towry Law Finance Company Limited ("Towry") on November 12, 2009, pursuant to a Share Purchase Agreement dated October 22, 2009. In connection with the sale, Towry acquired all of the EDJ Limited customer accounts as well as its financial advisors, branch office administrators and headquarters employees.

The components of the loss from discontinued operations relating to EDJ Limited for the years ended December 31, 2010, 2009 and 2008 are as follows:

	2010	2009	2008
Trade revenue	$ -	$ 35,421	$ 37,579
Fee revenue	-	7,406	8,450
Interest and dividends	-	716	4,021
Other (loss) revenue	-	(1,081)	2,415
Total revenue	-	42,462	52,465
Interest expense	-	(32)	(806)
Net revenue	-	42,430	51,659
Operating expenses	-	(83,347)	(109,832)
Loss on sale of subsidiary	-	(70,000)	-
Foreign currency translation gain (loss)	-	6,586	(14,685)
Loss from discontinued operations	$ -	$ (104,331)	$ (72,858)

NOTE 3 – RECEIVABLE FROM AND PAYABLE TO CUSTOMERS

Receivable from and payable to customers include margin balances and amounts due on cash transactions. The value of securities owned by customers and held as collateral for these receivables is not reflected in the Consolidated Financial Statements. Substantially all amounts payable to customers are subject to withdrawal upon customer request. The Partnership pays interest on certain credit balances in customer accounts. The Partnership considers these financing receivables to be of good credit quality due to the fact that these securities are fully collateralized by the related customer investments and, as a result, the Partnership considers risk related to these securities to be minimal.

NOTE 4 – RECEIVABLE FROM AND PAYABLE TO BROKERS, DEALERS AND CLEARING ORGANIZATIONS

The components of receivable from and payable to brokers, dealers and clearing organizations as of December 31, 2010 and 2009 are as follows:

	2010	2009
Receivable from retirement account trustee	$ 147,186	$ 120,786
Receivable from money market funds	44,019	46,508
Receivable from clearing organizations	30,029	21,841
Securities failed to deliver	13,609	4,833
Other	4,677	3,855
Total receivable from brokers, dealersand clearing organizations	$ 239,520	$ 197,823
Payable to clearing organizations and issuers	$ 24,592	$ 23,747
Payable to brokers and dealers	25,707	5,333
Securities failed to receive	8,559	14,801
Cash or collateral received for securities loaned	375	450
Total payable to brokers, dealersand clearing organizations	$ 59,233	$ 44,331

The receivable from retirement account trustee represents deposits held with a trustee for the Partnership's Canadian customer's retirement account funds as required by Canadian regulations. Receivable from clearing organizations represents balances and deposits with clearing organizations. Securities failed to deliver/receive represent the contract value of securities which have not been delivered or received by settlement date.

NOTE 5 – RECEIVABLE FROM MUTUAL FUNDS, INSURANCE COMPANIES, AND OTHER

Receivable from mutual funds, insurance companies and other is primarily composed of amounts due to the Partnership for asset-based fees and fees for sub-transfer agent accounting services from the mutual fund vendors and insurance companies.

NOTE 6 – FAIR VALUE

The following table sets forth the Partnership's financial instruments measured at fair value:

	Financial Assets at Fair Value as of December 31, 2010			
	Level I	Level II	Level III	Total
Securities purchased under agreements to resell	$ 955,209	$ -	$ -	$ 955,209
Investments segregated under federal regulations				
Certificates of deposit	$ -	$ 200,000	$ -	$ 200,000
U.S. Treasuries	705,907	-	-	705,907
Total investments segregated under federal regulations	$ 705,907	$ 200,000	$ -	$ 905,907
Securities owned:				
Inventory securities:				
Certificates of deposit	$ -	$ 1,772	$ -	$ 1,772
U.S. and Canadian government and U.S. agency obligations	474	-	-	474
State and municipal obligations	-	55,639	-	55,639
Corporate bonds and notes	-	6,441	-	6,441
Collateralized mortgage obligations	-	602	-	602
Equities	15,980	-	-	15,980
Unit investment trusts	267	-	-	267
Total inventory securities	$ 16,721	$ 64,454	$ -	$ 81,175
Investment securities:				
U.S. government and agency obligations held by U.S. broker-dealer	$ 12,078	$ -	$ -	$ 12,078
U.S. and Canadian government and U.S. agency obligations held by foreign broker-dealers	3,176	-	-	3,176
Municipal bonds	-	4,711	-	4,711
Mutual funds	73,446	-	-	73,446
Total investment securities	$ 88,700	$ 4,711	$ -	$ 93,411

	Financial Liabilities at Fair Value as of December 31, 2010			
	Level I	Level II	Level III	Total
Securities sold, not yet purchased:				
Certificates of deposit	$ -	$ 323	$ -	$ 323
U.S. and Canadian government and U.S. agency obligations	256	-	-	256
State and municipal obligations	-	506	-	506
Corporate bonds and notes	-	3,519	-	3,519
Collateralized mortgage obligations	-	74	-	74
Equities	1,927	-	-	1,927
Unit investment trusts	99	-	-	99
Total inventory securities	$ 2,282	$ 4,422	$ -	$ 6,704

	Financial Assets at Fair Value as of December 31, 2009			
	Level I	Level II	Level III	Total
Securities purchased under agreements to resell	$ 766,277	$ -	$ -	$ 766,277
Investments segregated under federal regulations				
Certificates of deposit	$ -	$ 400,000	$ -	$ 400,000
Total investments segregated under federal regulations	$ -	$ 400,000	$ -	$ 400,000
Securities owned:				
Inventory securities:				
Certificates of deposit	$ -	$ 400	$ -	$ 400
U.S. and Canadian government and U.S. agency obligations	1,820	-	-	1,820
State and municipal obligations	-	50,697	-	50,697
Corporate bonds and notes	-	8,243	-	8,243
Collateralized mortgage obligations	-	1,355	-	1,355
Equities	13,485	-	-	13,485
Unit investment trusts	346	-	-	346
Total inventory securities	$ 15,651	$ 60,695	$ -	$ 76,346
Investment securities:				
U.S. government and agency obligations held by U.S. broker-dealer	$ 11,770	$ -	$ -	$ 11,770
U.S. and Canadian government and U.S. agency obligations held by foreign broker-dealers	2,824	-	-	2,824
Municipal bonds	-	6,651	-	6,651
Mutual funds	69,082	-	-	69,082
Equities	714	-	-	714
Total investment securities	$ 84,390	$ 6,651	$ -	$ 91,041

	Financial Liabilities at Fair Value as of December 31, 2009			
	Level I	Level II	Level III	Total
Securities sold, not yet purchased:				
Certificates of deposit	$ -	$ 618	$ -	$ 618
U.S. and Canadian government and U.S. agency obligations	2,096	-	-	2,096
State and municipal obligations	-	890	-	890
Corporate bonds and notes	-	4,643	-	4,643
Collateralized mortgage obligations	-	64	-	64
Equities	2,241	-	-	2,241
Unit investment trusts	104	-	-	104
Total inventory securities	$ 4,441	$ 6,215	$ -	$ 10,656

The Partnership attempts to reduce its exposure to market price fluctuations of its inventory securities through the sale of U.S. government securities and, to a limited extent, the sale of fixed income futures contracts. The amount of the securities purchased or sold will fluctuate on a daily basis due to changes in inventory securities owned, interest rates and market conditions. Futures contracts are settled daily, and any gain or loss is recognized in principal transactions revenue. The notional amount of futures contracts outstanding were $5,000 and $7,000 at December 31, 2010 and 2009, respectively. The average notional amount of futures contracts outstanding throughout the years ended December 31, 2010 and 2009, were approximately $8,900 and $7,800, respectively. The underlying assets of these contracts are not reflected in the Partnership's Consolidated Financial Statements; however, the related mark-to-market adjustments of a $43 loss and a $34 gain are included in the Consolidated Statements of Financial Condition as of December 31, 2010 and 2009. The related gains or losses recorded with respect to these assets were an $844 loss, a $109 gain and a $1,241 loss for the years ended December 31, 2010, 2009 and 2008, respectively.

The following table shows the estimated fair values of long-term debt and liabilities subordinated to claims of general creditors as of December 31, 2010 and 2009:

	2010	2009
Bank loans	$ -	$ 58,000
Long-term debt	66,732	62,500
Liabilities subordinated to claims of general creditors	210,422	267,000
Total	$ 277,154	$ 387,500

See Notes 9 and 10 for carrying values of long-term debt and liabilities subordinated to claims of general creditors, respectively.

NOTE 7 – EQUIPMENT, PROPERTY AND IMPROVEMENTS

Equipment, property and improvements as of December 31, 2010 and 2009 are summarized as follows:

	2010	2009
Land	$ 18,234	$ 15,992
Buildings and improvements	758,430	751,481
Equipment, furniture and fixtures	786,531	786,353
Construction in progress	16,752	635
Total equipment, property and improvements	1,579,947	1,554,461
Accumulated depreciation and amortization	(964,911)	(934,232)
Equipment, property and improvements, net	$ 615,036	$ 620,229

As of December 31, 2010 and 2009, the Partnership had construction in progress of $16,752 and $635, respectively, related to costs of the new parking garage at the St. Louis, Missouri, North Campus location described in Note 15. Total costs for this parking garage are estimated to be approximately $24,500.

Depreciation and amortization expense on equipment, property and improvements is included in the Consolidated Statements of Income within the communications and data processing, and occupancy and equipment categories.

The Partnership has recorded $2,153 and $4,812 of accrued costs which are included in equipment, property and improvements in the Consolidated Financial Statements as of December 31, 2010 and 2009, respectively.

The Partnership has purchased Industrial Revenue Bonds ("IRBs") issued by St. Louis County related to certain self-constructed and purchased real and personal property. This provides for potential property tax benefits over the life of the bonds (generally 10 years). The Partnership is therefore both the bondholder and the debtor / lessee for these properties. The Partnership has exercised its right to offset the amounts invested in and the obligations for these bonds and has therefore excluded any bond related balances in the Consolidated Statements of Financial Condition.

NOTE 8 – LINES OF CREDIT

The following table shows the composition of the Partnership's aggregate bank lines of credit in place as of December 31, 2010 and 2009:

	2010	2009
Committed unsecured credit facilities:		
2008 Credit Facility[1]	$ -	$ 120,000
2010 Credit Facility	320,000	-
Total committed	320,000	120,000
Uncommitted facilities:		
Secured	595,000	645,000
Unsecured	50,000	50,000
Total uncommitted	645,000	695,000
Total bank lines of credit	$ 965,000	$ 815,000

[1] The 2008 Credit Facility was terminated on July 29, 2010. See discussion below for further information.

In 2008, the Partnership entered into a $120,000 committed unsecured revolving line of credit ("2008 Credit Facility") which had been used for funding the construction of the new buildings and parking garages at its headquarters facilities in St. Louis, Missouri and Tempe, Arizona. As of December 31, 2009, the Partnership had drawn $88,000 and repaid $30,000, resulting in $58,000 outstanding on the 2008 Credit Facility to fund construction projects. On July 29, 2010, the Partnership re-paid the remaining balance outstanding on the revolving unsecured line of credit, which was prior to the final maturity date of August 22, 2010. This final payment terminated the 2008 Credit Facility.

In April 2010, the Partnership entered into an agreement with eight banks for a $320,000 committed unsecured revolving line of credit ("2010 Credit Facility"), which had a final maturity date of April 20, 2011. The 2010 Credit Facility was intended to provide short-term liquidity to the Partnership should the need arise. In March 2011, the Partnership replaced the 2010 Credit Facility with a new revolving line of credit (see Note 20 for further information). The 2010 Credit Facility had a tiered interest rate based on the Partnership's leverage ratio (ratio of total net debt to total capitalization) or credit rating. Borrowings made with a three day advance notice had a rate of LIBOR plus a margin ranging from 2.38% to 3.00%. Same day borrowings had a rate consisting of a margin ranging from 1.13% to 1.75% plus the greater of the prime rate, the federal funds effective rate plus 1.50% or the one month LIBOR rate plus 1.50%. In accordance with this agreement, the Partnership was required to maintain a leverage ratio of no more than 35% and a minimum partnership capital, net of reserve for anticipated withdrawals, of at least $1,100,000 at the inception of the agreement plus 50% of any subsequent issuances of partnership capital, for each fiscal quarter. As of December 31, 2010, the Partnership has not borrowed against the 2010 Credit Facility.

The Partnership's uncommitted lines of credit are subject to change at the discretion of the banks and, therefore, due to credit market conditions and the uncommitted nature of these credit facilities, it is possible that these lines of credit could decrease or not be available in the future. During the second quarter of 2010, the Partnership's uncommitted lines of credit were reduced by $50,000 by banks participating in the Partnership's agreement for the 2010 Credit Facility. This decrease reduced the aggregated uncommitted bank lines of credit to $645,000. Subsequent to December 31, 2010, the Partnership's uncommitted lines of credit were reduced by an additional $50,000 by banks participating in the Partnership's agreement for the 2011 Credit Facility and in individual bank loans to limited partners in connection with the Partnership's 2010 Limited Partnership Offering. This decrease reduced the aggregated uncommitted bank lines of credit to $595,000.

Actual borrowing availability on the secured lines is based on customer margin securities and Partnership securities, which serve as collateral on loans. There were no amounts outstanding on the uncommitted lines of credit as of December 31, 2010 and 2009. However, the Partnership had two overnight draws against uncommitted secured lines of credit during the year ended December 31, 2010 totaling $154,000 and two overnight draws against an uncommitted secured line of credit during the year ended December 31, 2009 totaling $55,000.

NOTE 9 – LONG-TERM DEBT

Long-term debt as of December 31, 2010 and 2009 is composed of the following:

	2010	2009
Note payable, collateralized by real estate, fixed rate of 7.28%, principal and interest due in fluctuating monthlyinstallments, with a final installment on June 1, 2017	$ 7,427	$ 8,290
Note payable, collateralized by office equipment, floating rate of 3.15% in excess of one-month LIBOR, principal and interest due in fixed monthly installments of $625, with a final installment on October 1, 2014	23,694	14,610
Note payable, collateralized by real estate, fixed rate of 3.50%, principal and interest due in fluctuating monthly installments, with a final balloon payment of $32,693 on December 22, 2012	35,276	36,400
	$ 66,397	$ 59,300

Scheduled annual principal payments, as of December 31, 2010, are as follows:

Year	*Principal Payment*
2011	$ 9,105
2012	42,470
2013	8,288
2014	3,257
2015	1,240
Thereafter	2,037
	$ 66,397

In 2002, the Partnership entered into a $13,100 fixed rate mortgage on a headquarters building located on its Tempe, Arizona Campus location. The loan has a balance of $7,427 as of December 31, 2010, and monthly principal and interest payments ending June 1, 2017. The note payable is collateralized by the building, which has a cost of $15,758 and a carrying value of $10,849 as of December 31, 2010.

In October 2009, the Partnership entered into a financing agreement with three banks to fund up to $30,000 for purchases of office equipment. The Partnership has borrowed the entire $30,000 under this agreement and repaid $6,306, resulting in $23,694 outstanding on the agreement as of December 31, 2010. The term of each borrowing is for a maximum of 48 months from the date of borrowing. As of December 31, 2010 and 2009, Edward Jones was required, under this agreement, to maintain minimum partnership capital of $625,000 and was in compliance with this covenant as of those dates. This note payable is collateralized by office equipment with a cost of $30,659 and a carrying value of $19,310 as of December 31, 2010.

In 2009, the Partnership entered into a $36,400 fixed rate mortgage collateralized by a headquarters building and related parking garage located on its St. Louis, Missouri North Campus location. The loan has a balance of $35,276 as of December 31, 2010, and fixed monthly principal and interest payments ending December 22, 2012. On the maturity date of December 22, 2012, the entire unpaid balance plus accrued interest is due. The fixed interest rate of 3.5% is contingent upon the Partnership maintaining a matching deposit account with the lender in an amount equal to or exceeding the principal amount. If the matching deposit is withdrawn, the interest rate converts to a floating rate of one-month LIBOR plus 5.0%. The matching deposit is currently maintained by Edward Jones, and it is the Partnership's intent that the matching deposit will continue to be maintained throughout the life of the loan. The loan agreement contains restrictions that, among other things, require a debt service coverage ratio of not less than 1.2 to 1.0, measured as of December 31 of each year. The Partnership was in compliance with this covenant as of December 31, 2010 and 2009. This note payable is collateralized by a building and related parking garage with a cost basis of $51,890 and a carrying value of $47,850 as of December 31, 2010.

NOTE 10 – LIABILITIES SUBORDINATED TO CLAIMS OF GENERAL CREDITORS

Liabilities subordinated to claims of general creditors as of December 31, 2010 and 2009 consist of:

	2010	2009
Capital notes 7.33%, due in annual installments of $50,000 commencing on June 12, 2010 with afinal installment on June 12, 2014	$ 200,000	$ 250,000
Capital notes 7.79%, due in annual installmentsof $3,700 commencing on August 15, 2005, with a final installment of $3,700 on August 15, 2011	3,700	7,400
	$ 203,700	$ 257,400

Required annual principal payments, as of December 31, 2010, are as follows:

Year	***Principal Payment***
2011	53,700
2012	50,000
2013	50,000
2014	50,000
2015	-
Thereafter	-
	$ 203,700

The capital note agreements contain restrictions which, among other things, require Edward Jones to maintain certain financial ratios, restrict encumbrance of assets and creation of indebtedness and limit the withdrawal of its partnership capital. As of December 31, 2010, Edward Jones was required, under the note agreements, to maintain minimum partnership capital subject to mandatory redemption of $400,000 and regulatory net capital of $161,585. Edward Jones was in compliance with all restrictions as of December 31, 2010 and 2009.

The liabilities subordinated to claims of general creditors are subject to cash subordination agreements approved by Financial Industry Regulatory Authority ("FINRA") and, therefore, are included in Edward Jones' computation of net capital under the SEC's Uniform Net Capital Rule.

NOTE 11 – PARTNERSHIP CAPITAL SUBJECT TO MANDATORY REDEMPTION

As more fully described under "Partnership Capital Subject to Mandatory Redemption" in Note 1 to the Consolidated Financial Statements, the Partnership's capital has been classified as a liability under ASC 480 as "partnership capital subject to mandatory redemption". The partnership capital subject to mandatory redemption of $1,604,973 consists of $479,554 of limited partnership capital issued in $1,000 units, $237,415 of subordinated limited partnership capital and $888,004 of general partnership capital as of December 31, 2010. As of December 31, 2009, the partnership capital subject to mandatory redemption of $1,466,812 consisted of $475,737 of limited partnership capital issued in $1,000 units, $198,913 of subordinated limited partnership capital and $792,162 of general partnership capital.

The limited partnership capital subject to mandatory redemption is held by current and former employees and general partners of the Partnership. Limited partners participate in the Partnership's profits and are also entitled to a minimum 7.5% annual return on the face amount of their capital. The minimum 7.5% annual return totaled $34,225, $35,381 and $36,661 for the years ended December 31, 2010, 2009 and 2008, respectively. These amounts are included as a component of interest expense. The minimum 7.5% annual return is paid to limited partners in accordance with the Partnership Agreement.

The subordinated limited partnership capital subject to mandatory redemption is held by current and former general partners of the Partnership. Each subordinated limited partner receives a varying percentage of the net income of the Partnership. The subordinated limited partner capital subject to mandatory redemption is subordinated to the limited partnership capital.

The general partnership capital subject to mandatory redemption is held by current general partners of the Partnership. Each general partner receives a varying percentage of the net income of the Partnership. The general partner capital subject to mandatory redemption is subordinated to the limited partnership capital.

On January 3, 2011, the Partnership closed a limited partnership offering. For further details on this offering see Note 20 to the Consolidated Financial Statements.

NOTE 12 – NET CAPITAL REQUIREMENTS

As a result of its activities as a broker-dealer, Edward Jones is subject to the net capital provisions of Rule 15c3-1 of the Securities Exchange Act of 1934 ("Exchange Act") and withdrawal rules of the FINRA Rule 4110. Under the alternative method permitted by the rules, Edward Jones must maintain minimum net capital equal to the greater of $250 or 2% of aggregate debit items arising from customer transactions. The net capital rule also provides that partnership capital may not be withdrawn if resulting net capital would be less than 5% of aggregate debit items. Additionally, certain withdrawals require the approval of the SEC and FINRA to the extent they exceed defined levels, even though such withdrawals would not cause net capital to be less than minimum requirements.

At December 31, 2010, Edward Jones' net capital of $725,230 was 33.7% of aggregate debit items and its net capital in excess of the minimum required was $682,140. Net capital after anticipated withdrawals, as a percentage of aggregate debit items, was 31.3%. Net capital and the related capital percentages may fluctuate on a daily basis.

At December 31, 2010, the Partnership's Canadian broker-dealer's regulatory risk adjusted capital of $47,242 was $37,731 in excess of the capital required to be held by the Investment Industry Regulatory Organization of Canada ("IIROC"). In addition, EJTC was in compliance, as of December 31, 2010, with regulatory capital requirements in the jurisdiction in which it operates.

NOTE 13 – INCOME TAXES

The Partnership is treated as such for federal and state income tax purposes and generally does not incur income taxes. Instead, its earnings and losses are included in the income tax returns of its individual partners. However, the Partnership structure does include certain subsidiaries which are corporations that are subject to income tax. As of December 31, 2010 and 2009, the Partnership's tax basis of assets and liabilities exceeds book basis by $128,997 and $150,412, respectively. The primary difference between financial statement basis and tax basis of assets is related to the timing in deducting prepaid expenses and deferred compensation. The primary difference between financial statement basis and tax basis of liabilities is related to the deferral for tax purposes in deducting certain reserves and accrued expenses until they are paid. Since the Partnership is treated as such for federal and state income tax purposes, the difference between the tax basis and the book basis of assets and liabilities will impact the future tax liabilities of the partners. The tax differences will not impact the net income of the Partnership. ASC No. 740, *Income Taxes*, requires the Partnership to determine whether a tax position is greater than fifty percent likely of being realized upon settlement with the applicable taxing authority, which could result in the Partnership recording a tax liability that would reduce net partnership capital. The Partnership did not have any significant uncertain tax positions as of December 31, 2010 and 2009 and is not aware of any tax positions that will significantly change during the next twelve months. In addition, the Partnership has analyzed the open tax years ended 2007 through the current year and is not aware of significant examinations in progress.

NOTE 14 – EMPLOYEE BENEFIT PLANS

The Partnership maintains qualified deferred compensation plans covering all eligible employees. Contributions to the plans are at the discretion of the Partnership. Additionally, participants may contribute on a voluntary basis. Approximately $94,100, $56,300 and $72,200 were provided by the Partnership for its contributions to the plans for the years ended December 31, 2010, 2009 and 2008, respectively.

NOTE 15 – COMMITMENTS

The Partnership leases headquarters office space under several operating leases. Additionally, branch offices are leased generally for terms of three to five years. Rent expense, which is recognized on a straight-line basis over the minimum lease term, was $218,100, $204,800, and $190,200 for the years ended December 31, 2010, 2009 and 2008, respectively.

The Partnership's non-cancelable lease and construction commitments greater than one year as of December 31, 2010, are summarized below:

Year	*Principal Payment*
2011	$ 136,320
2012	36,106
2013	23,229
2014	16,522
2015	12,725
Thereafter	57,728
	$ 282,630

The Partnership's annual rent expense is greater than its annual future lease commitments because the annual future lease commitments include only non-cancelable lease payments greater than one year.

The Partnership committed in October 2009, to construct an additional parking garage at its St. Louis, Missouri, North Campus location. The Partnership estimates the cost to construct the garage to be approximately $24,500 and, as of December 31, 2010, has executed agreements of $24,208 for the construction. No additional agreements are expected to be executed on this project. As of December 31, 2010, the Partnership has paid $14,990 related to commitments for this construction project resulting in $9,218 of remaining commitments. The Partnership anticipates the remaining estimated amounts to be incurred and paid in the early portion of 2011. The remaining commitments will be financed through the Partnership's existing working capital.

In addition to the commitments discussed above, the Partnership has a revolving unsecured line of credit outstanding as of December 31, 2010 (see Note 8) and would incur termination fees of $134,310 in 2011 in the event the Partnership terminated existing contractual commitments with certain vendors providing ongoing services. These termination fees will decrease over the related contract period, which generally expires within the next three years.

NOTE 16 – CONTINGENCIES

In the normal course of business, the Partnership has been named as a defendant in various legal actions, including arbitrations, class actions and other litigation. Certain of these legal actions include claims for substantial compensatory and/or punitive damages or claims for indeterminate amounts of damages. The Partnership is also involved from time to time in investigations and proceedings by governmental and self-regulatory agencies, certain of which may result in adverse judgments, fines or penalties. In addition, the Partnership provides for potential losses that may arise related to other contingencies.

The Partnership assesses its liabilities and contingencies utilizing available information. For those matters where it is probable the Partnership will incur a potential loss and the amount of the loss is reasonably estimable, in accordance with FASB ASC No. 450, *Contingencies* ("ASC 450"), an accrued liability has been established. These reserves represent the Partnership's aggregate estimate of the potential loss contingency and are believed to be sufficient at this time. Such liability may be adjusted from time to time to reflect any relevant developments.

For such matters where an accrued liability has not been established and the Partnership believes a loss is both reasonably possible and estimable, as well as for matters where an accrued liability has been recorded but for which an exposure to loss in excess of the amount accrued is both reasonably possible and estimable, the current estimated aggregated range of possible loss is $2.0 million to $33.0 million. This range of reasonably possible loss does not necessarily represent the Partnership's maximum loss exposure as the Partnership was not able to estimate a range of reasonably possible loss for all matters.

Further, the matters underlying any disclosed estimated range will change from time to time, and actual results may vary significantly. While the outcome of these matters is inherently uncertain, based on information currently available, the Partnership believes that its established reserves are adequate and the liabilities arising from such proceedings will not have a material adverse effect on the consolidated financial position, results of operations or cash flows of the Partnership. However, based on future developments and the potential unfavorable resolution of these matters, the outcome could be material to the Partnership's future consolidated operating results for a particular period or periods.

NOTE 17 – SEGMENT INFORMATION

Operating segments are defined as components of an entity that has all of the following characteristics: it engages in business activities from which it may earn revenues and incur expenses; its operating results are regularly reviewed by the entity's chief operating decision-maker (or decision-making group) for resource allocation and to assess performance; and discrete financial information is available. Operating segments may be combined in certain circumstances into reportable segments for financial reporting. The Partnership has determined it has two operating and reportable segments based upon geographic location, the U.S. and Canada.

Each segment, in its own geographic location, primarily derives its revenues from the retail brokerage business through the sale of listed and unlisted securities and insurance products, investment banking, principal transactions and as a distributor of mutual fund shares, and through revenues related to assets held by and account services provided to its customers.

The accounting policies of the segments are the same as those described in "Note 1 – Summary of Significant Accounting Policies." Financial information about the Partnership's reportable segments is presented in the following table. For the computation of its segment information, the Partnership allocates costs incurred by the U.S. entity in support of Canadian operations to the Canadian segment.

The Partnership evaluates the performance of its segments based upon income from continuing operations as well as income before variable compensation, which is income before expenses for bonuses earned by financial advisors, headquarters and branch employees and profit sharing allocations. Variable compensation is determined at the Partnership level for profit sharing and headquarters bonus amounts, and therefore is allocated to each segment independent of that segment's individual income. While overall Partnership profitability determines the amount of financial advisor and branch employee bonuses, performance at the individual segment can impact the amount of bonus expense for each segment. As such, both income from continuing operations and income before variable compensation expense are considered in evaluating segment performance and are provided below. Long-lived assets are not disclosed because the balances are not used for evaluating segment performance and deciding how to allocate resources to segments. However, total assets from continuing operations for each segment are provided for informational purposes.

The Canada segment information as reported in the following table is based upon the Consolidated Financial Statements of the Partnership's Canadian operations without eliminating any intercompany items, such as management fees that it pays to affiliated entities. The U.S. segment information is derived from the Partnership's Consolidated Financial Statements less the Canada segment information presented. This is consistent with how management reviews the segments in order to assess performance.

Financial information for the Company's reportable segments is presented in the following table for the years ended December 31, 2010, 2009 and 2008:

	2010	2009	2008
Financial metrics:			
Net revenue:			
United States of America	$ 3,939,831	$ 3,366,991	$ 3,590,907
Canada	166,945	123,428	158,595
Total net revenue	4,106,776	3,490,419	3,749,502
Net interest revenue:			
United States of America	66,775	50,984	104,327
Canada	3,671	4,054	8,840
Total net interest revenue	70,446	55,038	113,167
Pre-variable income (loss):			
United States of America	678,110	409,743	575,904
Canada	(10,715)	(32,884)	(16,221)
Total pre-variable income	667,395	376,859	559,683
Variable compensation:			
United States of America	266,100	105,962	165,610
Canada	8,510	2,259	9,406
Total variable compensation	274,610	108,221	175,016
Income (loss) from continuing operations:			
United States of America	412,010	303,781	410,294
Canada	(19,225)	(35,143)	(25,627)
Total Income from continuing operations	$ 392,785	$ 268,638	$ 384,667
Capital expenditures:			
United States of America	$ 90,500	$ 183,750	$ 287,987
Canada	2,494	3,338	1,210
Total capital expenditures	$ 92,994	$ 187,088	$ 289,197
Depreciation and amortization			
United States of America	$ 95,548	$ 87,569	$ 83,849
Canada	2,639	2,553	2,950
Total depreciation and amortization	$ 98,187	$ 90,122	$ 86,799
Total assets from continuing operations			
United States of America	$ 7,785,698	$ 6,728,808	$ 6,566,141
Canada	455,452	439,567	330,462
Total assets from continuing operations	$ 8,241,150	$ 7,168,375	$ 6,896,603
Non-financial metrics:			
Financial Advisors (as of year-end):			
United States of America	11,980	11,927	11,183
Canada	636	688	634
Total financial advisors	12,616	12,615	11,817

NOTE 18 – RELATED PARTIES

Edward Jones owns a 49.5% limited partnership interest in the investment adviser to the Edward Jones money market funds. The Partnership does not have management responsibility with regard to the advisor. Approximately 0.5%, 2.1% and 3.5% of the Partnership's total revenues were derived from the advisor to the fund during 2010, 2009 and 2008, respectively.

Edward Jones leases approximately 10% of its branch office space from its financial advisors. Rent expense related to these leases approximated $20,000, $19,000 and $17,000 for the years ended December 31, 2010, 2009 and 2008, respectively. These leases are executed and maintained in the same manner as those entered into with third parties.

In the normal course of business, partners and employees of the Partnership and its affiliates use the brokerage services and trust services of the Partnership for the same services as unrelated third parties, with certain discounts on commissions and fees for certain services. The Partnership has included balances arising from such transactions in the Consolidated Statements of Financial Condition on the same basis as other customers.

NOTE 19 – QUARTERLY INFORMATION

(Unaudited)

	2010 Quarters Ended			
	March 26	June 25	September 24	December 31
Total revenue	$ 963,445	$ 1,034,211	$ 1,015,715	$ 1,149,728
Income from continuing operations	$ 76,543	$ 104,841	$ 97,039	$ 114,362
Income before allocations to partners	$ 76,543	$ 104,841	$ 97,039	$ 114,362
Income before allocations to partners per weighted average $1,000 equivalent limited partnership unit outstanding	$ 18.72	$ 25.64	$ 23.74	$ 27.97

	2009 Quarters Ended			
	March 27	June 26	September 25	December 31
Total revenue	$ 801,612	$ 863,284	$ 889,151	$ 993,971
Income from continuing operations	$ 49,681	$ 72,635	$ 65,388	$ 80,934
Income before allocations to partners	$ 36,246	$ 65,160	$ 50,647	$ 12,254
Income before allocations to partners per weighted average $1,000 equivalent limited partnership unit outstanding	$ 9.14	$ 16.43	$ 12.78	$ 3.09

In accordance with ASC 480, the Partnership presents net income of $0 on its Consolidated Statement of Income. See Note 1 to the Consolidated Financial Statements for further discussion.

NOTE 20 – SUBSEQUENT EVENTS

The Partnership commenced an offering of limited partnership interests in 2010. In connection with the 2010 limited partnership offering, it filed a Registration Statement with the SEC on July 2, 2010, and an amendment thereto on September 3, 2010. The Registration Statement was also filed with various state securities commissions. The SEC declared the Registration Statement effective as of September 27, 2010, and the Registration Statement was declared effective by state securities commissions at or around the same time. As indicated in the Registration Statement, limited partnership interests were offered in the U.S. to certain current and former employees of the Partnership's subsidiaries and certain general partners of the Partnership. The limited partnership interests were also offered in Canada to such persons pursuant to an exemption from the prospectus requirements under applicable Canadian securities laws and, in certain instances, pursuant to an order from certain Canadian securities commissions granting exemptive relief from such prospectus requirements. This limited partnership offering closed on January 3, 2011, with $223,900 of limited partner capital accepted. The Partnership now has approximately 15,000 limited partners owning nearly $675,000 of limited partner capital.

Beginning in 2011, the Partnership will make loans available to those general partners that require financing for some or all of their new purchases of individual partnership interests. The general partner capital purchased with a loan from the Partnership will be reflected with an offsetting loan amount in the Partnership's Consolidated Statements of Changes in Partnership Capital Subject to Mandatory Redemption. As of February 25, 2011, general partner loans financed through the Partnership amounted to $89,438.

In March 2011, the Partnership entered into an agreement with 10 banks for a three year $395,000 committed unsecured revolving line of credit ("2011 Credit Facility"), which has a final maturity date of March 18, 2014. The 2011 Credit Facility is intended to provide short-term liquidity to the Partnership should the need arise. The 2011 Credit Facility has a tiered interest rate based on the Partnership's leverage ratio (ratio of total debt to total capitalization). Borrowings made with a three day advance notice will have a rate of LIBOR plus a margin ranging from 1.50% to 2.25%. Same day borrowings will have a rate consisting of a margin ranging from 0.50% to 1.25% plus the greater of the prime rate, the federal funds effective rate plus 1.00% or the one month LIBOR rate plus 1.00%. In accordance with this agreement, the Partnership is required to maintain a leverage ratio of no more than 35% and minimum partnership capital, net of reserve for anticipated withdrawals, of at least $1,200,000 plus 50% of subsequent issuances of partnership capital. As of March 31, 2011, the Partnership has not borrowed against the 2011 Credit Facility.

ITEM 9. CHANGE IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures. As required by Rule 13a-15e under the Exchange Act, as of the end of the period covered by this Annual Report on Form 10-K, the Partnership's certifying officers, the Chief Executive Officer and the Chief Financial Officer, carried out an evaluation with the participation of its management of the effectiveness of the design and operation of our disclosure controls and procedures. In designing and evaluating our disclosure controls and procedures, we recognize that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and we were required to apply our judgment in evaluating and implementing possible controls and procedures. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that, as of the date of completion of the evaluation, our disclosure controls and procedures were effective to ensure that information required to be disclosed by the Partnership in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. We will continue to review and document our disclosure controls and procedures, including our internal controls and procedures for financial reporting, on an ongoing basis, and may from time to time make changes aimed at enhancing their effectiveness and to ensure that our systems evolve with our business.

Management's report on internal control over financial reporting and the report of independent registered public accounting firm are set forth in Part II, Item 8, of this annual report on Form 10-K.

Changes in Internal Control Over Financial Reporting. There was no change in the Partnership's internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the quarter ended December 31, 2010 that has materially affected, or is reasonably likely to materially affect, its internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The Jones Financial Companies, L.L.L.P., organized as a partnership, does not have a board of directors. As of February 25, 2011, the Partnership was composed of 347 general partners, 14,870 limited partners and 254 subordinated limited partners. Under the terms of the Partnership Agreement, the Managing Partner in said capacity has primary responsibility for administering the Partnership's business, determining its policies, controlling the management and conduct of the Partnership's business and has the power to appoint and dismiss general partners of the Partnership and to fix the proportion of their respective interests in the Partnership. The Managing Partner is elected by a majority of the Executive Committee and serves for an indefinite term. The Managing Partner may be removed by a majority vote of the Executive Committee or a vote of the general partners holding a majority percentage ownership in the Partnership. The Partnership does not have a formal code of ethics that applies to its Executive Committee members, as it relies on the core values and beliefs of the Partnership, as well as the Partnership Agreement. The Partnership's operating subsidiaries are managed by its 347 general partners under the leadership of the Managing Partner.

Executive Committee. The Executive Committee consists of the Managing Partner and between 5 and 9 general partners, with the specific number determined by the Managing Partner. The purpose of the Executive Committee is to provide counsel and advice to the Managing Partner in discharging his functions including the consideration of partnership compensation and to ensure the Partnership's business risks are managed appropriately. Executive Committee members are appointed by the Managing Partner for an indefinite term and may be removed by the Managing Partner or a vote of general partners holding a majority percentage ownership in the Partnership. Furthermore, in the event the position of Managing Partner is vacant, the Executive Committee shall succeed to all of the powers and duties of the Managing Partner. Throughout 2010, the Executive Committee was comprised of James D. Weddle, Kevin Bastien, Brett A. Campbell, Norman Eaker, Gary Reamey, Dan Timm and James A. Tricarico, Jr.

The following table is a listing, as of February 25, 2011, of the members of the Executive Committee, each member's age, year in which each member became an Executive Committee member, the year in which each member became a general partner and each member's area of responsibility. The members' biographies are below.

Name	*Age*	*Executive Committee*	*General Partner*	*Area of Responsibility*
James D. Weddle	57	2005	1984	Managing Partner
Kevin Bastien	45	2010	1998	Chief Financial Officer
Brett A. Campbell	52	2006	1993	Client Solutions Group
Norman Eaker	54	2005	1984	Firm Administration
Gary Reamey	55	2006	1984	Canadian Operations
Dan Timm	52	2009	1998	Branch Development
James A. Tricarico, Jr.	58	2007	2006	Legal and Compliance

James D. Weddle, Managing Partner – Mr. Weddle joined the Partnership in 1976, was named a general partner in 1984 and has served as Managing Partner since January 2006. Mr. Weddle has worked as a financial advisor, in research, mutual fund sales, marketing and branch office administration. Mr. Weddle earned his bachelor degree from DePauw University and his MBA from Washington University in St. Louis. Mr. Weddle is a member of FINRA Board of Governors.

Kevin Bastien, Chief Financial Officer – Mr. Bastien joined the Partnership in 1996, was named a general partner in 1998 and has served as Chief Financial Officer since January 2009. Previously he has had responsibility for various areas of the Finance division including tax, partnership accounting, coordinating overall finance support for international operations and the Sourcing Office, which negotiates all Partnership financial commitments. Mr. Bastien earned his bachelor and masters degrees in accounting from Southern Illinois University at Carbondale.

Brett A. Campbell, Client Solutions Group – Mr. Campbell joined the Partnership in 1984 as a financial advisor and was named a general partner in 1993. He has been responsible for Financial Advisor Training and Branch Development. Today, he is responsible for the Client Solutions Group, which encompasses all of the firm's products and services as well as the Research department, Investment Banking, Trust Company and Marketing division. Mr. Campbell is a member of the American Institute of Certified Public Accountants. He serves on the Securities Industry and Financial Markets Association (SIFMA) Private Client Services Committee. Mr. Campbell earned his bachelor degree summa cum laude from Ball State University, and graduated Kellogg Management Institute at Northwestern University.

Norman Eaker, Chief Administrative Officer – Mr. Eaker joined the Partnership in 1981 and was named a general partner in 1984. Mr. Eaker has served as the director of Internal Audit and is currently responsible for the operations, service, human resources and Information Systems divisions. Mr. Eaker graduated from the University of Missouri–St. Louis. Mr. Eaker is a member of the Operations and Technology Steering Committee of SIFMA.

Gary Reamey, Canadian Operations – Mr. Reamey joined the Partnership in 1977 and was named a general partner in 1984. Mr. Reamey has had responsibility for the Partnership's U.S. Fixed Income and Trading and Equity Trading areas and Edward Jones' international expansion efforts into Canada. Mr. Reamey earned his bachelor degree from Wabash College and his MBA from the University of Chicago. He is a former Governor of the Toronto Stock Exchange, and a past Director of the Investment Industry Association of Canada, and a past member of the Ombudsman for Banking and Investments.

Dan Timm, Branch Development – Mr. Timm joined the Partnership in 1983 as a financial advisor and was named a general partner in 1998. Mr. Timm has been responsible for recruiting and hiring, training and development of all financial advisors and branch employees, as well as branch administration and leadership development. He is also a member of the SIFMA Private Client Steering Committee and Bulls Roundtable. He earned his bachelor degree in atmospheric science and MBA in finance from the University of Missouri–Columbia.

James A. Tricarico, Jr., General Counsel, – Mr. Tricarico joined the Partnership as general partner and general counsel in 2006. Prior to joining the Partnership, he was in private practice and before that he served as general counsel and executive vice president of a large broker-dealer. Mr. Tricarico is a member of the Board of Directors and the General Counsels Committee of SIFMA, the Executive Committee of the Compliance and Legal Society of SIFMA and the National Arbitration and Mediation Committee of FINRA Dispute Resolution. He earned his bachelor degree from Fordham University and his law degree cum laude from New York Law School.

Audit Committee. The Audit Committee was created by way of the Partnership Agreement. The Audit Committee operates according to its charter adopted by the Executive Committee. Pursuant to its charter and the Partnership Agreement, the Audit Committee is directly responsible for the appointment, compensation, retention and oversight of the work of any independent registered public accounting firm engaged by the Partnership. The Audit Committee is responsible for the development and maintenance of an understanding of the firm's financial statements and the financial reporting process, overseeing the firm's efforts to comply with the financial reporting control requirements of Sarbanes Oxley and providing input to the firm's Internal Audit division regarding audit topics and the resolution of outstanding audit findings. In 2010 the Audit Committee was comprised of James A. Tricarico, Jr., Chairman, James D. Weddle, Kevin Bastien, Brett A. Campbell, Norman Eaker, Anthony Damico, who is a general partner responsible for the Internal Audit division, Joseph Porter, who is a general partner in the Finance division and Ed Glotzbach, who is an independent member of the committee. Kevin Bastien meets the requirements adopted by the SEC for qualification as an "audit committee financial expert." Because Mr. Bastien is a general partner of the Partnership he does not meet the definition of "independent" under the rules of the New York Stock Exchange. However, since the Partnership does not have any listed securities it is not subject to the listing requirements of the New York Stock Exchange or any other securities exchanges which impose certain independence requirements on audit committee members and audit committee financial experts.

Management Committee. The Management Committee consists of up to 25 general partners, including the members of the Executive Committee, with the specific number determined by the Managing Partner. As of February 25, 2011, the Management Committee consisted of 19 general partners. The Management Committee includes general partners with overall responsibility for a significant or critical functional division or area of the Partnership's operating subsidiaries. The Management Committee meets weekly and is responsible for identifying, developing and accomplishing the Partnership's objectives through, among other means, sharing information across divisions and identifying and resolving risk management issues for the Partnership. None of the general partners are appointed for any specific term nor are there any special arrangements or understandings pursuant to their appointment other than as contained in the Partnership Agreement. Members are appointed by the Managing Partner for an indefinite term and may be removed by the Managing Partner.

RISK MANAGEMENT

Overview

The Partnership's business model and activities expose it to a number of different risks. The most significant risks to which the Partnership is subject include business and operational risk, credit risk, market and liquidity risk, and legal, regulatory and reputational risk. The identification and ongoing management of the Partnership's risk is critical to its long term business success and related financial performance. The Partnership is governed by an Executive Committee, which is ultimately responsible for overall risk management. Throughout 2010, the Executive Committee consisted of the Partnership's Managing Partner and six other general partners, each responsible for broad functional areas of the Partnership. The Executive Committee is responsible for providing advice and counsel to the Managing Partner and helps establish the strategic direction of the firm. In addition the Executive Committee takes an active role in identifying, measuring and controlling the risks to which the Partnership is subject. The Executive Committee communicates regularly, meets monthly and also conducts periodic planning sessions to meet its responsibilities.

The Management Committee assists the Executive Committee in its ongoing risk management responsibilities through its day-to-day operations. The Management Committee consists of up to 25 general partners, including the members of the Executive Committee, with the specific number to be determined by the Managing Partner. As of February 25, 2011, the Management Committee consisted of 19 general partners. The Management Committee is responsible for identifying, developing and accomplishing the Partnership's objectives. In addition, the Management Committee is responsible for sharing information across divisions, identifying issues and risks with other members of the Committee. The Management Committee meets weekly and provides a forum to both identify and resolve risk management issues for the Partnership.

Several other committees and departments support the Executive Committee's risk management responsibilities by managing certain components of the risk management process. Those committees and departments and their primary responsibilities, as they relate to risk management, are listed below:

Audit Committee - responsible for the development and maintenance of an understanding of the firm's financial statements and the financial reporting process, overseeing the firm's efforts to comply with the financial reporting control requirements of Sarbanes Oxley and providing input to the firm's Internal Audit division regarding audit topics and the resolution of outstanding audit findings.

New Products and Services Committee - responsible for ensuring that all new products and services are aligned with customers' needs, are consistent with the Partnership's objectives and strategies, and that all areas of the Partnership are sufficiently prepared to support, service, and supervise any new activities. A new product or service has to be approved by the New Products and Services Committee and Executive Committee before being offered to customers.

Credit Review Committee - establishes policies governing the Partnership's customer margin accounts. The committee discusses and monitors the risks associated with the Partnership's customer margin practices and current trends in the industry. The committee reviews large customer margin balances, the quality of the collateral supporting those accounts, and the credit exposure related to those accounts to minimize potential losses. Any margin loan over $1.0 million is subject to special approval and review procedures by the Credit Review Committee.

Capital Markets Committee - approves new issue equity offerings and primary fixed income inventory commitments above $10.0 million. The approval is based upon firm guidelines and credit quality standards administered by the firm's Product Review department. Additionally, a member of the Capital Markets Committee is responsible both for the hedging strategies employed by the firm to reduce inventory risk, and for the communication of those strategies to the Capital Markets Committee.

Counterparty Risk Committee - assesses the Partnership's major exposures to financial institutions. These exposures include banks in which the Partnership has deposits or on which it depends for funding, including counterparties in reverse repurchase agreement investments and stock loans, trading partners and debt underwriters.

Product Review Department - analyzes proposed new investments prior to them being made broadly available to the Partnership's customers, and performs ongoing due diligence activities on all products broadly marketed by the Partnership.

In addition to these specific committees and departments, each of the Partnership's divisions also assists the Executive Committee in its ongoing risk management activities through their day-to-day responsibilities.

As part of the financial services industry, the Partnership's business is subject to inherent risks. As a result, despite its risk management efforts and activities, there can be no absolute assurance that the Partnership will not experience significant unexpected losses due to the realization of certain operational or other risks to which the firm is subject. The following discussion highlights the Partnership's procedures and policies designed to identify, assess, and manage the primary risks of its operations.

Business and Operational Risk

There is an element of operational risk inherent within the Partnership's business. The Partnership is exposed to operational risk and its business model is dependent on complex technology systems, and there is a degree of exposure to systems failure. A business continuity planning process has been established to respond to severe business disruptions. The Partnership has established a second data center in Tempe, Arizona, which operates as a backup of its primary data center located in St. Louis, Missouri and expects to be able to maintain service during a system disruption contained to St. Louis with a short-term interruption in service.

In order to address the Partnership's risk of identifying fraudulent or inappropriate activity, the Partnership implemented an anonymous ethics hotline for employees to report suspicious activity for review and disciplinary action when necessary. The Partnership's Internal Audit and Compliance divisions investigate reports as they are received. The Internal Audit and Compliance divisions review other firm activity to assist in risk identification and other inappropriate activities. In addition, the Partnership communicates and provides ongoing training regarding the Partnership's privacy requirements to better protect customer information.

The Partnership is also exposed to operational risk as a result of its reliance on third parties to provide technology, processing and other business support services. The Partnership's Sourcing Office primarily manages that risk by reviewing key vendors through a vendor due diligence process.

Credit Risk

The Partnership is subject to credit risk due to the very nature of the transactions it processes for its customers. In order to manage this risk, the Partnership limits certain customer transactions by, in some cases, requiring payment at the time or in advance of a customer transaction being accepted. The Partnership manages the credit risk arising out of the customer margin loans it offers by limiting the amount and controlling the quality of collateral held in the customer's account against those loans. In accordance with the NYSE rules, the Partnership requires, in the event of a decline in the market value of the securities in a margin account, the customer to deposit additional securities or cash so that, at all times, the loan to the customer is no greater than 75% of the value of the securities in the account (or to sell a sufficient amount of securities in order to maintain this percentage). The Partnership, however, generally imposes a more stringent maintenance requirement, which requires that the loan to the customer be no greater than 65% of the value of the securities in the account.

The Partnership purchases and holds securities inventory positions for retail sales and does not trade those positions for the purpose of generating gains for its own account. To monitor inventory positions, the Partnership has an automated trading system designed to report trading positions and risks. This system requires traders to mark positions to market and to report positions at the trader level, department level and for the firm as a whole. There are established trading and inventory limits for each trader and each department, and activity exceeding those limits is subject to supervisory review. By maintaining an inventory hedging strategy, the Partnership has attempted to avoid material inventory losses or gains in the past (see Note 6 to the Consolidated Financial Statements for further details). The objective of the hedging strategy is to mitigate the risks of carrying its inventory positions and not to generate profit for the Partnership. The compensation of the Partnership's traders is not tied to gains or losses incurred by the Partnership on the inventory, which eliminates the incentive to hold inappropriate inventory positions.

The Partnership also has credit exposure with counterparties as a result of its ongoing, routine business activities. This credit exposure can arise from the settlement of customer transactions, related failures to receive and deliver, or related to the Partnership's overnight investing activities with other financial institutions. The Partnership monitors its exposure to such counterparties on a regular basis through the activities of its Counterparty Risk Committee in order to minimize its risk of loss related to such exposure.

Market and Liquidity Risk

Market risk is the risk of declining revenue or the value of financial instruments held by the Partnership as a result of fluctuations in interest rates, equity prices or overall market conditions. Liquidity risk is the risk of insufficient financial resources to meet the short-term or long-term cash needs of the Partnership. For a discussion of the Partnership's market and liquidity risk, see "Item 7A–Quantitative and Qualitative Disclosures about Market Risk".

Legal, Regulatory and Reputational Risk

In the normal course of business, from time to time, the Partnership is named as a defendant in various legal actions, including arbitrations, class actions and other litigation. Certain of these legal actions include claims for substantial compensatory and/or punitive damages or claims for indeterminate amounts of damages. Further, the Partnership is involved, from time to time, in investigations and proceedings by governmental and self-regulatory agencies, certain of which may result in adverse judgments, fines or penalties. In recent years, the number of legal actions and investigations has increased among many firms in the financial services industry, including the Partnership.

The Partnership has established, through its overall compliance program, a variety of policies and procedures (including written supervisory procedures) designed to avoid legal claims or regulatory issues. As a normal course of business, new accounts and customer transactions are reviewed on a daily basis, in part, through the firm's field supervision function, to mitigate the risk of non-compliance with regulatory requirements as well as any resulting negative impact on the Partnership's reputation. Each branch office is subject to an annual on site branch audit, to review the financial advisor's business, and conduct an annual review of competency, to minimize the risk of regulatory non-compliance. Additionally, certain branches are visited regularly by field supervision directors to assure reasonable compliance. The Partnership's Compliance division works with other business areas to advise and consult on business activities to help ensure compliance with regulatory requirements and Partnership policies. The Partnership also has a clear awareness of privacy issues, uses client information responsibly, and trains its employees on privacy requirements. This comes under the auspices of the Partnership's Chief Privacy Officer. The Partnership has specific policies related to prevention of fraud and money laundering and providing initial as well as annual training and review of competency to help mitigate regulatory risks.

ITEM 11. EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS

The Partnership's compensation program allocates profits to general partners, including members of its Executive Committee, primarily based upon their ownership interest in the Partnership. Executive Committee members as general partners benefit annually from the profits of the Partnership through current cash payments from short-term results and from having an opportunity to continue to share in the long-term profitability of the organization. By owning general partnership interests, Executive Committee members are encouraged to balance short-term and long-term results of the Partnership as they have a significant amount of capital at risk. Also, by sharing in any annual operating loss of the Partnership, all general partners, including Executive Committee members, have a direct incentive to manage risk and focus on the short and long-term financial results of the Partnership.

Compensation Components

The Executive Committee members' compensation components are the same as the Partnership's other general partners. The components consist of base salary, deferred compensation, and the income allocated to partners. Executive Committee members do not receive any bonus, stock awards, option awards, non-equity incentive plan compensation, or any other elements besides those disclosed below related to their general partnership interest.

Salary Each Executive Committee member receives an amount of fixed compensation in the form of salary. In establishing the salaries listed on the Summary Compensation Table, the Partnership considers individual experience, responsibilities and tenure. Because the Partnership's principal compensation of Executive Committee members is based on general partnership ownership interests in the Partnership and special allocations of net income allocable to general partners, it does not benchmark the compensation of its Executive Committee members with compensation to executives at other companies in setting its base salaries, or otherwise in determining the compensation to its Executive Committee members. Each Executive Committee member receives a salary generally ranging from $175,000—$250,000 annually.

Deferred Compensation Each Executive Committee member is a participant in the Partnership's profit sharing plan, a qualified deferred compensation plan, which also covers all eligible employees of the Partnership's subsidiaries. Each Executive Committee member receives contributions based upon the overall profitability of the Partnership. Contributions to the plan are made annually within the discretion of the Partnership and have historically been determined based on approximately twenty-four percent of the Partnership's net income before allocations to partners. Allocation of the Partnership's contribution among participants is determined by each participant's relative level of eligible earnings, including their respective allocations of income. The plan is a tax-qualified retirement plan.

Income Allocated to Partners The majority of all general partners' compensation (including that of the Executive Committee members) comes from the members capital ownership interests in the Partnership as general partners, subordinated limited partners and limited partners. Ninety-two percent of the Partnership's net income is allocable to general partners, including the Executive Committee members, based upon their capital ownership interest in the Partnership. This ownership interest is set at the discretion of the Partnership's Managing Partner, with input from the Executive Committee. Capital ownership interests, as general partners in the Partnership, held by each Executive Committee member ranged from 1.00% to 2.89% in 2010, 0.80% to 2.89% in 2009, and 0.80% to 2.90% in 2008.

The remaining eight percent is allocable among the general partners, which includes the Executive Committee members, based on merit or need as determined by the Managing Partner in consultation with the Executive Committee. None of the Executive Committee members listed in the table below received this allocation in 2008, 2009 or 2010.

Executive Committee members may also hold a subordinated limited partnership interest or limited partnership interest, and earn a return on those investments in the Partnership. Subordinated limited partners and limited partners are allocated any remaining income or loss based on formulas in the Partnership Agreement.

In addition to base salary, under the Partnership Agreement, the Managing Partner has the discretion to allocate an additional $1.5 million (in the aggregate) in compensation to general partners. On March 26, 2010, the amount of the discretionary allocation was increased to $3.0 million. In 2010, 2009, and 2008, $0.1 million, $0.5 million and $0.2 million, respectively was allocated by the Managing Partner. None of the Executive Committee members listed in the table below received this allocation in 2008, 2009 or 2010.

The following table identifies the compensation of the Partnership's Managing Partner ("CEO"), the Chief Financial Officer ("CFO"), and the three other most highly compensated general partners based on total compensation in 2010 (including respective shares of income allocation). All of the general partners listed below are considered to be executive officers of the Partnership as a result of their services as members of the Executive Committee.

	Year	Salaries	Deferred Compen-sation	Income Allocated to Partners**	Total
James D. Weddle	2010	$ 250,000	$ 9,849	$ 8,491,878	$ 8,751,727
CEO	2009	250,000	6,615	3,299,736	3,556,351
	2008	250,000	7,337	6,401,001	6,658,338
Kevin Bastien, CFO*	2010	$ 175,000	$ 9,849	$ 3,908,027	$ 4,092,876
	2009	150,000	6,615	1,347,297	1,503,912
Gary D. Reamey	2010	$ 175,000	$ 9,849	$ 7,482,205	$ 7,667,054
General Partner -	2009	175,000	6,615	2,941,008	3,122,623
Canadian Operations	2008	175,000	7,337	5,798,207	5,980,544
Norman Eaker	2010	$ 175,000	$ 9,849	$ 7,035,541	$ 7,220,390
General Partner -	2009	175,000	6,615	2,739,891	2,921,506
Firm Administration	2008	175,000	7,337	5,300,071	5,482,408
Brett A. Campbell	2010	$ 175,000	$ 9,849	$ 6,905,160	$ 7,090,009
General Partner -	2009	175,000	6,615	2,683,176	2,864,791
Client Solutions	2008	175,000	7,337	5,076,656	5,258,993

* Effective January 1, 2009, Kevin Bastien assumed the role of Chief Financial Officer.

** Income Allocated to Partners includes earnings from general partner interests, any subordinated limited partnership investment and limited partnership investment in the Partnership.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

As the Partnership is organized as a limited partnership, its management is vested in the general partners thereof and there are no other outstanding "voting" or "equity" securities. It is the opinion of the Partnership that the general partnership interests are not securities within the meaning of federal and state securities laws primarily because each of the general partners participates in the management and conduct of the business.

In connection with the Partnership's outstanding limited and subordinated limited partnership interests (which are in each case non-voting securities), 297 of the general partners also own limited partnership interests and 53 of the general partners also own subordinated limited partnership interests, as noted in the table below. No person is the beneficial owner of more than 5% of the Partnership's general partner interests.

As of February 25, 2011:

Title of Class	*Name of Beneficial Owner*	*Amount of Beneficial Owner*	*% of Class*
Limited Partnership Interests	All General Partners as a Group	$47,487,800	7%
Subordinated Limited Partnership Interests	All General Partners as a Group	$74,325,813	30%

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

In the ordinary course of its business the Partnership has extended credit to certain of its partners and employees in connection with their purchase of securities. Such extensions of credit have been made on substantially the same terms, including with respect to interest rates and collateral requirements, as those prevailing at the time for comparable transactions with non-affiliated persons, and did not involve more than the normal risk of collectability or present other unfavorable features. The Partnership also, from time to time and in the ordinary course of business, enters into transactions involving the purchase or sale of securities from or to partners or employees and members of their immediate families, as principal. Such purchases and sales of securities on a principal basis are affected on substantially the same terms as similar transactions with unaffiliated third parties, with some discounts to commissions and fees provided.

Edward Jones leases approximately 10% of its branch office space from its financial advisors. Rent expense related to these leases approximated $20.0 million, $19.0 million and $17.0 million for the years ended December 31, 2010, 2009 and 2008, respectively. These leases are executed and maintained in the same manner as those entered into with third parties.

Beginning in 2011, the Partnership will make loans available to those general partners that require financing for some or all of their new purchases of individual partnership interests. See the Liquidity section of Item 7 – Management's Discussion and Analysis of Financial Condition and Results of Operations for further information.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The following table presents fees paid and accrued by the Partnership to its independent registered public accountants, PricewaterhouseCoopers LLP.

(Dollars in thousands)	*2010*	*2009*
Fees paid by the Partnership:		
Audit fees	$ 2,104	$ 2,273
Audit-related fees (1)	965	1,187
Tax fees (2)	793	710
Total fees	$ 3,862	$ 4,170

(1) Audit-related fees consist primarily of fees for internal control reviews, attestation/agreed-upon procedures, employee benefit plan audits, and consultations concerning financial accounting and reporting standards.

(2) Tax fees consist of fees for services relating to tax compliance and consultation on tax matters, and other tax planning and advice.

The Audit Committee pre-approved all audit and non-audit related services in fiscal year 2010 and 2009. No services were provided under the de minimis fee exception to the audit committee pre-approval requirements.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

INDEX

Schedules are omitted because they are not required, inapplicable, or the information is otherwise shown in the Consolidated Financial Statements or notes thereto.

(b) Exhibits

Reference is made to the Exhibit Index hereinafter contained.

PART IV

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

THE JONES FINANCIAL COMPANIES, L.L.L.P.

By: /s/ James D. Weddle
James D. Weddle
Managing Partner (Principal Executive Officer)
March 31, 2011

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant in the capacities and on the dates indicated:

Signatures	Title	Date
/s/ James D. Weddle James D. Weddle	Managing Partner (Principal Executive Officer)	March 31, 2011
/s/ Kevin D. Bastien Kevin D. Bastien	Chief Financial Officer (Principal Financial and Accounting Officer)	March 31, 2011

PART IV

EXHIBIT INDEX TO ANNUAL REPORT ON FORM 10-K
FOR THE YEAR ENDED DECEMBER 31, 2010

Exhibit Number		Description
3.1	*	Eighteenth Amended and Restated Agreement of Registered Limited Liability Limited Partnership of the Registrant, dated as of November 26, 2010, incorporated by reference to Exhibit 3.1 to the Registrant's Form 8-K dated November 26, 2010.
3.2	*	Second Amendment of Seventeenth Restated Certificate of Limited Partnership of The Jones Financial Companies, L.L.L.P., dated as of August 16, 2010, as amended, incorporated by reference to Exhibit 3.2 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 24, 2010.
3.3	*	Eleventh Amended and Restated Agreement of Limited Partnership Agreement of Edward D. Jones & Co., L.P. dated March 10, 2010, incorporated by reference to Exhibit 3.3 to the Registrant's Form 10-K for the year ended December 31, 2009.
10.1	*	Form of Cash Subordination Agreement between the Registrant and Edward D. Jones & Co., L.P., incorporated by reference to Exhibit 10.1 to the Registrant's registration statement of Form S-1 (Reg. No. 33-14955).
10.2	*	Note Purchase Agreement by Edward D. Jones & Co., L.P. for $75,000,000 aggregate principal amount of subordinated capital notes with rates ranging from 7.51% to 7.79% due September 15, 2011, incorporated by reference to the Registrant's Form 10-Q for the quarter ended September 24, 1999.
10.3	*	Note Purchase Agreement by Edward D. Jones & Co., L.P., for $250,000,000 aggregate principal amount of 7.33% subordinated capital notes due June 12, 2014, incorporated by reference to the Registrant's Form 10-Q for the quarter ended June 28, 2002.
10.4	*	Credit Agreement by EDJ Leasing Co., L.P., The Jones Financial Companies, L.L.L.P., et al. and Wells Fargo Bank, National Association dated August 22, 2008, incorporated by reference to Exhibit 10.4 to the Registrant's Form 10-K for the year ended December 31, 2009.

10.5	*	Ordinance No. 24,183 relating to certain existing Agreement entered into by St. Louis County, Missouri, in connection with the issuance of its Taxable Industrial Revenue Bonds (Edward Jones Des Peres Project) approved November 12, 2009, incorporated by reference to Exhibit 10.5 to the Registrant's Form 10-K for the year ended December 31, 2009.
10.6	*	Ordinance No. 24,182 authorizing Amendments of certain existing Agreements entered into by St. Louis County, Missouri, in connection with the issuance of its Taxable Industrial Revenue Bonds (Edward Jones Maryland Heights Project) approved November 12, 2009, incorporated by reference to Exhibit 10.6 to the Registrant's Form 10-K for the year ended December 31, 2009.
10.7	*	Ordinance No. 24,181 authorizing St. Louis County, Missouri, to issue its Taxable Industrial Revenue Bonds (Edward Jones Maryland Heights Phase III Project) approved November 12, 2009, incorporated by reference to Exhibit 10.7 to the Registrant's Form 10-K for the year ended December 31, 2009.
10.8	*	Loan Agreement between EDJ Leasing Co., L.P. and Fifth Third Bank, and Ohio banking corporation, dated December 22, 2009, incorporated by reference to Exhibit 10.8 to the Registrant's Form 10-K for the year ended December 31, 2009.
10.9	*	Master Lease Agreement between Edward D. Jones & Co., L.P. and Chase Equipment Finance, Inc. dated October 30, 2009, incorporated by reference to Exhibit 10.9 to the Registrant's Form 10-K for the year ended December 31, 2009.
10.10	*	Agreements of Lease between EDJ Leasing Co., L.P. and Edward D. Jones & Co., L.P., dated August 1, 1991, incorporated by reference to Exhibit 10.18 to the Registrant's Form 10-K for the year ended September 27, 1991.
10.11	*	Purchase and Sale Agreement between EDJ Leasing Co., L.P. and the Resolution Trust Corporation incorporated by reference to Exhibit 10.21 to the Registrant's Form 10-K for the year ended December 31, 1992.
10.12	*	Mortgage Note; Deed of Trust and Security Agreement; Assignment of Leases, Rents and Profits; and Subordination and Attornment Agreement between EDJ Leasing Co., L.P. and Nationwide Insurance Company dated April 6, 1994, incorporated by reference to exhibit 10.1 to the Registrant's Form 10-Q for the quarter ended March 25, 1994

10.13	*	Lease between Eckelkamp Office Center South, L.L.C., a Missouri Limited Liability Company, as Landlord and Edward D. Jones & Co., L.P., as Tenant, dated February 3, 2000, incorporated by reference to the Registrant's Form 10-K for the year ended December 31, 2001.
10.14	*	Master Agreement dated as of November 30, 2000 among Edward D. Jones & Co., L.P., as Lessee, Construction Agent and Guarantor, Atlantic Financial Group, Ltd., (registered to do business in Arizona as AFG Equity, Limited Partnership) as Lessor, Suntrust Bank and Certain Financial Institutions Parties Hereto, as Lenders, and Suntrust Bank as agent, and joined in by The Jones Financial Companies, L.L.L.P., incorporated by reference to the Registrant's Form 10-K for the year ended December 31, 2001.
10.15	*	Master Lease Agreement dated November 30, 2000 between Atlantic Financial Group, Ltd. (registered to do business in Arizona as AFG Equity, Limited Partnership), as Lessor, and Edward D. Jones & Co., L.P., as Lessee, incorporated by reference to the Registrant's Form 10-K for the year ended December 31, 2001.
10.16	*	Master Agreement dated September 18, 2001 among Edward D. Jones & Co., L.P., as Lessee, Construction Agent and Guarantor, Atlantic Financial Group, Ltd., (registered to do business in Missouri as Atlantic Financial Group, L.P.) as Lessor, Suntrust Bank and certain financial institutions listed therein, as Lenders, and Suntrust Bank, as Agent and joined in by the Registrant, incorporated by reference to the Registrant's Form 10-K for the year ended December 31, 2001.
10.17	*	Master Lease Agreement dated as of September 18, 2001 between Atlantic Financial Group, Ltd. (registered to do business in Missouri as Atlantic Financial Group, L.P.), as Lessor, and Edward D. Jones & Co., L.P., as Lessee, incorporated by reference to the Registrant's Form 10-K for the year ended December 31, 2001.
10.18	*	Stipulation of Settlement of Class Action , dated December 11, 2006 and Amendment to Stipulation of Settlement of Class Action dated July 1, 2007, incorporated by reference to Exhibit 10.1 to the Registrant's Form 10-Q for the quarter ended September 28, 2007.

10.19	*	Joint Stipulation of Class Action Settlement and Release dated September 28, 2007, incorporated by reference to Exhibit 10.1 to the Registrant's Form 8-K dated October 4, 2007.
10.20	*	Amended Joint Stipulation of Class Action Settlement and Release dated October 4, 2007, incorporated by reference to Exhibit 10.2 to the Registrant's Form 8-K dated October 4, 2007.
10.21	*	Share Purchase Agreement between Edward D. Jones & Co., L.P. and Towry Law Finance Company Limited, dated October 22, 2009, incorporated by reference to Exhibit 10.21 to the Registrant's Form 10-K for the year ended December 31, 2009.
10.22	*	Transitional Services Agreement between Edward D. Jones & Co., L.P., Towry Law Finance Company Limited and Edward Jones Limited, dated November 12, 2009, incorporated by reference to Exhibit 10.22 to the Registrant's Form 10-K for the year ended December 31, 2009.
10.23	*	Credit Agreement by The Jones Financial Companies, L.L.L.P. and Wells Fargo Bank, National Association, for a $320,000,000 revolving line of credit, dated April 21, 2010, incorporated by reference to Exhibit 10.1 to the Registrant's Form 10-Q for the quarter ended March 26, 2010.
10.24	**	Credit Agreement by The Jones Financial Companies, L.L.L.P. and Wells Fargo Bank, National Association, for a $395,000,000 revolving line of credit, dated March 18, 2011.
21	**	Subsidiaries of the Registrant
23.1	**	Consent of Independent Registered Public Accounting Firm, filed herewith.
24	*	Delegation of Power of Attorney.
31.1	**	Certification of Chief Executive Officer pursuant to Rule 13a-14(a)/15(d)-14(a) of the Securities Act of 1934, as amended, as adopted pursuant to section 302 of the Sarbanes-Oxley Act of 2002.
31.2	**	Certification of Chief Financial Officer pursuant to Rule 13a-14(a)/15(d)-14(a) of the Securities Act of 1934, as amended, as adopted pursuant to section 302 of the Sarbanes-Oxley Act of 2002.

32.1	**	Certification of Chief Executive Officer pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002.
32.2	**	Certification of Chief Financial Officer pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002.
99.1	*	Order Instituting Administrative and Cease and Desist proceedings, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order Pursuant to Section 8A of the Securities Act of 1933 and Sections 15(b) and 21C of the Securities Exchange Act of 1934, dated December 22, 2004, incorporated by reference to Exhibit 99.1 to the Registrant's Form 8-K dated December 27, 2004.
99.2	*	NASD Letter of Acceptance, Waiver and Consent, dated December 22, 2004, incorporated by reference to Exhibit 99.2 to the Registrant's Form 8-K dated December 27, 2004.
99.3	*	NYSE Stipulation of Facts and Consent to Penalty, dated December 22, 2004, incorporated by reference to Exhibit 99.3 to the Registrant's Form 8-K dated December 27, 2004.
99.4	*	Deferred Consideration Agreement, dated December 22, 2004, incorporated by reference to Exhibit 99.4 to the Registrant's Form 8-K dated December 27, 2004.
99.5	*	Class Action Settlement Agreement, dated August 29, 2006, incorporated by reference to Exhibit 99.1 to the Registrant's Form 8-K dated August 31, 2006.

* Incorporated by reference to previously filed exhibits.
** Filed herewith.

THE JONES FINANCIAL COMPANIES, L.L.L.P.

(Parent Company Only)

CONDENSED STATEMENTS OF FINANCIAL CONDITION

(Dollars in thousands)	*December 31, 2010*	*December 31, 2009*
ASSETS:		
Cash and cash equivalents	$ 3,183	$ 4,215
Investment in subsidiaries	1,593,578	1,461,578
Other assets	9,863	9,510
TOTAL ASSETS	$ 1,606,624	$ 1,475,303
LIABILITIES		
Accounts payable and accrued expenses	$ 1,651	$ 8,491
Partnership capital subject to mandatory redemption	1,604,973	1,466,812
TOTAL LIABILITIES	$ 1,606,624	$ 1,475,303

These financial statements should be read in conjunction with the notes to the Consolidated Financial Statements of The Jones Financial Companies, L.L.L.P.

Schedule I

THE JONES FINANCIAL COMPANIES, L.L.L.P.

(Parent Company Only)

CONDENSED STATEMENTS OF INCOME

(Dollars in thousands)		*For the Years Ended*	
	December 31, 2010	*December 31, 2009*	*December 31, 2008*
NET REVENUE			
Subsidiary earnings	$ 394,861	$ 164,488	$ 311,206
Management fee income	62,438	62,473	63,280
Other	1	7	1,128
Total revenue	457,300	226,968	375,614
Interest expense	34,227	35,389	36,665
Net revenue	423,073	191,579	338,949
OPERATING EXPENSES			
Compensation and benefits	28,203	27,096	26,837
Payroll and other taxes	316	147	249
Other operating expenses	1,769	29	54
Total operating expenses	30,288	27,272	27,140
INCOME BEFORE ALLOCATIONS TO PARTNERS	$ 392,785	$ 164,307	$ 311,809
Allocations to partners	(392,785)	(164,307)	(311,809)
NET INCOME	$ -	$ -	$ -

These financial statements should be read in conjunction with the notes to the Consolidated Financial Statements of The Jones Financial Companies, L.L.L.P.

THE JONES FINANCIAL COMPANIES, L.L.L.P.

(Parent Company Only)

CONDENSED STATEMENTS OF CASH FLOWS

(Dollars in thousands)	*For the Years Ended December 31, 2010*	*December 31, 2009*	*December 31, 2008*
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income	$ -	$ -	$ -
Adjustments to reconcile net income to net cash provided by operating activities -			
Income before allocations to partners	392,785	164,307	311,809
Decrease in securities purchased under agreements to resell	-	-	91,000
(Increase) decrease in investment in subsidiaries	(132,000)	2,657	(112,690)
Increase in other assets	(353)	(2,580)	(1,054)
(Decrease) increase in liabilities	(6,840)	8,298	(6,332)
Net cash provided by operating activities	253,592	172,682	282,733
CASH FLOWS FROM FINANCING ACTIVITIES:			
Issuance of partnership interests	35,984	25,312	31,438
Redemption of partnership interests	(60,591)	(35,554)	(13,302)
Withdrawals and distributions from partnership capital	(230,017)	(162,568)	(305,410)
Net cash used in financing activities	(254,624)	(172,810)	(287,274)
Net decrease in cash and cash equivalents	(1,032)	(128)	(4,541)
CASH AND CASH EQUIVALENTS:			
Beginning of year	4,215	4,343	8,884
End of year	$ 3,183	$ 4,215	$ 4,343

These financial statements should be read in conjunction with the notes to the Consolidated Financial Statements of The Jones Financial Companies, L.L.L.P.

Exhibit 10.24

EXECUTION COPY

CREDIT AGREEMENT

DATED AS OF MARCH 18, 2011

AMONG

THE JONES FINANCIAL COMPANIES, L.L.L.P.,
as Borrower,

THE LENDERS LISTED HEREIN,
as Lenders,

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Administrative Agent and a Swing Line Lender

BANK OF AMERICA, N.A.,
as Syndication Agent and a Swing Line Lender,

and

FIFTH THIRD BANK,
JPMORGAN CHASE BANK, N.A.,
and
U.S. BANK NATIONAL ASSOCIATION,
each as a Documentation Agent

WELLS FARGO SECURITIES, LLC
and
MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED,
as Joint Lead Arrangers and Joint Bookrunners

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THE JONES FINANCIAL COMPANIES, L.L.L.P.

CREDIT AGREEMENT

This **CREDIT AGREEMENT** is dated as of March 18, 2011 and entered into by and among **THE JONES FINANCIAL COMPANIES, L.L.L.P.,** a Missouri limited liability limited partnership (the "**Borrower**"), **THE FINANCIAL INSTITUTIONS LISTED ON THE SIGNATURE PAGES HEREOF** (each individually referred to herein as a "**Lender**" and collectively as "**Lenders**"), and **WELLS FARGO BANK, NATIONAL ASSOCIATION** ("**Wells Fargo**"), as administrative agent for the Lenders (in such capacity, "**Administrative Agent**").

R E C I T A L S

WHEREAS, the Lenders, at the request of the Borrower, have agreed to extend a revolving credit facility to the Borrower, the proceeds of which will be used to provide financing for working capital and other general corporate purposes of the Borrower and its Subsidiaries;

NOW, THEREFORE, in consideration of the premises and the agreements, provisions and covenants herein contained, the Borrower, the Lenders and the Administrative Agent agree as follows:

Section1. DEFINITIONS

1.1 Certain Defined Terms.

The following terms used in this Agreement shall have the following meanings:

"**Act**" has the meaning assigned to that term in subsection 9.20.

"**Administrative Agent**" has the meaning assigned to that term in the introduction to this Agreement and also means and includes any successor Administrative Agent appointed pursuant to subsection 8.5A.

"**Administrative Questionnaire**" means an Administrative Questionnaire in a form supplied by the Administrative Agent.

"**Advisers Act**" means the Investment Advisers Act of 1940, as amended.

"**Affected Lender**" has the meaning assigned to that term in subsection 2.6C.

"**Affected Loans**" has the meaning assigned to that term in subsection 2.6C.

"**Affiliate**", as applied to any Person, means any other Person directly or indirectly Controlling, Controlled by or under common Control with, that Person; provided, however, that the term "Affiliate" shall specifically exclude the Administrative Agent and each Lender.

"**Agreement**" means this Credit Agreement.

“**Applicable Margin**” means the corresponding percentages per annum as set forth below based on the Leverage Ratio:

Pricing Level	Leverage Ratio	Eurodollar Rate Margin	Base Rate Margin	Commitment Fee
I	Less than or equal to 10.0%	1.500%	0.500%	0.200%
II	Greater than 10.0%, but less than or equal to 20.0%	1.750%	0.750%	0.250%
III	Greater than 20.0% but less than or equal to 30.0%	2.000%	1.000%	0.300%
IV	Greater than 30.0%	2.250%	1.250%	0.350%

The Applicable Margin shall be determined and adjusted quarterly on the date (each a “Calculation Date”) ten (10) Business Days after the day by which the Borrower is required to provide a Compliance Certificate pursuant to subsection 5.1(iv) for the most recently ended fiscal quarter of the Borrower; provided that (i) such Applicable Margin shall be based on Pricing Level II until the first Calculation Date occurring after the Closing Date and thereafter the Pricing Level shall be determined by reference to the Leverage Ratio as of the last day of the most recently ended fiscal quarter of the Borrower preceding the applicable Calculation Date, and (ii) if the Borrower fails to provide the Compliance Certificate as required by subsection 5.1(iv) for the most recently ended fiscal quarter of the Borrower preceding the applicable Calculation Date, the Applicable Margin from such Calculation Date shall be based on Pricing Level IV until such time as an appropriate Compliance Certificate is provided, at which time the Pricing Level shall be determined by reference to the Leverage Ratio as of the last day of the most recently ended fiscal quarter of the Borrower preceding such Calculation Date. The Applicable Margin shall be effective from one Calculation Date until the next Calculation Date. Any adjustment in the Applicable Margin shall be applicable to all Loans then existing or subsequently made or issued. Notwithstanding the foregoing, in the event that any financial statement or Compliance Certificate delivered pursuant to subsection 5.1 is shown to be inaccurate, and such inaccuracy, if corrected, would have led to the application of (A) a higher Applicable Margin for any period (an “Applicable Period”) than the Applicable Margin applied for such Applicable Period, then (x) the Borrower shall immediately deliver to the Administrative Agent a corrected Compliance Certificate for such Applicable Period, (y) the Applicable Margin for such Applicable Period shall be determined as if the Leverage Ratio in the corrected Compliance Certificate were applicable for such Applicable Period, and (z) the Borrower shall immediately and retroactively be obligated to pay to the Administrative Agent the accrued additional interest and fees owing as a result of such increased Applicable Margin for such Applicable Period, which payment shall be promptly applied by the Administrative Agent in accordance with subsection 2.4B or (B) a lower Applicable Margin for the Applicable Period than the Applicable Margin applied for such Applicable Period, then (x) the Borrower shall immediately deliver to the Administrative Agent a corrected Compliance Certificate for such Applicable Period and (y) the Applicable Margin shall be adjusted in accordance with such corrected Compliance Certificate on the date that the Administrative Agent receives such corrected Compliance Certificate notwithstanding that such date is not otherwise a Calculation Date, and such adjusted Applicable Margin shall remain in effect until otherwise required to be modified hereunder. Nothing in this paragraph shall limit the rights of the Administrative Agent and Lenders with respect to subsection 2.2E or 7 or any of their other rights under this Agreement. The Borrower’s obligations under this paragraph shall survive the termination of the Commitments and the repayment of all other Obligations hereunder.

"**Approved Fund**" means a Fund that is administered or managed by (i) a Lender, (ii) an Affiliate of a Lender or (iii) an entity or an Affiliate of an entity that administers or manages a Lender.

"**Assignment Agreement**" means an Assignment and Assumption Agreement in substantially the form of Exhibit VI.

"**Attributable Debt**" means, on any date of determination, (a) in respect of any Capital Lease of any Person, the capitalized amount thereof that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP, and (b) in respect of any Synthetic Lease, the capitalized amount or principal amount of the remaining lease payments under the relevant lease that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP if such lease were accounted for as a Capital Lease.

"**Bank of America**" means Bank of America, N.A.

"**Bank of America Swing Line Loan Subfacility**" means $50,000,000, which is the maximum principal amount of Swing Line Loans that Bank of America, in its capacity as a Swing Line Lender, may make to the Borrower pursuant to subsection 2.1A(ii).

"**Bankruptcy Code**" means Title 11 of the United States Code entitled "Bankruptcy", as now and hereafter in effect, or any successor statute.

"Base Rate" means, at any time, the highest of (a) the Prime Rate, (b) the Federal Funds Rate plus 1.00% and (c) except during any period of time during which a notice delivered to the Borrower under Section 2.6 shall remain in effect, the Eurodollar Rate for an Interest Period of one month plus 1%; each change in the Base Rate shall take effect simultaneously with the corresponding change or changes in the Prime Rate, the Federal Funds Rate or the Eurodollar Rate.

"**Base Rate Loans**" means Loans bearing interest at rates determined by reference to the Base Rate as provided in subsection 2.2A.

"**Base Rate Margin**" means the margin over the Base Rate used in determining the rate of interest of Base Rate Loans in accordance with the definition of Applicable Margin.

"**Borrower**" has the meaning assigned to that term in the introduction to this Agreement.

"**Business Day**" means (i) any day excluding Saturday, Sunday and any day which is a legal holiday under the laws of the State of New York or is a day on which banking institutions located in such state are authorized or required by law or other governmental action to close and (ii) with respect to all notices, determinations, fundings and payments in connection with the Eurodollar Rate or any Eurodollar Rate Loans, any day that is a Business Day described in clause (i) above and that is also a day for trading by and between banks in Dollar deposits in the London interbank market.

"**Capital Lease**", as applied to any Person, means any lease of any property (whether real, personal or mixed) by that Person as lessee that, in conformity with GAAP, is accounted for as a capital lease on the balance sheet of that Person.

"**Capital Stock**" means the capital stock of or other equity interests in a Person.

"**Cash Equivalents**" means, collectively, (a) marketable direct obligations issued or unconditionally guaranteed by the United States or Canada or any agency thereof maturing within one hundred twenty (120) days from the date of acquisition thereof, (b) commercial paper maturing no more than one hundred twenty (120) days from the date of creation thereof and currently having the highest rating obtainable from either S&P or Moody's, (c) certificates of deposit maturing no more than one hundred twenty (120) days from the date of creation thereof issued by commercial banks incorporated under the laws of the United States or Canada, each having combined capital, surplus and undivided profits of not less than $500,000,000 and having a long term rating of "A" (or its equivalent) or better by a nationally recognized rating agency, or (d) time deposits maturing no more than thirty (30) days from the date of creation thereof with commercial banks or savings banks or savings and loan associations each having membership either in the FDIC or CDIC, or the deposits of which are insured by the FDIC or CDIC and in amounts not exceeding the maximum amounts of insurance thereunder, (e) repurchase obligations with a term of not more than one hundred twenty (120) days for underlying securities of the types described in clause (a) above entered into with a Lender or a bank meeting the qualifications described in clause (c) above, and (f) investments in money market funds substantially all of whose assets are comprised of securities of the types described in clauses (a) through (e) above.

"**CDIC**" means the Canada Deposit Insurance Corporation or any successor entity.

"**CEA**" means the Commodity Exchange Act, as amended from time to time.

"**Change in Control**" means any of the following:

(a) Current Owners shall collectively cease to, directly or indirectly, (i) own and control at least 51% of the outstanding equity interests of the Borrower owned by them on the Closing Date or (ii) possess the right to elect (through contract, ownership of voting securities or otherwise) at all times the managing partner (or similar designation) of the Borrower and to direct the management policies and decisions of the Borrower;

(b) any Person or "group" (within the meaning of Rules 13d-3 and 13d-5 under the Securities Exchange Act of 1934 as in effect on the Closing Date) other than Current Owners shall have acquired a greater beneficial ownership in the Borrower's voting equity interests than that held collectively by Current Owners;

(c) the Borrower shall cease to, directly or indirectly, own and control 100% of each class of the outstanding equity interests of Edward Jones; or

(d) there shall have occurred under any indenture, credit agreement or other instrument evidencing Indebtedness of the Borrower or any of its Subsidiaries (other than Swap Contracts and surety bonds and similar instruments) any "change of control" or similar provision (as set forth in the indenture, credit agreement or other evidence of such Indebtedness) obligating the Borrower or any of its Subsidiaries to repurchase, redeem or repay all or any part of the Indebtedness provided for therein.

"Change in Law" means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any law, rule, regulation, treaty or order, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation or application thereof by any Government Authority, (c) any determination of a court or other Government Authority or (d) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Government Authority; provided that notwithstanding anything herein to the contrary, each of (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and all requests, rules, guidelines or directives thereunder or issued in connection therewith, and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States regulatory authorities, in each case pursuant to Basel III, shall be deemed to be a "Change in Law", regardless of the date enacted, adopted or issued.

"**Changes in Partnership Capital**" means, as of the last day of any Fiscal Quarter, an amount equal to (a) all "Issuances of partnership interests" during such Fiscal Quarter less (b) all "Redemptions of partnership interests" during such Fiscal Quarter, in each case, as such amounts are set forth in the financial statements of the Borrower and its Subsidiaries for such Fiscal Quarter as delivered pursuant to subsection 5.1.

"**Chapter 100 Transaction**" means any sale-leaseback transaction now, heretofore or hereafter entered into by any Subsidiary of the Borrower with St. Louis County, Missouri, pursuant to Chapter 100 of the Revised Statutes of the State of Missouri, including the granting of any Lien encumbering such Subsidiary's leasehold interest in and to any property subject to any such sale-leaseback transaction or any other rights of such Subsidiary in connection therewith.

"**Closing Date**" means the date on which the conditions precedent set forth in subsection 3.1 have been satisfied.

"**Co-Issuer Subsidiary**" means any Subsidiary, 100% of the Capital Stock of which is owned directly by the Borrower, which Subsidiary is formed by the Borrower after the Closing Date to act solely as a co-issuer with the Borrower on certain post-Closing Date issuances of Indebtedness permitted pursuant to Section 6.1(xii).

"**Commission**" means the Securities and Exchange Commission and any successor entity.

"**Commitments**" means the commitments of the Lenders to make Loans as set forth in subsections 2.1A.

"**Compliance Certificate**" means a certificate substantially in the form of Exhibit V.

"**Consolidated Total Debt**" means, as of any date of determination, the aggregate stated balance sheet amount of all Indebtedness of the Borrower and its Subsidiaries, determined on a consolidated basis in accordance with GAAP.

"**Contingent Obligation**", as applied to any Person, means any direct or indirect liability, contingent or otherwise, of that Person (i) with respect to any Indebtedness, lease, dividend or other obligation of another if the primary purpose or intent thereof by the Person incurring the Contingent Obligation is to provide assurance to the obligee of such obligation of another that such obligation of another will be paid or discharged, or that any agreements relating thereto will be complied with, or that the holders of such obligation will be protected (in whole or in part) against loss in respect thereof or (ii) with respect to any letter of credit issued for the account of that Person or as to which that Person is otherwise liable for reimbursement of drawings. Contingent Obligations shall include (a) the direct or indirect guaranty, endorsement (otherwise than for collection or deposit in the ordinary course of business), co-making, discounting with recourse or sale with recourse by such Person of the obligation of another, (b) the obligation to make take-or-pay or similar payments if required regardless of non-performance by any other party or parties to an agreement, and (c) any liability of such Person for the obligation of another through any agreement (contingent or otherwise) (1) to purchase, repurchase or otherwise acquire such obligation or any security therefor, or to provide funds for the payment or discharge of such obligation (whether in the form of loans, advances, stock purchases, capital contributions or otherwise) or (2) to maintain the solvency or any balance sheet item, level of income or financial condition of another if, in the case of any agreement described under subclauses (1) or (2) of this sentence, the primary purpose or intent thereof is as described in the preceding sentence. The amount of any Contingent Obligation shall be equal to the amount of the obligation so guaranteed or otherwise supported or, if less, the amount to which such Contingent Obligation is specifically limited.

"**Contractual Obligation**", as applied to any Person, means any provision of any Security issued by that Person or of any indenture, mortgage, deed of trust, contract, undertaking, agreement or other instrument to which that Person is a party or by which it or any of its properties is bound or to which it or any of its properties is subject.

"**Control**", as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of that Person, whether through the ownership of voting securities or by contract or otherwise. "Controlling", "controlled by" and "under common control with" have correlative meanings.

“Current Owners” means collectively all of the general partners of the Borrower as of the date of this Agreement.

“Defaulting Lender” means any Lender that (a) has failed to fund any portion of the Revolving Loans or any participations in Swing Line Loans required to be funded by it hereunder within one Business Day of the date required to be funded by it hereunder unless such Lender notifies the Administrative Agent and the Borrower in writing that such failure is the result of such Lender’s determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable Event of Default, shall be specifically identified in such writing) has not been satisfied, (b) has otherwise failed to pay over to the Administrative Agent or any other Lender any other amount required to be paid by it hereunder within one Business Day of the date when due, unless the subject of a good faith dispute, (c) has notified the Borrower, the Administrative Agent or any other Lender in writing that it does not intend to comply with any of its funding obligations under this Agreement or has made a public statement to the effect that it does not intend to comply or has failed to comply with its funding obligations under this Agreement or under other agreements in which it commits or is obligated to extend credit (unless such writing or public statement relates to the Lenders’ obligation to fund a Loan hereunder and states that such position is based on such Lender’s determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), or (d) has, or has a parent company that has, (i) been adjudicated as, or determined by any Government Authority having regulatory authority over such Person or its assets to be, insolvent or (ii) become the subject of a bankruptcy, receivership, insolvency or comparable proceeding or has had a receiver, conservator, trustee or custodian appointed for it or has taken any action in furtherance of, or indicating its consent to, approval of or acquiescence in any such proceeding or appointment; provided, that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in such Lender or a parent company thereof by a Government Authority or an instrumentality thereof.

“**Disqualified Capital Stock**” means any Capital Stock of any Person that by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable at the option of the holder thereof) or upon the happening of any event (a) matures or is mandatorily redeemable pursuant to a sinking fund obligation or otherwise, (b) is redeemable at the option of the holder thereof, in whole or in part, or (c) requires or mandates payments or distributions in cash, in each case on or prior to the Revolving Loan Commitment Termination Date. The term “**Disqualified Capital Stock**” shall also include any options, warrants or other rights that are convertible into any Disqualified Capital Stock or that are redeemable at the option of the holder, or required to be redeemed, prior to the Revolving Loan Commitment Termination Date, but shall exclude the Borrower’s Capital Stock in the form of Partnership Capital with terms and conditions substantially similar to those in effect on the Closing Date.

“**Dollars**” and the sign “$” mean the lawful money of the United States.

“**Early Requested Swing Line Loan**” has the meaning set forth in subsection 2.2B.

“**EDJ Leasing**” means EDJ Leasing Co., L.P., a Missouri limited partnership and a Subsidiary of the Borrower.

“**Edward Jones**” means Edward D. Jones & Co., L.P., a Missouri limited partnership and a Subsidiary of the Borrower.

“**Eligible Assignee**” means (i) a Lender, (ii) an Affiliate of a Lender, (iii) an Approved Fund and (iv) any other Person (other than a natural person) approved by (A) the Administrative Agent, (B) in the case of any assignment of a Revolving Loan Commitment, the Swing Line Lenders and (C) unless an Event of Default has occurred and is continuing at the time any assignment is effected in accordance with subsection 9.1, the Borrower (in each case, each such approval not to be unreasonably withheld or delayed); provided, that notwithstanding the foregoing, “Eligible Assignee” shall not include the Borrower or any of the Borrower’s Affiliates or Subsidiaries.

“**Employee Benefit Plan**” means any “employee benefit plan”, as defined in Section 3(3) of ERISA, which is or was maintained or contributed to by the Borrower, any of its Subsidiaries or any of their respective ERISA Affiliates.

“**Environmental Claim**” means any investigation, written notice, written notice of violation, written claim, action, suit, proceeding, demand, abatement order or other order or directive (conditional or otherwise), by any Government Authority or any other Person, arising (i) pursuant to or in connection with any actual or alleged violation of any Environmental Law, (ii) in connection with any Hazardous Materials or any actual or alleged Hazardous Materials Activity or (iii) in connection with any actual or alleged damage, injury, threat or harm to health, safety, natural resources or the environment.

“**Environmental Laws**” means any and all current or future statutes, ordinances, orders, rules, regulations, judgments, Governmental Authorizations, or any other requirements of any Government Authority relating to (i) environmental matters, including those relating to any Hazardous Materials Activity, (ii) the generation, use, storage, transportation or disposal of Hazardous Materials or (iii) occupational safety and health, industrial hygiene or the protection of human, plant or animal health or welfare, in any manner applicable to the Borrower or any of its Subsidiaries or any of their respective properties.

“**ERISA**” means the Employee Retirement Income Security Act of 1974, as amended from time to time, and any successor thereto.

“**ERISA Affiliate**”, as applied to any Person, means (i) any corporation that is a member of a controlled group of corporations within the meaning of Section 414(b) of the Internal Revenue Code of which that Person is a member; (ii) any trade or business (whether or not incorporated) that is a member of a group of trades or businesses under common control within the meaning of Section 414(c) of the Internal Revenue Code of which that Person is a member; and (iii) any member of an affiliated service group within the meaning of Section 414(m) or (o) of the Internal Revenue Code of which that Person, any corporation described in clause (i) above or any trade or business described in clause (ii) above is a member. Any former ERISA Affiliate of a Person or any of its Subsidiaries shall continue to be considered an ERISA Affiliate of such Person or such Subsidiary within the meaning of this definition with respect to the period such entity was an ERISA Affiliate of such Person or such Subsidiary and with respect to liabilities arising after such period for which such Person or such Subsidiary could be liable under the Internal Revenue Code or ERISA.

“**ERISA Event**” means (i) a “reportable event” within the meaning of Section 4043 of ERISA and the regulations issued thereunder with respect to any Pension Plan (excluding those for which the provision for 30-day notice to the PBGC has been waived by regulation); (ii) the failure to meet the minimum funding standard of Section 412 of the Internal Revenue Code with respect to any Pension Plan (whether or not waived in accordance with Section 412(c) of the Internal Revenue Code) or the failure to make by its due date a required installment under Section 430 of the Internal Revenue Code with respect to any Pension Plan or the failure to make any required contribution to a Multiemployer Plan; (iii) the provision by the administrator of any Pension Plan pursuant to Section 4041(a)(2) of ERISA of a notice of intent to terminate such plan in a distress termination described in Section 4041(c) of ERISA; (iv) the withdrawal by the Borrower, any of its Subsidiaries or any of their respective ERISA Affiliates from any Pension Plan with two or more contributing sponsors or the termination of any such Pension Plan resulting in liability pursuant to Section 4063 or 4064 of ERISA; (v) the institution by the PBGC of proceedings to terminate any Pension Plan, or the occurrence of any event or condition which could reasonably constitute grounds under ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan; (vi) the imposition of liability on the Borrower, any of its Subsidiaries or any of their respective ERISA Affiliates pursuant to Section 4062(e) or 4069 of ERISA or by reason of the application of Section 4212(c) of ERISA; (vii) the withdrawal of the Borrower, any of its Subsidiaries or any of their respective ERISA Affiliates in a complete or partial withdrawal (within the meaning of Sections 4203 and 4205 of ERISA) from any Multiemployer Plan if there would be any liability therefor, or the receipt by the Borrower, any of its Subsidiaries or any of their respective ERISA Affiliates of written notice from any Multiemployer Plan that it is in reorganization or insolvency pursuant to Section 4241 or 4245 of ERISA, or that it intends to terminate or has terminated under Section 4041A or 4042 of ERISA; (viii) the assertion of a material claim against any Employee Benefit Plan other than a Multiemployer Plan or the assets thereof, or against the Borrower, any of its Subsidiaries or any of their respective ERISA Affiliates in connection with any Employee Benefit Plan; (ix) receipt from the Internal Revenue Service of notice of the failure of any Pension Plan (or any other Employee Benefit Plan intended to be qualified under Section 401(a) of the Internal Revenue Code) to qualify under Section 401(a) of the Internal Revenue Code, or the failure of any trust forming part of any Pension Plan to qualify for exemption from taxation under Section 501(a) of the Internal Revenue Code where such failure would reasonably be expected to result in a Material Adverse Effect; or (x) the imposition of a Lien pursuant to Section 430(k) of the Internal Revenue Code or pursuant to ERISA with respect to any Pension Plan. With respect to a Multiemployer Plan or a Pension Plan not maintained or contributed to by the Borrower or its Subsidiaries, an event described above shall not be an ERISA Event unless it is reasonably likely to result in material liability to the Borrower and its Subsidiaries.

“**Eurodollar Rate**” means for any Interest Period, with respect to a Eurodollar Rate Loan, a rate per annum obtained by dividing (a) the rate of interest per annum determined on the basis of the rate for deposits in Dollars for a period equal to the applicable Interest Period which appears on Reuters Screen LIBOR01 Page (or any applicable successor page) at approximately 11:00 A.M. (London time) two (2) Business Days prior to the first day of the applicable Interest Period (rounded upward, if necessary, to the nearest 1/100th of 1%), provided that if, for any reason, such rate does not appear on Reuters Screen LIBOR01 Page (or any applicable successor page), then the arithmetic average of the rate per annum at which deposits in Dollars in minimum amounts of at least $5,000,000 would be offered by first class banks in the London interbank market to the Administrative Agent at approximately 11:00 A.M. (London time) two (2) Business Days prior to the first day of the applicable Interest Period for a period equal to such Interest Period, as determined by the Administrative Agent, by (b) one minus the Reserve Percentage in effect on such date.

For any interest rate calculation with respect to a Base Rate Loan, "Eurodollar Rate" shall mean a rate per annum obtained by dividing (a) the rate of interest per annum determined on the basis of the rate for deposits in Dollars in minimum amounts of at least $5,000,000 for a period equal to one month (commencing on the date of determination of such interest rate) which appears on the Reuters Screen LIBOR01 Page (or any applicable successor page) at approximately 11:00 A.M. (London time) on such date of determination, or, if such date is not a Business Day, then the immediately preceding Business Day (rounded upward, if necessary, to the nearest 1/100th of 1%), provided that if, for any reason, such rate does not appear on Reuters Screen LIBOR01 Page (or any applicable successor page) then the arithmetic average of the rate per annum at which deposits in Dollars in minimum amounts of at least $5,000,000 would be offered by first class banks in the London interbank market to the Administrative Agent at approximately 11:00 A.M. (London time) on such date of determination for a period equal to one month commencing on such date of determination, as determined by the Administrative Agent, by (b) one minus the Reserve Percentage in effect on such date.

Each calculation by the Administrative Agent of the Eurodollar Rate shall be conclusive and binding for all purposes, absent manifest error.

"**Eurodollar Rate Loans**" means Revolving Loans bearing interest at rates determined by reference to the Eurodollar Rate as provided in subsection 2.2A.

"**Eurodollar Rate Margin**" means the margin over the Eurodollar Rate used in determining the rate of interest of Eurodollar Rate Loans in accordance with the definition of Applicable Margin.

"**Event of Default**" means each of the events set forth in Section 7.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended from time to time, and any successor statute.

"**Excluded Taxes**" means, with respect to the Administrative Agent, any Lender, or any other recipient of any payment to be made by or on account of any obligation of the Borrower hereunder (a) taxes that are imposed on the overall net income (however denominated) and franchise taxes imposed in lieu thereof (i) by the United States, (ii) by any other Government Authority under the laws of which such Lender is organized or has its principal office or maintains its applicable lending office, or (iii) by any Government Authority solely as a result of a present or former connection between such recipient and the jurisdiction of such Government Authority (other than any such connection arising solely from such recipient having executed, delivered or performed its obligations or received a payment under, or enforced, any of the Loan Documents), (b) any branch profits taxes imposed by the United States or any similar tax imposed by any other jurisdiction in which the Borrower is located, (c) in the case of a Foreign Lender (other than an assignee pursuant to a request of the Borrower under subsection 2.9), any United States withholding tax that (i) is imposed on amounts payable to such Foreign Lender at the time it becomes a party hereto (or designates a new lending office), or (ii) is attributable to such Foreign Lender's failure or inability (other than as a result of a Change in Law) to comply with its obligations under subsection 2.7B(iv), except to the extent that such Foreign Lender (or its assignor, if any) was entitled, at the time of designation of a new lending office (or assignment), to receive additional amounts from the Borrower with respect to such withholding tax pursuant to subsection 2.7B, and (d) any Taxes imposed under FATCA.

“**Existing Indentures”** means, collectively, (a) that certain Note Purchase Agreement dated August 31, 1999 relating to the 7.79% Subordinated Capital Notes of Edward Jones, Series D, due 2011 and (b) the Note Purchase Agreement dated as of June 12, 2002 relating to the 7.33% Subordinated Capital Notes of Edward Jones due 2014.

“FATCA” means Sections 1471 through 1474 of the Internal Revenue Code (as of the date hereof) and any regulations or official interpretations thereof (including any Revenue Ruling, Revenue Procedure, Notice or similar guidance issued by the U.S. Internal Revenue Service thereunder as a precondition to relief or exemption from Taxes under such provisions).

“**FDIC**” means the Federal Deposit Insurance Corporation or any successor entity.

“**Federal Funds Effective Rate**” means, for any period, a fluctuating interest rate equal for each day during such period to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Bank of New York, or, if such rate is not so published for any day which is a Business Day, the average of the quotations for such day on such transactions received by the Administrative Agent from three Federal funds brokers of recognized standing selected by the Administrative Agent.

“**FINRA**” means the Financial Industry Regulatory Authority or any successor entity.

“**Fiscal Quarter**” means any of Borrower’s fiscal quarters of any Fiscal Year.

“**Fiscal Year**” means the fiscal year of the Borrower ending on December 31 of each calendar year. For purposes of this Agreement, any particular Fiscal Year shall be designated by reference to the calendar year in which such Fiscal Year ends.

“**FOCUS Report**” means, for any Person, the Financial and Operational Combined Uniform Single Report required to be filed on a monthly or quarterly basis, as the case may be, with the Commission or the NYSE, or any report that is required in lieu of such report.

“**Foreign Lender**” means any Lender that is organized under the laws of a jurisdiction other than the United States, any state thereof or the District of Columbia.

“Foreign Subsidiary” means any Subsidiary of the Borrower that is not organized or incorporated under the laws of the United States, any state thereof or the District of Columbia.

“Fronting Exposure” means, at any time there is a Defaulting Lender, with respect to the Swing Line Lenders, such Defaulting Lender’s Pro Rata Share of Swing Line Loans other than Swing Line Loans as to which such Defaulting Lender’s participation obligation has been reallocated to other Lenders, repaid by the Borrower or for which cash collateral or other credit support acceptable to the Swing Line Lenders shall have been provided in accordance with the terms hereof.

“**Fund**” means any Person (other than a natural Person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course.

“**Funding and Payment Office**” means (i) the office of the Administrative Agent and the office of Wells Fargo, as Swing Line Lender, each located at 1525 West WT Harris Boulevard, Charlotte, North Carolina 28262, (ii) the office of Bank of America, as Swing Line Lender located at 101 North Tryon Street, 4th Floor, Charlotte, North Carolina 28255 or (iii) such other office of the Administrative Agent or a Swing Line Lender as may from time to time hereafter be designated as such in a written notice delivered by the Administrative Agent or the applicable Swing Line Lender to the Borrower and each Lender.

“**Funding Date**” means the date of funding of a Loan.

“**GAAP**” means, subject to the limitations on the application thereof set forth in subsection 1.2, generally accepted accounting principles in the United States set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or such other principles as may be approved by a significant segment of the accounting profession in the United States, that are applicable to the circumstances as of the date of determination, consistently applied.

“**Governing Body**” means the Managing Partner or, if applicable at any time, the executive committee, board of directors, board of governors, managing director or directors, or other body or Person in a similar capacity having the power to direct or cause the direction of the management and policies of a Person that is a corporation, partnership, trust or limited liability company.

“**Government Authority**” means the government of the United States or any other nation, or any state, regional or local political subdivision or department thereof, and any other governmental or regulatory agency, authority, body, commission, central bank, board, bureau, organization, court, instrumentality or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government, in each case whether federal, state, local or foreign (including supra-national bodies such as the European Union or the European Central Bank).

"**Governmental Authorization**" means any permit, license, registration, authorization, plan, directive, accreditation, consent, order or consent decree of or from, or notice to, any Government Authority.

"**Hazardous Materials**" means (i) any chemical, material or substance at any time defined as or included in the definition of "hazardous substances", "hazardous wastes", "hazardous materials", "extremely hazardous waste", "acutely hazardous waste", "radioactive waste", "biohazardous waste", "pollutant", "toxic pollutant", "contaminant", "restricted hazardous waste", "infectious waste", "toxic substances", or any other term or expression intended to define, list or classify substances by reason of properties harmful to health, safety or the indoor or outdoor environment (including harmful properties such as ignitability, corrosivity, reactivity, carcinogenicity, toxicity, reproductive toxicity, "TCLP toxicity" or "EP toxicity" or words of similar import under any applicable Environmental Laws); (ii) any oil, petroleum, petroleum fraction or petroleum derived substance; (iii) any drilling fluids, produced waters and other wastes associated with the exploration, development or production of crude oil, natural gas or geothermal resources; (iv) any flammable substances or explosives; (v) any radioactive materials; (vi) any asbestos-containing materials; (vii) urea formaldehyde foam insulation; (viii) electrical equipment which contains any oil or dielectric fluid containing polychlorinated biphenyls; (ix) pesticides; and (x) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any Government Authority or which reasonably may or reasonably could pose a hazard to the health and safety of the owners, occupants or any Persons in the vicinity of any facility of the Borrower or any of its Subsidiaries or to the indoor or outdoor environment.

"**Hazardous Materials Activity**" means any past, current, proposed or threatened activity, event or occurrence involving any Hazardous Materials, including the use, manufacture, possession, storage, holding, presence, existence, location, Release, threatened Release, discharge, placement, generation, transportation, processing, construction, treatment, abatement, removal, remediation, disposal, disposition or handling of any Hazardous Materials, and any corrective action or response action with respect to any of the foregoing.

"**Indebtedness**" means, as to any Person as of any date of determination, without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with GAAP: (a) all obligations of such Person for borrowed money and all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or other similar instruments; (b) all direct or contingent obligations of such Person arising under letters of credit (including standby and commercial letters of credit), bankers' acceptances, bank guaranties, surety bonds and similar instruments; (c) the Swap Termination Value under all Swap Contracts to which such Person is a party; (d) all obligations of such Person to pay the deferred purchase price of property or services (other than trade accounts payable in the ordinary course of business not past due for more than thirty (30) days after the date on which such trade account payable was created); (e) indebtedness (excluding prepaid interest thereon) secured by a Lien on property owned or being purchased by such Person (including indebtedness arising under conditional sales or other title retention agreements), whether or not such indebtedness shall have been assumed by such Person or is limited in recourse; (f) all Attributable Debt of such Person with respect to such Person's obligations in respect of (i) Capital Leases and (ii) Synthetic Leases (regardless of whether accounted for as indebtedness under GAAP); (g) all obligations of such Person to purchase, redeem, retire, defease or otherwise make a payment in respect of Disqualified Capital Stock valued, in the case of a redeemable preferred interest, at the greater of its voluntary or involuntary liquidation preference plus accrued and unpaid dividends and (h) all Contingent Obligations of such Person in respect of any of the foregoing. For all purposes hereof, the Indebtedness of any Person shall (i) include the Indebtedness of any partnership in which such Person is a general partner, unless such Indebtedness is expressly made non-recourse to such Person and (ii) exclude customer payables that are maintained on the balance sheet of the Borrower or any of its Subsidiaries.

"**Indemnified Liabilities**" has the meaning assigned to that term in subsection 9.3.

"**Indemnified Taxes**" means Taxes other than Excluded Taxes.

"**Indemnitee**" has the meaning assigned to that term in subsection 9.3.

"**Intellectual Property**" means all patents, trademarks, tradenames, copyrights, technology, software, know-how and processes used in or necessary for the conduct of the business of the Borrower and its Subsidiaries.

"**Interest Payment Date**" means (i) with respect to any Base Rate Loan, the last Business Day of each March, June, September and December of each year, commencing on the first such date to occur after the Closing Date, and (ii) with respect to any Eurodollar Rate Loan, the last day of each Interest Period applicable to such Loan and, in the case of a Eurodollar Rate Loan of six months' duration, each day prior to the last day of such Interest Period that occurs at intervals of three months' duration after the first day of such Interest Period.

"**Interest Period**" has the meaning assigned to that term in subsection 2.2B.

"**Interest Rate Determination Date**", with respect to any Interest Period, means the second Business Day prior to the first day of such Interest Period.

"**Internal Revenue Code**" means the Internal Revenue Code of 1986, as amended to the date hereof and from time to time hereafter, and any successor statute.

"**Investment**" means (i) any direct or indirect purchase or other acquisition by the Borrower or any of its Subsidiaries of, or of a beneficial interest in, any Securities of any other Person (including any Subsidiary of the Borrower), (ii) any direct or indirect redemption, retirement, purchase or other acquisition for value, by any Subsidiary of the Borrower from any Person other than the Borrower or any of its Subsidiaries, of any equity Securities of such Subsidiary, (iii) any direct or indirect loan, advance or capital contribution by the Borrower or any of its Subsidiaries to any other Person, including all indebtedness from that other Person that are not current assets or did not arise from transactions with that other Person in the ordinary course of business, or (iv) any transaction governed by a Swap Contract. The amount of any Investment shall be the original cost of such Investment plus the cost of all additions thereto, without any adjustments for increases or decreases in value, or write-ups, write-downs or write-offs with respect to such Investment (other than adjustments for the repayment of, or the refund of capital with respect to, the original or any additional principal amount of any such Investment).

"**Joint Lead Arrangers**" means, collectively, Wells Fargo Securities, LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated.

"**Joint Venture**" means a joint venture, partnership or other similar arrangement, whether in corporate, partnership or other legal form.

"**Lender**" and "**Lenders**" means the Persons identified as "Lenders" and listed on the signature pages of this Agreement, together with their successors and permitted assigns pursuant to subsection 9.1, and the term "Lenders" shall include the Swing Line Lenders unless the context otherwise requires.

"**Leverage Ratio**" means, as of any date of determination, the ratio of (a) Consolidated Total Debt on such date to (b) Total Capitalization on such date.

"**License**" means any license, certificate of authority, permit or other authorization which is required to be obtained from any Government Authority in connection with the operation, ownership or transaction of insurance, broker-dealer or investment advisory businesses or other regulated businesses.

"**Lien**" means any lien, mortgage, pledge, assignment, security interest, charge or encumbrance of any kind (including any conditional sale or other title retention agreement) and any option, trust or other preferential arrangement having the practical effect of any of the foregoing.

"**Loan**" or "**Loans**" means one or more of the loans made by the Lenders to the Borrower pursuant to subsection 2.1A and shall include one or more Revolving Loans and Swing Line Loans.

"**Loan Documents**" means this Agreement, the Notes and all other agreements, instruments and certificates now or hereafter executed and delivered by the Borrower to the Administrative Agent and the Lenders in connection with the Obligations under this Agreement.

"**Managing Partner**" means the managing partner of the Borrower.

"**Margin Stock**" has the meaning assigned to that term in Regulation U of the Board of Governors of the Federal Reserve System as in effect from time to time.

"**Material Adverse Effect**" means a material adverse effect upon:

(i) the business, operations, financial condition, assets or liabilities (whether actual or contingent) of the Borrower and its Subsidiaries, taken as a whole;

(ii) the Borrower's ability to perform its obligations under the Loan Documents; or

(iii) the enforceability of the Obligations under applicable law.

"**MSRB**" means the Municipal Securities Rulemaking Board and any successor entity.

"**Moody's**" means Moody's Investors Service, Inc. and any successor thereto.

"**Mortgage Indebtedness**" means Indebtedness incurred by any Subsidiary of the Borrower to finance or refinance the purchase or improvement of certain real property of such Subsidiary.

"**Multiemployer Plan**" means any Employee Benefit Plan that is a "multiemployer plan" as defined in Section 3(37) of ERISA.

"**Notes**" means one or more of the Revolving Notes or the Swing Line Notes or any combination thereof at any time applicable.

"**Notice of Borrowing**" means a notice substantially in the form of Exhibit I.

"**Notice of Conversion/Continuation**" means a notice substantially in the form of Exhibit II.

"**NYSE**" means the New York Stock Exchange, Inc.

"**Obligations**" means all obligations of every nature of the Borrower from time to time owed to the Administrative Agent, the Lenders or any of them under the Loan Documents, whether for principal, interest, fees, expenses, indemnification or otherwise.

"**OCC**" means the Office of the Controller of the Currency and any successor entity.

"**Officer**" means the managing partner, the chief financial officer, the treasurer, or other individual appointed by the Governing Body or the Organizational Documents of a corporation, partnership, trust or limited liability company to serve in a similar capacity as the foregoing.

"**Officer's Certificate**", as applied to any Person that is a corporation, partnership, trust, limited liability company or other Person that has a Governing Body, means a certificate executed on behalf of such Person (and not in any individual capacity) by one or more Officers of such Person or one or more Officers of a general partner or a managing member if such general partner or managing member is a corporation, partnership, trust, limited liability company or similar Person.

"**Organizational Documents**" means the documents (including bylaws, if applicable) pursuant to which a Person that is a corporation, partnership, trust or limited liability company is organized.

"**Other Taxes**" means all present or future stamp or documentary taxes or any other excise or property taxes, charges, fees, expenses or similar levies arising from any payment made hereunder or under any other Loan Document or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or any other Loan Document.

"**OTS**" means the Office of Thrift Supervision and any successor entity.

"**Participant**" means a purchaser of a participation in the rights and obligations under this Agreement pursuant to subsection 9.1C.

"**Partnership Capital**" means, with respect to any Person which is a partnership, such Person's partnership capital subject to mandatory redemption, net of reserves for anticipated withdrawals, as determined in accordance with GAAP.

"**PBGC**" means the Pension Benefit Guaranty Corporation or any successor thereto.

"**Pension Plan**" means any Employee Benefit Plan, other than a Multiemployer Plan, that is subject to Section 412 of the Internal Revenue Code or Section 302 of ERISA.

"**Permitted Encumbrances**" means the following types of Liens (excluding any such Lien imposed pursuant to Section 401(a)(29) or 412(n) of the Internal Revenue Code or by ERISA, and any such Lien relating to or imposed in connection with any Environmental Claim):

(i) Liens for taxes, assessments or governmental charges or claims the payment of which is not, at the time, required by subsection 5.3;

(ii) Liens of landlords, Liens of collecting banks under the UCC on items in the course of collection, Liens and rights of set-off of banks, statutory and common law Liens of carriers, warehousemen, mechanics, repairmen, workmen and materialmen, and other Liens imposed by law, in each case incurred in the ordinary course of business (a) for amounts not yet overdue by more than thirty (30) days or (b) for amounts that are overdue and that (in the case of any such amounts overdue for a period in excess of thirty (30) days) are being contested in good faith by appropriate proceedings, so long as (1) such reserves or other appropriate provisions, if any, as shall be required by GAAP shall have been made for any such contested amounts, and (2) no foreclosure, sale or similar proceedings have been commenced;

(iii) pledges, deposits and other Liens made or incurred in the ordinary course of business in connection with workers' compensation, unemployment insurance, and other types of social security obligations, or to secure the performance of statutory or regulatory obligations, performance bonds and completion, guarantee, surety, similar bonds, and appeal bonds, letters of credit, bids, leases, government contracts, trade contracts, and other similar obligations (exclusive of obligations for the payment of borrowed money), so long as no foreclosure, sale or similar proceedings have been commenced with respect thereto;

(iv) any attachment or judgment Lien not constituting an Event of Default under subsection 7.8;

(v) licenses (with respect to Intellectual Property and other property), leases or subleases granted to third parties not interfering in any material respect with the ordinary conduct of the business of the Borrower or any of its Subsidiaries;

(vi) easements, zoning restrictions, rights-of-way, covenants and other restrictions, encroachments, and other minor defects or irregularities in title or other similar encumbrances, in each case which do not and will not interfere in any material respect with the ordinary conduct of the business of the Borrower or any of its Subsidiaries;

(vii) any (a) interest or title of a lessor or sublessor or lessee or sublessee under any lease not prohibited by this Agreement, (b) Lien or restriction that the interest or title of such lessor or sublessor may be subject to, or (c) subordination of the interest of the lessee or sublessee under such lease to any Lien or restriction referred to in the preceding clause (b);

(viii) Liens arising from precautionary filings of UCC financing statements relating solely to leases and other transactions not prohibited by this Agreement;

(ix) Liens incurred in the ordinary course of the settlement of securities transactions;

(x) Liens in favor of banks on items in collection (and the documents related thereto) arising in the ordinary course of business of the Borrower and the Subsidiaries under Article IV of the Uniform Commercial Code;

(xi) any zoning or similar law or right reserved to or vested in any Government Authority to control or regulate the use of any real property; and

(xii) Liens securing obligations (other than obligations representing Indebtedness for borrowed money) under operating, reciprocal easement or similar agreements entered into in the ordinary course of business of the Borrower and its Subsidiaries.

"**Person**" means and includes natural persons, corporations, limited partnerships, general partnerships, limited liability companies, limited liability partnerships, joint stock companies, joint ventures, associations, companies, trusts, banks, trust companies, land trusts, business trusts or other organizations, whether or not legal entities, and Government Authorities.

"**Potential Event of Default**" means a condition or event that, after notice or lapse of time or both, would constitute an Event of Default.

"**Prime Rate**" means the rate that Wells Fargo at its principal office in San Francisco publicly announces from time to time as its prime lending rate, as in effect from time to time. The Prime Rate is a reference rate and does not necessarily represent the lowest or best rate actually charged to any customer. Wells Fargo or any other Lender may make commercial loans or other loans at rates of interest at, above or below the Prime Rate.

"**Proceedings**" means any action, suit, proceeding (whether administrative, judicial or otherwise) or arbitration and any governmental investigation known to the Borrower.

"**Pro Rata Share**" means the percentage obtained by dividing (i) the Revolving Loan Exposure of that Lender by (ii) the aggregate Revolving Loan Exposure of all Lenders, as the applicable percentage may be adjusted by assignments permitted pursuant to subsection 9.1. The initial Pro Rata Share of each Lender is set forth opposite the name of that Lender in Schedule 2.1.

"**Refunded Swing Line Loans**" has the meaning assigned to that term in subsection 2.1A(ii)(b).

"**Register**" has the meaning assigned to that term in subsection 2.1D.

"**Regulation D**" means Regulation D of the Board of Governors of the Federal Reserve System, as in effect from time to time.

"**Release**" means any release, spill, emission, leaking, pumping, pouring, injection, escaping, deposit, disposal, discharge, dispersal, dumping, leaching or migration of Hazardous Materials into the indoor or outdoor environment (including the abandonment or disposal of any barrels, containers or other closed receptacles containing any Hazardous Materials), including the movement of any Hazardous Materials through the air, soil, surface water or groundwater.

"**Requisite Lenders**" means, at any date, Lenders having or holding at least 51% of the aggregate Revolving Loan Exposure of all Lenders; provided that the Commitment of, and the portion of the Total Utilization of Revolving Credit Commitments held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of Requisite Lenders.

"**Repurchase Obligation**" means any obligation of the Borrower set forth in its Organizational Documents to repurchase general partner, limited partner and subordinated limited partner interests in the ordinary course of its business.

"**Reserve Percentage**" means, for any day, the percentage (expressed as a decimal and rounded upwards, if necessary, to the next higher 1/100th of 1%) which is in effect for such day as prescribed by the Board of Governors of the Federal Reserve System (or any successor) for determining the maximum reserve requirement (including, without limitation, any basic, supplemental or emergency reserves) in respect of eurocurrency liabilities or any similar category of liabilities for a member bank of the Federal Reserve System in New York City.

"**Restricted Payment**" means (a) any dividend or other distribution, direct or indirect, on account of any shares of any class of Capital Stock of the Borrower now or hereafter outstanding, except a dividend or other distribution payable solely in shares of Capital Stock to the holders of that class or an increase in the liquidation value of shares of that class of Capital Stock, (b) any redemption, retirement, sinking fund or similar payment, purchase or other acquisition for value, direct or indirect, of any shares of any class of Capital Stock of the Borrower now or hereafter outstanding, except to the extent that consideration therefor is in the form of Capital Stock of the Borrower, and (c) any payment made to retire, or to obtain the surrender of, any outstanding warrants, options or other rights to acquire shares of any class of Capital Stock of the Borrower now or hereafter outstanding, except to the extent that consideration therefor is in the form of Capital Stock of the Borrower.

"**Revolving Loan Commitment**" means the commitment of a Lender to make Revolving Loans to the Borrower pursuant to subsection 2.1A(i), and "**Revolving Loan Commitments**" means such commitments of all Lenders in the aggregate.

"**Revolving Loan Commitment Amount**" means, at any date, the aggregate amount of the Revolving Loan Commitments of all Lenders.

"**Revolving Loan Commitment Termination Date**" means March 18, 2014.

"**Revolving Loan Exposure**", with respect to any Lender, means, as of any date of determination (i) prior to the termination of the Revolving Loan Commitments, the amount of that Lender's Revolving Loan Commitment, and (ii) after the termination of the Revolving Loan Commitments, the sum of (a) the aggregate outstanding principal amount of the Revolving Loans of that Lender plus (b) in the case of a Swing Line Lender, the aggregate outstanding principal amount of all Swing Line Loans (net of any assignments thereof deemed purchased by other Lenders) plus (c) the aggregate amount of all assignments deemed purchased by that Lender in any outstanding Swing Line Loans.

"**Revolving Loans**" means the Loans made by the Lenders to the Borrower pursuant to subsection 2.1A(i).

"**Revolving Notes**" means any promissory notes of the Borrower issued pursuant to subsection 2.1E to evidence the Revolving Loans of any Lenders, substantially in the form of Exhibit III.

"**Rule 15c3-1**" means Rule 15c3-1 of the General Rules and Regulations as promulgated by the Commission under the Exchange Act, as such rule may be amended from time to time, or any rule or regulation of the Commission that replaces Rule 15c3-1.

"**Rule 15c3-3**" means Rule 15c3-3 of the General Rules and Regulations as promulgated by the Commission under the Exchange Act, as such rule may be amended from time to time, or any rule or regulation of the Commission that replaces Rule 15c3-3.

"**S&P**" means Standard & Poor's Ratings Service, a division of The McGraw-Hill Companies, Inc., and any successor thereto.

"**Sarbanes-Oxley**" means the Sarbanes-Oxley Act of 2002, as amended from time to time, and any successor statute.

"**Securities**" means any stock, shares, partnership interests, voting trust certificates, certificates of interest or participation in any profit-sharing agreement or arrangement, options, warrants, bonds, debentures, notes, or other evidences of indebtedness, secured or unsecured, convertible, subordinated, certificated or uncertificated, or otherwise, or in general any instruments commonly known as "**securities**" or any certificates of interest, shares or participations in temporary or interim certificates for the purchase or acquisition of, or any right to subscribe to, purchase or acquire, any of the foregoing.

"**Securities Act**" means the Securities Act of 1933, as amended from time to time, and any successor statute.

"**Securities Laws**" means the Securities Act, the Exchange Act, Sarbanes-Oxley and the applicable accounting and auditing principles, rules, standards and practices promulgated, approved or incorporated by the Commission or the Public Company Accounting Oversight Board, as each of the foregoing may be amended and in effect on any applicable date hereunder.

"**Self-Regulatory Organization**" has the meaning assigned to such term in Section 3(a)(26) of the Exchange Act.

"**SIPC**" means the Securities Investor Protection Corporation or any successor entity.

"**Solvent**", with respect to any Person, means that as of the date of determination both (i)(a) the then fair value of the property of such Person as a going concern is (1) greater than the total amount of liabilities (including contingent liabilities) of such Person and (2) not less than the amount that will be required to pay the probable liabilities on such Person's then existing debts as they become absolute and due considering all financing alternatives, ordinary operating income and potential asset sales reasonably available to such Person; (b) such Person's capital is not unreasonably small in relation to its business or any undertaken transaction; and (c) such Person does not intend to incur, or believe (nor should it reasonably believe) that it will incur, debts beyond its ability to pay such debts as they become due; and (ii) such Person is "solvent" within the meaning given that term and similar terms under applicable laws relating to fraudulent transfers and conveyances. For purposes of this definition, the amount of any contingent liability at any time shall be computed as the amount that would be required to be included as a liability in respect of such contingent obligations on a consolidated balance sheet of such Person and its subsidiaries as determined in accordance with GAAP.

"**Subsidiary**", with respect to any Person, means any corporation, partnership, trust, limited liability company, association, joint venture or other business entity of which more than 50% of the total voting power of shares of stock or other ownership interests entitled (without regard to the occurrence of any contingency) to vote in the election of the members of the Governing Body is at the time owned or Controlled by that Person or one or more of the other Subsidiaries of that Person or a combination thereof. Except as otherwise provided herein, each reference to a Subsidiary shall be deemed to be a reference to a Subsidiary of the Borrower.

"**Swap Contract**" means any agreement governing or evidencing any rate swap, basis swap, forward rate, commodity swap, interest rate option, forward foreign exchange, spot foreign exchange, rate cap, rate floor, rate collar, currency swap, cross-currency rate swap, currency option or any other similar transaction (including any option to enter into any of the foregoing), including any master agreement for any of the foregoing, together with all supplements thereto; provided that no phantom stock, employee benefit or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of the Borrower or the Subsidiaries shall be a Swap Agreement.

"**Swap Termination Value**" means, in respect of any one or more Swap Contracts, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts, (a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) determined in accordance therewith, such termination value(s) and (b) for any date prior to the date referenced in clause (a) of this definition, the amount(s) determined as the mark-to-market value(s) for such Swap Contracts, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Swap Contracts (which may include a Lender or any Affiliate of a Lender).

"**Swing Line Lender**" means each of Wells Fargo and Bank of America, or any Person serving as a successor thereto hereunder, in each case, in such Person's capacity as Swing Line Lender hereunder.

"**Swing Line Loan Subfacility**" means the sum of the Bank of America Swing Line Loan Subfacility and the Wells Fargo Swing Line Loan Subfacility; provided, that any reduction of the Revolving Loan Commitment Amount made pursuant to subsection 2.4 that reduces the Revolving Loan Commitment Amount to an amount less than the then current amount of the Swing Line Loan Subfacility shall result in an automatic corresponding reduction of the amount of the Swing Line Loan Subfacility to the amount of the Revolving Loan Commitment Amount, as so reduced, without any further action on the part of the Borrower, the Administrative Agent or any Swing Line Lender; provided, further, that such reduction in the Swing Line Loan Subfacility shall be applied to reduce the Bank of America Swing Line Loan Subfacility and the Wells Fargo Swing Line Loan Subfacility on a pro rata basis.

"**Swing Line Loans**" means the Loans made by Swing Line Lenders to the Borrower pursuant to subsection 2.1A(ii).

"**Swing Line Note**" means any promissory note of the Borrower issued pursuant to subsection 2.1E to evidence the Swing Line Loans of a Swing Line Lender, substantially in the form of Exhibit IV.

"**Synthetic Lease**" means any synthetic lease, tax retention operating lease, off-balance sheet loan or similar off-balance sheet financing product where such transaction is considered borrowed money indebtedness for tax purposes but is classified as an operating lease in accordance with GAAP.

"**Target**" has the meaning set forth in subsection 6.3(viii).

"**Tax**" or "**Taxes**" means any present or future tax, levy, impost, duty, fee, assessment, deduction, withholding or other charge of any nature and whatever called, by whomsoever, on whomsoever and wherever imposed, levied, collected, withheld or assessed, including interest, penalties, additions to tax and any similar liabilities with respect thereto.

"**Total Capitalization**" means as of any date, the sum of (a) the Borrower's Partnership Capital and (b) without duplication, Consolidated Total Debt.

"**Total Utilization of Revolving Loan Commitments**" means, as at any date of determination, the sum of (i) the aggregate principal amount of all outstanding Revolving Loans plus (ii) the aggregate principal amount of all outstanding Swing Line Loans.

"**Type**" means, with respect to a Revolving Loan, its character as a Base Rate Loan or a Eurodollar Rate Loan.

"**UCC**" means the Uniform Commercial Code as in effect in any applicable jurisdiction.

"**Unasserted Obligations**" means, at any time, Obligations for taxes, costs, indemnifications, reimbursements, damages and other liabilities (except for the principal of and interest on, and fees relating to, any Indebtedness) in respect of which no claim or demand for payment has been made (or, in the case of Obligations for indemnification, no notice for indemnification has been issued by the Indemnitee) at such time.

"**United States**" means the United States of America.

"**Unrestricted Cash**" means, as of any date of determination, the sum of (a) all cash of the Borrower on such date that is free and clear of all Liens plus (b) the aggregate amount of all Cash Equivalents of the Borrower on such date that is free and clear of all Liens.

"**Wells Fargo**" has the meaning assigned to that term in the introduction to this Agreement.

"**Wells Fargo Swing Line Loan Subfacility**" means $50,000,000, which is the maximum principal amount of Swing Line Loans that Wells Fargo, in its capacity as a Swing Line Lender, may make to the Borrower pursuant to subsection 2.1A(ii).

"**Wholly-Owned Subsidiary**" of a Person means (a) any Subsidiary all of the outstanding voting securities of which shall at the time be owned or Controlled by such Person or one or more Wholly-Owned Subsidiaries of such Person, or by such Person and one or more Wholly-Owned subsidiaries of such Person, or (b) any partnership, limited liability company, association, joint venture or similar business organization 100% of the ownership interests having ordinary voting power of which shall at the time be so owned or Controlled (other than in the case of Foreign Subsidiaries, director's qualifying shares and/or other nominal amounts of shares required to be held by Persons other than the Borrower and its Subsidiaries under applicable law).

1.2 Accounting Terms; Utilization of GAAP for Purposes of Calculations Under Agreement.

Except as otherwise expressly provided in this Agreement, all accounting and financial terms not otherwise defined herein shall have the meanings assigned to them in conformity with GAAP. Financial statements and other information required to be delivered by the Borrower to the Lenders pursuant to subsection 5.1 shall be prepared in accordance with GAAP as in effect at the time of such preparation. Calculations in connection with the definitions, covenants and other provisions of this Agreement shall utilize GAAP as in effect on the date of determination, applied in a manner consistent with that used in preparing the financial statements referred to in subsection 4.3. If at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth in any Loan Document, and the Borrower, the Administrative Agent or the Requisite Lenders shall so request, the Administrative Agent, the Lenders and the Borrower shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Requisite Lenders), provided that, until so amended, such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein. Notwithstanding the foregoing, for purposes of determining compliance with any covenant (including the computation of any financial covenant) contained herein, Indebtedness of the Borrower and its Subsidiaries shall be deemed to be carried at 100% of the outstanding principal amount thereof, and the effects of FASB ASC 825 and FASB ASC 470-20 on financial liabilities shall be disregarded.

1.3 Other Definitional Provisions and Rules of Construction.

A. Any of the terms defined herein may, unless the context otherwise requires, be used in the singular or the plural, depending on the reference.

B. References to “Exhibits,” “Schedules,” “Sections” and “subsections” shall be to Exhibits, Schedules, Sections and subsections, respectively, of this Agreement unless otherwise specifically provided. Section and subsection headings in this Agreement, and the table of contents to this Agreement, are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose or be given any substantive effect.

C. The use in any of the Loan Documents of the word “include” or “including”, when following any general statement, term or matter, shall not be construed to limit such statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not nonlimiting language (such as “without limitation” or “but not limited to” or words of similar import) is used with reference thereto, but rather shall be deemed to refer to all other items or matters that fall within the broadest possible scope of such general statement, term or matter.

D. Unless otherwise expressly provided herein, references to Organizational Documents, agreements (including the Loan Documents) and other contractual instruments shall be deemed to include all subsequent amendments, restatements, extensions, supplements and other modifications thereto, but only to the extent that such amendments, restatements, extensions, supplements and other modifications are not prohibited by any Loan Document.

E. With respect to references in this Agreement to the conclusiveness of determinations or documentation without any reference to a standard related thereto (for example, "absent manifest error"), the parties agree that if questions arise with respect to such determinations or documentation, the parties will have an opportunity to review and discuss such determinations or documentation.

Section 2. AMOUNTS AND TERMS OF LOANS

2.1 Loans; Making of Loans; the Register; Optional Notes.

A. Loans. Subject to the terms and conditions of this Agreement and in reliance upon the representations and warranties of the Borrower herein set forth, each Lender hereby severally agrees to make Revolving Loans as described in subsection 2.1A(i) and each Swing Line Lender hereby agrees to make the Swing Line Loans as described in subsection 2.1A(ii).

(i) Revolving Loans. Each Lender severally agrees, subject to the limitations set forth below with respect to the maximum amount of Revolving Loans permitted to be outstanding from time to time, to make revolving loans (each such loan a "**Revolving Loan**") to the Borrower in Dollars requested by the Borrower from time to time during the period from the Closing Date to but excluding the Revolving Loan Commitment Termination Date in an aggregate amount not exceeding its Pro Rata Share of the aggregate amount of the Revolving Loan Commitments to be used in accordance with the terms of this Agreement. The original amount of each Lender's Revolving Loan Commitment is set forth opposite its name on Schedule 2.1 and the original Revolving Loan Commitment Amount is $395,000,000; provided that the amount of the Revolving Loan Commitment of each Lender shall be adjusted to give effect to any assignment of such Revolving Loan Commitment pursuant to subsection 9.1B, shall be reduced from time to time by the amount of any reductions thereto made pursuant to subsection 2.4 and shall be increased as necessary to give effect to any increases thereto made pursuant to subsection 2.10. Each Lender's Revolving Loan Commitment shall expire on the Revolving Loan Commitment Termination Date and the Borrower hereby agrees that all Revolving Loans and all other Obligations of the Borrower shall be paid in full no later than that date. Amounts borrowed under this subsection 2.1A(i) may be repaid and reborrowed to but excluding the Revolving Loan Commitment Termination Date.

Anything contained in this Agreement to the contrary notwithstanding, the Revolving Loans and the Revolving Loan Commitments shall be subject to the limitation that in no event shall the Total Utilization of Revolving Loan Commitments at any time exceed the Revolving Loan Commitment Amount then in effect.

(ii) Swing Line Loans.

(a) General Provisions. Each Swing Line Lender may, at any time in its reasonable discretion and subject to the limitations set forth in subsection 2.1A(ii)(e) and set forth below with respect to the maximum amount of Swing Line Loans permitted to be outstanding from time to time, make a portion of the Revolving Loan Commitments available to the Borrower from time to time during the period from the Closing Date to but excluding the Revolving Loan Commitment Termination Date by making Swing Line Loans to the Borrower in Dollars in an aggregate amount not exceeding the amount of such Swing Line Lender's Swing Line Loan Subfacility to be used for the purposes identified in subsection 2.5A, notwithstanding the fact that such Swing Line Loans, when aggregated with such Swing Line Lender's outstanding Revolving Loans, may exceed such Swing Line Lender's Revolving Loan Commitment. The Swing Line Loan Subfacility shall expire on the Revolving Loan Commitment Termination Date and all Swing Line Loans and all other amounts owed hereunder with respect to the Swing Line Loans shall be paid in full no later than that date. The Borrower may determine, in its sole discretion, from which Swing Line Lender it shall request such Swing Line Loans and the Borrower shall so specify in the applicable Notice of Borrowing.

(b) Swing Line Loan Prepayment with Proceeds of Revolving Loans. With respect to any Swing Line Loans that have not been voluntarily prepaid by the Borrower pursuant to subsection 2.4A(i), the applicable Swing Line Lender may, at any time in its sole and absolute discretion but not less frequently than once every ten (10) Business Days, deliver to the Administrative Agent (with a copy to the Borrower), no later than 2:00 P.M. (Central time) on the proposed Funding Date, a notice (the "**Refunding Request**") requesting the Lenders to make Revolving Loans that are Base Rate Loans on such Funding Date in an amount equal to the amount of such Swing Line Loans (the "**Refunded Swing Line Loans**") outstanding on the date such notice is given and the Lenders shall pay to the Administrative Agent in immediately available funds in Dollars their respective Pro Rata Shares of each such Refunded Swing Line Loans no later than 4:00 P.M. (Central time) on such Funding Date; provided, that with respect to Early Requested Swing Line Loans, the applicable Swing Line Lender shall deliver to the Administrative Agent (with a copy to the Borrower), the Refunding Request no later than 11:00 A.M. (Central time) on the Funding Date of such Early Requested Swing Line Loans (and the Lenders shall pay to the Administrative Agent in immediately available funds in Dollars their respective Pro Rata Shares of the Refunded Swing Line Loans of such Early Requested Swing Line Loans no later than 3:00 P.M. (Central time)). The Borrower hereby authorizes the giving of any such notice and the making of any such Revolving Loans. Anything contained in this Agreement to the contrary notwithstanding, (1) the proceeds of such Revolving Loans made by the Lenders other than the applicable Swing Line Lender shall be immediately delivered by the Administrative Agent to the applicable Swing Line Lender (and not to the Borrower) and applied to repay a corresponding portion of the Refunded Swing Line Loans and (2) on the day such Revolving Loans are made, such Swing Line Lender's Pro Rata Share of the Refunded Swing Line Loans shall be deemed to be paid with the proceeds of a Revolving Loan made by such Swing Line Lender, and such portion of the Swing Line Loans deemed to be so paid shall no longer be outstanding as Swing Line Loans and shall no longer be due under the Swing Line Note, if any, of such Swing Line Lender but shall instead constitute part of such Swing Line Lender's outstanding Revolving Loans and shall be due under the Revolving Note, if any, of such Swing Line Lender. If any portion of any such amount paid (or deemed to be paid) to a Swing Line Lender should be recovered by or on behalf of the Borrower from such Swing Line Lender in any bankruptcy proceeding, in any assignment for the benefit of creditors or otherwise, the loss of the amount so recovered shall be ratably shared among all Lenders in the manner contemplated by subsection 9.5.

(c) Swing Line Loan Assignments. On the Funding Date of each Swing Line Loan, each Lender shall be deemed to, and hereby agrees to, purchase an assignment of such Swing Line Loan in an amount equal to its Pro Rata Share. If for any reason (1) Revolving Loans are not made upon the request of a Swing Line Lender as provided in the immediately preceding paragraph in an amount sufficient to repay any amounts owed to such Swing Line Lender in respect of such Swing Line Loan or (2) the Revolving Loan Commitments are terminated at a time when such Swing Line Loan is outstanding, upon notice from such Swing Line Lender as provided below, each Lender shall fund the purchase of such assignment in an amount equal to its Pro Rata Share (calculated, in the case of the foregoing clause (2), immediately prior to such termination of the Revolving Loan Commitments) of the unpaid amount of such Swing Line Loan together with accrued interest thereon. Upon one Business Day's notice from a Swing Line Lender, each Lender shall deliver to such Swing Line Lender such amount in immediately available funds at the applicable Funding and Payment Office. In order to further evidence such assignment (and without prejudice to the effectiveness of the assignment provisions set forth above), each Lender agrees to enter into an Assignment Agreement at the request of a Swing Line Lender in form and substance reasonably satisfactory to such Swing Line Lender. In the event any Lender fails to make available to a Swing Line Lender any amount as provided in this paragraph, such Swing Line Lender shall be entitled to recover such amount on demand from such Lender together with interest thereon at the rate customarily used by such Swing Line Lender for the correction of errors among banks for three Business Days and thereafter at the Base Rate. In the event a Swing Line Lender receives a payment of any amount with respect to which other Lenders have funded the purchase of assignments as provided in this paragraph, such Swing Line Lender shall promptly distribute to each such other Lender its Pro Rata Share of such payment.

(d) Lenders' Obligations. Anything contained herein to the contrary notwithstanding, each Lender's obligation to make Revolving Loans for the purpose of repaying any Refunded Swing Line Loans pursuant to subsection 2.1A(ii)(b) and each Lender's obligation to purchase an assignment of any unpaid Swing Line Loans pursuant to the immediately preceding paragraph shall be absolute and unconditional and shall not be affected by any circumstance, including (1) any set-off, counterclaim, recoupment, defense or other right which such Lender may have against any Swing Line Lender, the Borrower or any other Person for any reason whatsoever; (2) the occurrence or continuation of an Event of Default or a Potential Event of Default; (3) any adverse change in the business, operations, assets or financial condition of the Borrower or any of its Subsidiaries; (4) any breach of this Agreement or any other Loan Document by any party thereto; or (5) any other circumstance, happening or event whatsoever, whether or not similar to any of the foregoing; provided that such obligations of each Lender are subject to the condition that (x) the Swing Line Lender providing such Swing Line Loans believed in good faith that all conditions under Section 3 to the making of the applicable Refunded Swing Line Loans or other unpaid Swing Line Loans, as the case may be, were satisfied at the time such Refunded Swing Line Loans or unpaid Swing Line Loans were made or (y) the satisfaction of any such condition not satisfied had been waived in accordance with subsection 9.6 prior to or at the time such Refunded Swing Line Loans or other unpaid Swing Line Loans were made.

(e) Defaulting Lenders. Notwithstanding anything to the contrary contained in this subsection 2.1A(ii), no Swing Line Lender shall be obligated to make any Swing Line Loans at a time when any other Lender is a Defaulting Lender, unless such Swing Line Lender has entered into arrangements (which may include the delivery of cash collateral) with the Borrower or such Defaulting Lender which are satisfactory to such Swing Line Lender to eliminate such Swing Line Lender's risk with respect to any such Defaulting Lender's funding obligations hereunder (after giving effect to subsection 2.11C).

B. Borrowing Mechanics. Revolving Loans made on any Funding Date (other than Revolving Loans made pursuant to a request by a Swing Line Lender pursuant to subsection 2.1A(ii)) shall be in an aggregate minimum amount of $5,000,000 and multiples of $1,000,000 in excess of that amount. Swing Line Loans made on any Funding Date shall be in an aggregate minimum amount of $500,000 and multiples of $100,000 in excess of that amount. Whenever the Borrower desires that the Lenders make Revolving Loans it shall deliver to the Administrative Agent a Notice of Borrowing duly executed by an Officer of the Borrower no later than (i) 1:00 P.M. (Central time) at least three Business Days in advance of the proposed Funding Date (in the case of a Eurodollar Rate Loan) and (ii) 1:00 P.M. (Central time) on the proposed Funding Date (in the case of a Base Rate Loan). Whenever the Borrower desires that a Swing Line Lender make a Swing Line Loan, it shall deliver to the Administrative Agent and each Swing Line Lender a Notice of Borrowing duly executed by an Officer of the Borrower no later than 2:00 P.M. (Central time) on the proposed Funding Date; provided, that if the Borrower delivers a duly executed Notice of Borrowing to the Administrative Agent and each Swing Line Lender no later than 8:45 A.M. (Central time), such Swing Line Loan (an "**Early Requested Swing Line Loan**") shall be made available by the applicable Swing Line Lender no later than 9:45 A.M. (Central time). Revolving Loans may be continued as or converted into Base Rate Loans and Eurodollar Rate Loans in the manner provided in subsection 2.2D. In lieu of delivering a Notice of Borrowing, the Borrower may give the Administrative Agent telephonic notice by the required time of any proposed borrowing under this subsection 2.1B; provided that such notice shall be promptly confirmed in writing by delivery of a Notice of Borrowing to the Administrative Agent duly executed by an Officer of the Borrower on or before the applicable Funding Date.

Neither the Administrative Agent nor any Lender shall incur any liability to the Borrower in acting upon any telephonic notice referred to above that the Administrative Agent believes in good faith to have been given by an Officer or other person authorized to borrow on behalf of the Borrower or for otherwise acting in good faith under this subsection 2.1B or under subsection 2.2D, and upon funding of Loans by the Lenders, and upon conversion or continuation of the applicable basis for determining the interest rate with respect to any Loans pursuant to subsection 2.2D, in each case in accordance with this Agreement, pursuant to any such telephonic notice the Borrower shall have effected Loans or a conversion or continuation, as the case may be, hereunder.

The Borrower shall notify the Administrative Agent prior to the funding of any Loans in the event that, to the Borrower's knowledge, an event has occurred and is continuing or would result from the consummation of the borrowing that would constitute an Event of Default or a Potential Event of Default, and the acceptance by the Borrower of the proceeds of any Loans shall constitute a re-certification by the Borrower, as of the applicable Funding Date, as to the matters to which the Borrower is required to certify in the applicable Notice of Borrowing.

Except as otherwise provided in subsections 2.6B, 2.6C and 2.6G, a Notice of Borrowing for, or a Notice of Conversion/Continuation for conversion to, or continuation of, a Eurodollar Rate Loan (or telephonic notice in lieu thereof) shall be irrevocable on and after the related Interest Rate Determination Date, and the Borrower shall be bound to make a borrowing or to effect a conversion or continuation in accordance therewith.

C. Disbursement of Funds. All Revolving Loans shall be made by the Lenders simultaneously and proportionately to their respective Pro Rata Shares, it being understood that neither the Administrative Agent nor any Lender shall be responsible for any default by any other Lender in that other Lender's obligation to make a Revolving Loan requested hereunder nor shall the amount of the Commitment of any Lender to make the particular Type of Loan requested be increased or decreased as a result of a default by any other Lender in that other Lender's obligation to make a Revolving Loan requested hereunder. Promptly after receipt by the Administrative Agent of a Notice of Borrowing pursuant to subsection 2.1A (or telephonic notice in lieu thereof), the Administrative Agent shall notify each Lender for that Type of Loan or a Swing Line Lender, as the case may be, of the proposed borrowing. Each Lender with a Revolving Loan Commitment shall make the amount of its Revolving Loan available to the Administrative Agent in immediately available funds in Dollars requested by the Borrower not later than 4:00 P.M. (Central time) on the applicable Funding Date, and the applicable Swing Line Lender shall make the amount of its Swing Line Loan (other than an Early Requested Swing Line Loan) available to the Administrative Agent in immediately available funds in Dollars not later than 4:00 P.M. (Central time) on the applicable Funding Date (provided, that with respect to each Early Requested Swing Line Loan, the applicable Swing Line Lender shall make the amount of such Early Requested Swing Line Loan available in Dollars no later than 9:45 A.M. (Central time) on the applicable Funding Date), in each case at the applicable Funding and Payment Office. Except as provided in subsection 2.1A(ii) with respect to Revolving Loans used to repay Refunded Swing Line Loans, upon satisfaction or waiver of the conditions precedent specified in subsections 3.1 and 3.2, the Administrative Agent shall make the proceeds of such Revolving Loans advanced to it as set forth above available to the Borrower on the applicable Funding Date by causing the proceeds of all such Revolving Loans received by the Administrative Agent from the Lenders to be credited to the account of the Borrower at the Funding and Payment Office.

Unless the Administrative Agent shall have been notified by any Lender prior to a Funding Date that such Lender does not intend to make available to the Administrative Agent the amount of such Lender's Revolving Loan requested on such Funding Date in Dollars, the Administrative Agent may assume that such Lender has made such amount available to the Administrative Agent on such Funding Date in Dollars and the Administrative Agent may, in its sole discretion, but shall not be obligated to, make available to the Borrower a corresponding amount on such Funding Date. If such corresponding amount in Dollars is not in fact made available to the Administrative Agent by such Lender, the Administrative Agent shall be entitled to recover such corresponding amount in Dollars on demand from such Lender together with interest thereon, for each day from such Funding Date until the date such amount is paid to the Administrative Agent, at the customary rate set by the Administrative Agent for the correction of errors among banks for three Business Days and thereafter at the Base Rate. If such Lender does not pay such corresponding amount in Dollars forthwith upon the Administrative Agent's demand therefor, the Administrative Agent shall promptly notify the Borrower and the Borrower shall immediately pay such corresponding amount to the Administrative Agent in Dollars together with interest thereon, for each day from such Funding Date until the date such amount is paid to the Administrative Agent, at the rate payable under this Agreement for Base Rate Loans. Nothing in this subsection 2.1C shall be deemed to relieve any Lender from its obligation to fulfill its Commitments hereunder or to prejudice any rights that the Borrower may have against any Lender as a result of any default by such Lender hereunder.

D. The Register. The Administrative Agent, acting for these purposes solely as a non-fiduciary agent of the Borrower (it being acknowledged that the Administrative Agent, in such capacity, and its officers, directors, employees, agent and affiliates shall constitute Indemnitees under subsection 9.3), shall maintain (and make available for inspection by the Borrower and by each Lender, but only as to information regarding the Loans made by such Lender, upon reasonable prior notice at reasonable times) at its address referred to in Schedule 9.8 a register for the recordation of, and shall record, the names and addresses of the Lenders and the respective amounts of the Revolving Loan Commitment, Swing Line Loan Subfacility, Revolving Loans and Swing Line Loans (and interest on each of the foregoing) of each Lender from time to time (the "**Register**"). The Borrower, the Administrative Agent and the Lenders shall deem and treat the Persons listed as Lenders in the Register as the holders and owners of the corresponding Commitments and Loans listed therein for all purposes hereof; all amounts owed with respect to any Commitment or Loan, absent manifest error, shall be owed to the Lender listed in the Register as the owner thereof; and any request, authority or consent of any Person who, at the time of making such request or giving such authority or consent, is listed in the Register as a Lender shall be conclusive and binding on any subsequent holder, assignee or transferee of the corresponding Commitments or Loans. Each Lender shall record on its internal records the amount of its Loans and Commitments and each payment in respect hereof, and any such recordation shall be conclusive and binding on the Borrower subject to the entries in the Register, which shall govern in the event of any inconsistency with any Lender's records. Failure to make any recordation in the Register or in any Lender's records, or any error in such recordation, shall not affect any Loans or Commitments or any Obligations in respect of any Loans.

E. Optional Notes. If so requested by any Lender by written notice to the Borrower (with a copy to the Administrative Agent) at least two Business Days prior to the Closing Date or at any time thereafter, the Borrower shall execute and deliver to such Lender (and/or, if applicable and if so specified in such notice, to any Person who is an assignee of such Lender pursuant to subsection 9.1; provided that the Administrative Agent shall request the return to the Borrower of the assignor's original promissory note) on the Closing Date (or, if such notice is delivered after the Closing Date, promptly after the Borrower's receipt of such notice) a promissory note or promissory notes to evidence such Lender's Revolving Loans or Swing Line Loans, substantially in the form of Exhibit III or Exhibit IV, respectively, with appropriate insertions.

2.2 Interest on the Loans.

A. Rate of Interest. Subject to the provisions of subsections 2.6 and 2.7, each Revolving Loan shall bear interest on the unpaid principal amount thereof from the date made through maturity (whether by acceleration or otherwise) at a rate determined by reference to the Base Rate or the Eurodollar Rate. Subject to the provisions of subsection 2.7, each Swing Line Loan shall bear interest on the unpaid principal amount thereof from the date made through maturity (whether by acceleration or otherwise) at a rate determined by reference to the Base Rate. The applicable basis for determining the rate of interest with respect to any Revolving Loan shall be selected by the Borrower initially at the time a Notice of Borrowing is given with respect to such Loan pursuant to subsection 2.1B, and the basis for determining the interest rate with respect to any Revolving Loan may be changed from time to time pursuant to subsection 2.2D. If on any day a Revolving Loan is outstanding with respect to which notice has not been delivered to the Administrative Agent in accordance with the terms of this Agreement specifying the applicable basis for determining the rate of interest, then for that day that Loan shall bear interest determined by reference to the Base Rate.

(i) Subject to the provisions of subsections 2.2E, 2.2G and 2.7, the Revolving Loans shall bear interest through maturity as follows:

(a) if a Base Rate Loan, then at the sum of the Base Rate plus the Base Rate Margin; or

(b) if a Eurodollar Rate Loan, then at the sum of the Eurodollar Rate plus the Eurodollar Rate Margin.

(ii) Subject to the provisions of subsections 2.2E, 2.2G and 2.7, the Swing Line Loans shall bear interest through maturity at the Base Rate plus the Base Rate Margin.

B. Interest Periods. In connection with each Eurodollar Rate Loan, the Borrower may, pursuant to the applicable Notice of Borrowing or Notice of Conversion/Continuation, as the case may be, select an interest period (each an "**Interest Period**") to be applicable to such Loan, which Interest Period shall be, at the Borrower's option, the period commencing on the date such Eurodollar Rate Loan is disbursed or converted to or continued as a Eurodollar Rate Loan and ending on the date one, three or six months thereafter, as selected by the Borrower in its Notice of Borrowing; provided that:

(i) the initial Interest Period for any Eurodollar Rate Loan shall commence on the Funding Date in respect of such Loan, in the case of a Loan initially made as a Eurodollar Rate Loan, or on the date specified in the applicable Notice of Conversion/Continuation, in the case of a Loan converted to a Eurodollar Rate Loan;

(ii) in the case of immediately successive Interest Periods applicable to a Eurodollar Rate Loan continued as such pursuant to a Notice of Conversion/Continuation, each successive Interest Period shall commence on the day on which the next preceding Interest Period expires;

(iii) if an Interest Period would otherwise expire on a day that is not a Business Day, such Interest Period shall expire on the next succeeding Business Day; provided that, if any Interest Period would otherwise expire on a day that is not a Business Day but is a day of the month after which no further Business Day occurs in such month, such Interest Period shall expire on the next preceding Business Day;

(iv) any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall, subject to clause (v) of this subsection 2.2B, end on the last Business Day of a calendar month;

(v) no Interest Period with respect to any portion of the Revolving Loans shall extend beyond the Revolving Loan Commitment Termination Date;

(vi) there shall be no more than seven (7) Interest Periods outstanding at any time;

(vii) in the event the Borrower fails to specify an Interest Period for any Eurodollar Rate Loan in the applicable Notice of Borrowing or Notice of Conversion/Continuation, the Borrower shall be deemed to have selected an Interest Period of one month.

C. Interest Payments. Subject to the provisions of subsection 2.2E, interest on each Loan shall be payable in arrears on and to each Interest Payment Date applicable to that Loan, upon any prepayment of that Loan (to the extent accrued on the amount being prepaid) and at maturity (including final maturity); provided that, in the event any Swing Line Loans or any Revolving Loans that are Base Rate Loans are prepaid pursuant to subsection 2.4A(i), interest accrued on such Loans through the date of such prepayment shall be payable on the next succeeding Interest Payment Date applicable to Base Rate Loans (or, if earlier, at final maturity).

D. Conversion or Continuation. Subject to the provisions of subsection 2.6, the Borrower shall have the option (i) to convert at any time all or any part of its outstanding Revolving Loans equal to $5,000,000 and multiples of $1,000,000 in excess of that amount from Loans bearing interest at a rate determined by reference to one basis to Loans bearing interest at a rate determined by reference to an alternative basis or (ii) upon the expiration of any Interest Period applicable to a Eurodollar Rate Loan, to continue all or any portion of such Loan equal to $5,000,000 and multiples of $1,000,000 in excess of that amount as a Eurodollar Rate Loan; provided, however, that a Eurodollar Rate Loan may only be converted into a Base Rate Loan on the expiration date of an Interest Period applicable thereto.

The Borrower shall deliver a Notice of Conversion/Continuation to the Administrative Agent duly executed by an Officer of the Borrower no later than 1:00 P.M. (Central time) (i) on the proposed conversion date (in the case of a conversion to a Base Rate Loan), and (ii) at least three Business Days in advance of the proposed conversion/continuation date (in the case of a conversion to, or a continuation of, a Eurodollar Rate Loan). In lieu of delivering a Notice of Conversion/Continuation, the Borrower may give the Administrative Agent telephonic notice by the required time of any proposed conversion/continuation under this subsection 2.2D; provided that such notice shall be promptly confirmed in writing by delivery of a duly executed Notice of Conversion/Continuation to the Administrative Agent on or before the proposed conversion/continuation date. The Administrative Agent shall notify each Lender of any Loan subject to a Notice of Conversion/Continuation.

E. Default Rate. (i) Immediately upon the occurrence and during the continuation of any Event of Default under subsection 7.1, 7.6 or 7.7, or (ii) at the election of the Requisite Lenders, upon the occurrence and during the continuation of any other Event of Default, the outstanding principal amount of all Loans and, to the extent permitted by applicable law, any interest payments thereon not paid when due and any fees and other amounts then due and payable hereunder, shall thereafter bear interest (including post-petition interest in any proceeding under the Bankruptcy Code or other applicable bankruptcy laws) payable upon demand by the Administrative Agent at a rate that is 2% per annum in excess of the interest rate otherwise payable under this Agreement with respect to the applicable Loans (or, in the case of any such fees and other amounts, at a rate which is 2% per annum in excess of the interest rate otherwise payable under this Agreement for Base Rate Loans); provided that, in the case of Eurodollar Rate Loans, upon the expiration of the Interest Period in effect at the time any such increase in interest rate is effective such Eurodollar Rate Loans shall thereupon become Base Rate Loans and shall thereafter bear interest payable upon demand at a rate which is 2% per annum in excess of the interest rate otherwise payable under this Agreement for Base Rate Loans. Payment or acceptance of the increased rates of interest provided for in this subsection 2.2E is not a permitted alternative to timely payment and shall not constitute a waiver of any Event of Default or otherwise prejudice or limit any rights or remedies of the Administrative Agent or any Lender.

F. Computation of Interest. Interest on the Loans shall be computed on the basis of a 365-day year (or a 366-day year in case of a leap year) with respect to Base Rate Loans and otherwise a 360-day year, in each case for the actual number of days elapsed in the period during which it accrues. In computing interest on any Loan, the date of the making of such Loan or the first day of an Interest Period applicable to such Loan or, with respect to a Base Rate Loan being converted from a Eurodollar Rate Loan, the date of conversion of such Eurodollar Rate Loan to such Base Rate Loan, as the case may be, shall be included, and the date of payment of such Loan or the expiration date of an Interest Period applicable to such Loan or, with respect to a Base Rate Loan being converted to a Eurodollar Rate Loan, the date of conversion of such Base Rate Loan to such Eurodollar Rate Loan, as the case may be, shall be excluded; provided that if a Loan is repaid on the same day on which it is made, one day's interest shall be paid on that Loan.

G. Maximum Rate. Notwithstanding the foregoing provisions of this subsection 2.2, in no event shall the rate of interest payable by the Borrower with respect to any Loan exceed the maximum rate of interest permitted to be charged under applicable law.

2.3 Fees.

A. Commitment Fee. The Borrower shall pay to the Administrative Agent for the account of each Lender (other than any Defaulting Lenders) in accordance with its Pro Rata Share, a commitment fee equal to the Applicable Margin times the average daily unused amount of the Revolving Loan Commitment Amount (calculated without giving effect to any outstanding Swing Line Loans) of the Revolving Credit Lenders (other than the Defaulting Lenders, if any). The commitment fee shall accrue at all times from the Closing Date to the Revolving Loan Commitment Termination Date (and thereafter so long as any Loans remain outstanding), including at any time during which one or more of the conditions in subsection 3.2 is not met, computed on the basis of a 360-day year for the actual number of days elapsed, and shall be due and payable in arrears on and to (but excluding) the last Business Day of each March, June, September and December of each year and on the Revolving Loan Commitment Termination Date. The commitment fee shall be calculated quarterly in arrears, and if there is any change in the Applicable Margin during any quarter, the average daily unused amount shall be computed and multiplied by the Applicable Margin separately for each period during such quarter that such Applicable Margin was in effect.

B. Other Fees. The Borrower agrees to pay to the Administrative Agent such fees in the amounts and at the times separately agreed upon in writing between the Borrower and the Administrative Agent.

2.4 Repayments, Prepayments and Reductions of Revolving Loan Commitment Amount; General Provisions Regarding Payments.

A. Prepayments and Reductions in Revolving Loan Commitment Amount.

(i) Voluntary Prepayments. The Borrower may, upon written or telephonic notice to the Administrative Agent no later than 1:00 P.M. (Central time) on the date of prepayment, which notice, if telephonic, shall be promptly confirmed in writing, at any time and from time to time prepay, without premium or penalty, any Swing Line Loan on any Business Day in whole or in part in an aggregate minimum amount of $500,000 and multiples of $100,000 in excess of that amount. The Borrower may, upon written or telephonic notice (which notice, if telephonic, shall be promptly confirmed in writing) to the Administrative Agent (who will promptly notify each Lender whose Loans are to be prepaid of such prepayment) (A) no later than 9:00 a.m. (Central time) on the date of prepayment in the case of Base Rate Loans and (B) no later than 12:00 P.M. (Central time) at least three Business Days' prior to the date of prepayment in the case of Eurodollar Rate Loans, prepay, at any time and from time to time prepay, without premium or penalty, any Revolving Loans on any Business Day in whole or in part in an aggregate minimum amount of $5,000,000 and multiples of $1,000,000 in excess of that amount. Notice of prepayment having been given as aforesaid, the principal amount of the Loans specified in such notice shall become due and payable on the prepayment date specified therein. Any such voluntary prepayment shall be applied as specified in subsection 2.4A(iv) and, in the case of Eurodollar Rate Loans, shall be subject to subsection 2.6D.

(ii) Voluntary Reductions of Revolving Loan Commitments. The Borrower may, upon not less than three Business Days' prior written or telephonic notice confirmed in writing to the Administrative Agent, or upon such lesser number of days' prior written or telephonic notice, as consented to by the Administrative Agent in its sole discretion, at any time and from time to time, terminate in whole or permanently reduce in part, without premium or penalty, the Revolving Loan Commitment Amount in an amount up to the amount by which the Revolving Loan Commitment Amount exceeds the Total Utilization of Revolving Loan Commitments at the time of such proposed termination or reduction; provided that any such partial reduction of the Revolving Loan Commitment Amount shall be in an aggregate minimum amount of $5,000,000 and multiples of $1,000,000 in excess of that amount. The Borrower's notice to the Administrative Agent (who will promptly notify each Lender of such notice) shall designate the date (which shall be a Business Day) of such termination or reduction and the amount of any partial reduction, and such termination or reduction shall be effective on the date specified in the Borrower's notice and shall reduce the amount of the Revolving Loan Commitment of each Lender proportionately to its Pro Rata Share. Any such voluntary reduction of the Revolving Loan Commitment Amount shall be applied as specified in subsection 2.4A(iv).

(iii) Mandatory Prepayments Due to Reductions of Revolving Loan Commitment Amount. The Borrower shall from time to time prepay first the Swing Line Loans and second the Revolving Loans to the extent necessary so that the Total Utilization of Revolving Loan Commitments shall not at any time exceed the Revolving Loan Commitment Amount then in effect. At such time as the Total Utilization of Revolving Loan Commitments shall be equal to or less than the Revolving Loan Commitment Amount if no Event of Default has occurred and is continuing, to the extent any cash collateral was provided by the Borrower and has not been applied to any Obligations, such amount shall promptly be released to the Borrower.

(iv) Application of Prepayments.

(a) Application of Voluntary Prepayments. Any voluntary prepayments pursuant to subsection 2.4A(i) shall be applied as specified by the Borrower in the applicable notice of prepayment; provided that in the event the Borrower fails to specify the Loans to which any such prepayment shall be applied, such prepayment shall be applied first to repay outstanding Swing Line Loans to the full extent thereof, and second to repay outstanding Revolving Loans to the full extent thereof.

(b) Application of Mandatory Prepayments. Any mandatory reduction of the Revolving Loan Commitment Amount pursuant to this subsection 2.4A shall be in proportion to each Lender's Pro Rata Share.

(c) Application of Prepayments to Base Rate Loans and Eurodollar Rate Loans. Considering Revolving Loans being prepaid separately, any prepayment thereof shall be applied first to Base Rate Loans to the full extent thereof before application to Eurodollar Rate Loans, in each case in a manner that minimizes the amount of any payments required to be made by the Borrower pursuant to subsection 2.6D.

(d) Application of Prepayments to Swing Line Loans. Any repayments of Swing Line Loans pursuant to this subsection 2.4 shall be applied pro rata among the outstanding Swing Line Loans.

B. General Provisions Regarding Payments.

(i) Manner and Time of Payment. Except as otherwise expressly provided herein, all payments by the Borrower of principal, interest, fees and other Obligations shall be made in Dollars in immediately available funds, without defense, setoff or counterclaim, free of any restriction or condition, and delivered to the Administrative Agent not later than 3:30 P.M. (Central time) on the date due at the Funding and Payment Office for the account of Lenders; funds received by the Administrative Agent after that time on such due date shall be deemed to have been paid by the Borrower on the next succeeding Business Day.

(ii) Application of Payments to Principal and Interest. All payments in respect of the principal amount of any Loan shall include payment of accrued interest on the principal amount being repaid or prepaid, and, except as provided in subsection 2.2C, all such payments shall be applied to the payment of interest before application to principal.

(iii) Apportionment of Payments. Aggregate payments of principal and interest shall be apportioned among all outstanding Loans to which such payments relate, in each case proportionately to Lenders' respective Pro Rata Shares. The Administrative Agent shall promptly distribute to each Lender, at the account specified in the payment instructions delivered to the Administrative Agent by such Lender, its Pro Rata Share of all such payments received by the Administrative Agent and fees of such Lender, if any, when received by the Administrative Agent pursuant to subsection 2.3. Notwithstanding the foregoing provisions of this subsection 2.4B(iii), if, pursuant to the provisions of subsection 2.6C, any Notice of Conversion/Continuation is withdrawn as to any Affected Lender or if any Affected Lender makes Base Rate Loans in lieu of its Pro Rata Share of any Eurodollar Rate Loans, the Administrative Agent shall give effect thereto in apportioning interest payments received thereafter.

(iv) Payments on Business Days. Whenever any payment to be made hereunder shall be stated to be due on a day that is not a Business Day, such payment shall be made on the next succeeding Business Day and such extension of time shall be included in the computation of the payment of interest hereunder or of the commitment fees hereunder, as the case may be.

(v) Defaulting Lenders. Notwithstanding the foregoing clause (i), if there exists a Defaulting Lender each payment by the Borrower to such Defaulting Lender hereunder shall be applied in accordance with subsection 2.11B.

C. Payments after Event of Default. Upon the occurrence and during the continuation of an Event of Default, if requested by Requisite Lenders, or upon acceleration of the Obligations pursuant to Section 7, all payments received by the Administrative Agent, whether from the Borrower or otherwise shall be applied in full or in part by the Administrative Agent, in each case in the following order of priority:

(i) to the payment of all costs and expenses of collection or other realization, all other expenses, liabilities and advances made or incurred by the Administrative Agent in connection therewith, and all amounts for which the Administrative Agent is entitled to compensation (including the fees described in subsection 2.3B), reimbursement and indemnification under any Loan Document and all advances made by the Administrative Agent thereunder for the account of the Borrower, and to the payment of all costs and expenses paid or incurred by the Administrative Agent in connection with the Loan Documents, all in accordance with subsections 8.4, 9.2 and 9.3 and the other terms of this Agreement and the Loan Documents;

(ii) to payment of that portion of the Obligations constituting fees, indemnities, expenses and other amounts, including attorney fees, payable to the Swing Line Lenders in their respective capacities as such (ratably between the Swing Line Lenders in proportion to the respective amounts described in this clause (ii) payable to them);

(iii) to payment of that portion of the Obligations constituting fees, indemnities and other amounts (other than principal and interest) payable to the Lenders under the Loan Documents, including attorney fees (ratably among the Lenders in proportion to the respective amounts described in this clause (iii) payable to them);

(iv) to payment of that portion of the Obligations constituting accrued and unpaid interest on the Loans (ratably among the Lenders in proportion to the respective amounts described in this clause (iv) payable to them);

(v) to payment of that portion of the Obligations constituting unpaid principal of the Loans (ratably among the Lenders in proportion to the respective amounts described in this clause (v) held by them); and

(vi) the balance, if any, after all of the Obligations have been indefeasibly paid in full, to the Borrower or as otherwise required by applicable law.

2.5 <u>Use of Proceeds</u>.

A. Loans. The proceeds of any Loans may be applied by the Borrower for working capital or any other general corporate purposes.

B. Margin Regulations. No portion of the proceeds of any borrowing under this Agreement shall be used by the Borrower or any of its Subsidiaries in any manner that would cause the borrowing or the application of such proceeds to violate Regulation U, Regulation T or Regulation X of the Board of Governors of the Federal Reserve System or any other regulation of such Board or to violate the Exchange Act, in each case as in effect on the date or dates of such borrowing and such use of proceeds.

2.6 <u>Special Provisions Governing Loans based on the Eurodollar Rate</u>.

Notwithstanding any other provision of this Agreement to the contrary, the following provisions shall govern with respect to Eurodollar Rate Loans or Base Rate Loans as to which the interest rate is determined by reference to the Eurodollar Rate as to the matters covered:

A. Determination of Applicable Interest Rate. On each Interest Rate Determination Date, the Administrative Agent shall determine in accordance with the terms of this Agreement (which determination shall, absent manifest error, be conclusive and binding upon all parties) the Eurodollar Rate that shall apply to the Loans for which an interest rate is then being determined for the applicable Interest Period and shall promptly give notice thereof (in writing or by telephone confirmed in writing) to the Borrower and each applicable Lender.

B. Inability to Determine Applicable Interest Rate. If with respect to any Interest Period:

(i) the Administrative Agent determines that, or the Requisite Lenders determine and advise the Administrative Agent that, deposits in Dollars (in the applicable amounts) are not being offered in the London interbank eurodollar market for such Interest Period; or

(ii) the Administrative Agent otherwise determines, or the Requisite Lenders determine and advise the Administrative Agent (which determination shall be binding and conclusive on all parties), that by reason of circumstances affecting the London interbank eurodollar market adequate and reasonable means do not exist for ascertaining the applicable Eurodollar Rate; or

(iii) the Administrative Agent determines, or the Requisite Lenders determine and advise the Administrative Agent, that the Eurodollar Rate as determined by the Administrative Agent will not adequately and fairly reflect the cost to the Lenders of maintaining or funding a Eurodollar Rate Loan or a Base Rate Loan as to which the interest rate is determined by reference to the Eurodollar Rate for such Interest Period, or that the making or funding of Eurodollar Rate Loan or a Base Rate Loan as to which the interest rate is determined by reference to the Eurodollar Rate has become impracticable as a result of an event occurring after the date of this Agreement which in the opinion of such Lenders materially affects such Loans;

then the Administrative Agent shall promptly notify the affected parties and (A) in the event of any occurrence described in the foregoing clause (i) the Borrower shall enter into good faith negotiations with each affected Lender in order to determine an alternate method to determine the Eurodollar Rate for such Lender, and during the pendency of such negotiations with any Lender, such Lender shall be under no obligation to make any new Eurodollar Rate Loan or a Base Rate Loan as to which the interest rate is determined by reference to the Eurodollar Rate, and (B) in the event of any occurrence described in the foregoing clauses (ii) or (iii), for so long as such circumstances shall continue, no Lender shall be under any obligation to make any new Eurodollar Rate Loan or a Base Rate Loan as to which the interest rate is determined by reference to the Eurodollar Rate.

C. Illegality or Impracticability of Eurodollar Rate Loans. In the event that on any date any Lender shall have determined (which determination shall be conclusive and binding upon all parties hereto but shall be made only after consultation with the Borrower and the Administrative Agent) that the making, maintaining or continuation of its Eurodollar Rate Loans or Base Rate Loans as to which the interest rate is determined by reference to the Eurodollar Rate (i) has become unlawful as a result of compliance by such Lender in good faith with any law, treaty, governmental rule, regulation, guideline or order (or would conflict with any such treaty, governmental rule, regulation, guideline or order not having the force of law even though the failure to comply therewith would not be unlawful) or (ii) has become impracticable, or would cause such Lender material hardship, as a result of contingencies occurring after the date of this Agreement which materially and adversely affect the interbank Eurodollar market or the position of such Lender in that market, then, and in any such event, such Lender shall be an "**Affected Lender**" and it shall on that day give notice (by telephone confirmed in writing) to the Borrower and the Administrative Agent of such determination. The Administrative Agent shall promptly notify each other Lender of the receipt of such notice. Thereafter (a) the obligation of the Affected Lender to make Loans as, or to convert Loans to, Eurodollar Rate Loans or Base Rate Loans as to which the interest rate is determined by reference to the Eurodollar Rate shall be suspended until such notice shall be withdrawn by the Affected Lender, (b) to the extent such determination by the Affected Lender relates to a Eurodollar Rate Loan or Base Rate Loan as to which the interest rate is determined by reference to the Eurodollar Rate then being requested by the Borrower pursuant to a Notice of Borrowing or a Notice of Conversion/Continuation, the Affected Lender shall make such Loan as (or convert such Loan to, as the case may be) a Base Rate Loan as to which the interest rate is not determined by reference to the Eurodollar Rate, (c) the Affected Lender's obligation to maintain its outstanding Eurodollar Rate Loans or Base Rate Loans as to which the interest rate is determined by reference to the Eurodollar Rate (the "**Affected Loans**") shall be terminated at the earlier to occur of the expiration of the Interest Period then in effect with respect to the Affected Loans or when required by law, and (d) the Affected Loans shall automatically convert into Base Rate Loans as to which the interest rate is not determined by reference to the Eurodollar Rate on the date of such termination. Notwithstanding the foregoing, to the extent a determination by an Affected Lender as described above relates to a Eurodollar Rate Loan or Base Rate Loan as to which the interest rate is determined by reference to the Eurodollar Rate then being requested by the Borrower pursuant to a Notice of Borrowing or a Notice of Conversion/Continuation, the Borrower shall have the option, subject to the provisions of subsection 2.6D, to rescind such Notice of Borrowing or Notice of Conversion/Continuation as to all Lenders by giving notice (by telephone confirmed in writing) to the Administrative Agent of such rescission on the date on which the Affected Lender gives notice of its determination as described above. The Administrative Agent shall promptly notify each other Lender of the receipt of such notice. Except as provided in the immediately preceding sentence, nothing in this subsection 2.6C shall affect the obligation of any Lender other than an Affected Lender to make or maintain Loans as, or to convert Loans to, Eurodollar Rate Loans or Base Rate Loans as to which the interest rate is determined by reference to the Eurodollar Rate in accordance with the terms of this Agreement.

D. Compensation For Breakage or Non-Commencement of Interest Periods. The Borrower shall compensate each Lender, upon prompt written request by that Lender pursuant to subsection 2.8A, for all reasonable losses, expenses and liabilities (including any interest paid by that Lender to lenders of funds borrowed by it to make or carry its applicable Loans and any loss, expense or liability sustained by that Lender in connection with the liquidation or re-employment of such funds) which that Lender may sustain: (i) if for any reason (other than a default by that Lender) a borrowing of any Eurodollar Rate Loan does not occur on a date specified therefor in a Notice of Borrowing or a telephonic request therefor, or a conversion to or continuation of any Eurodollar Rate Loan does not occur on a date specified therefor in a Notice of Conversion/Continuation or a telephonic request therefor, (ii) if any prepayment or other principal payment or any conversion of any of its Eurodollar Rate Loans (including any prepayment or conversion occasioned by the circumstances described in subsection 2.6C or the paragraph following subsection 7.14) occurs on a date prior to the last day of an Interest Period applicable to that Loan, (iii) if any prepayment of any of its Eurodollar Rate Loans is not made on any date specified in a notice of prepayment given by the Borrower, or (iv) as a consequence of any other default by the Borrower in the repayment of its Eurodollar Rate Loans on a date prior to the last day of the Interest Period therefor. Breakage cost loss shall consist of an amount equal to the excess, if a positive number, of (i) the amount of interest that would have accrued on the amount so prepaid, or not so borrowed, converted or continued, for the period from the date of such prepayment or of such failure to borrow, convert or continue to the last day of such Interest Period (or, in the case of a failure to borrow, convert or continue, the Interest Period that would have commenced on the date of such failure) in each case at the applicable rate of interest for such Eurodollar Rate Loans provided for herein (excluding, however, the Eurodollar Rate Margin included therein, if any) over (ii) the amount of interest (as reasonably determined by such Lender) that would have accrued to such Lender on such amount by placing such amount on deposit for a comparable period with leading banks in the interbank Eurodollar market.

E. Booking of Eurodollar Rate Loans. Any Lender may make, carry or transfer Eurodollar Rate Loans at, to, or for the account of any of its branch offices or the office of an Affiliate of that Lender to the extent that it is necessary or useful to facilitate the transactions contemplated by this Agreement, so long as such action does not, by itself, upon the taking of such action, knowingly cause the Borrower to incur any Obligation under subsection 2.7.

F. Assumptions Concerning Funding of Eurodollar Rate Loans. Calculation of all amounts payable to a Lender under this subsection 2.6 and under subsection 2.7A shall be made as though that Lender had funded each of its Eurodollar Rate Loans through the purchase of a Eurodollar deposit bearing interest at the rate obtained pursuant to clause (i) of the definition of Eurodollar Rate in an amount equal to the amount of such Eurodollar Rate Loan and having a maturity comparable to the relevant Interest Period, whether or not its Eurodollar Rate Loans had been funded in such manner.

G. Eurodollar Rate Loans After Default. After the occurrence of and during the continuation of an Event of Default, (i) the Borrower may not elect to have a Loan be made or maintained as, or converted to, a Eurodollar Rate Loan after the expiration of any Interest Period then in effect for that Loan and (ii) subject to the provisions of subsection 2.6D, any Notice of Borrowing or Notice of Conversion/Continuation given by the Borrower with respect to a requested borrowing or conversion/continuation that has not yet occurred shall be deemed to be for a Base Rate Loan or, if the conditions to making a Loan set forth in subsection 3.2 cannot then be satisfied, to be rescinded by the Borrower.

2.7 Increased Costs; Taxes; Capital Adequacy.

A. Compensation for Increased Costs. Subject to the provisions of subsection 2.7B (which shall be controlling with respect to the matters covered thereby), in the event that any Lender shall determine (which determination shall be final and conclusive and binding upon all parties hereto) that any Change in Law:

(i) subjects such Lender to any additional Tax of any kind whatsoever with respect to this Agreement or any of its obligations hereunder (including with respect to maintaining any Commitment hereunder) or any payments to such Lender of principal, interest, fees or any other amount payable hereunder (except for the imposition of, or any change in the rate of, any Excluded Tax payable by such Lender);

(ii) imposes, modifies or holds applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets held by, or deposits or other liabilities in or for the account of, or advances or loans by, or other credit extended by, or any other acquisition of funds by, any office of such Lender (other than any such reserve or other requirements with respect to Eurodollar Rate Loans that are reflected in the definition of Eurodollar Rate); or

(iii) imposes any other condition (other than with respect to Taxes) on or affecting such Lender or its obligations hereunder or the interbank Eurodollar market;

and the result of any of the foregoing is to increase the cost to such Lender of agreeing to make, making or maintaining its Loans or Commitments; then, in any such case, the Borrower shall promptly, and in any event within ten (10) Business Days, pay to such Lender, upon receipt of the statement referred to in subsection 2.8A, such additional amount or amounts (in the form of an increased rate of, or a different method of calculating, interest or otherwise as such Lender in its sole discretion may reasonably determine) as may be necessary to compensate such Lender on an after-tax basis for any such increased cost or reduction in amounts received or receivable hereunder. The Borrower shall not be required to compensate a Lender pursuant to this subsection 2.7A for any increased cost or reduction in respect of a period occurring more than 180 days prior to the date on which such Lender notifies the Borrower of such Change in Law and such Lender's intention to claim compensation therefor, except, if the Change in Law giving rise to such increased cost or reduction is retroactive, no such 180 day time limitation shall apply to such period of retroactivity, so long as such Lender requests compensation within 180 days from the date on which the applicable Government Authority informed Lender of such Change in Law.

B. Taxes.

(i) Payments to Be Free and Clear. Any and all payments by or on account of any obligation of the Borrower under this Agreement and the other Loan Documents shall be made free and clear of, and without any deduction or withholding on account of, any Indemnified Taxes or Other Taxes.

(ii) Grossing-up of Payments. If the Borrower or any other Person is required by law to make any deduction or withholding on account of any Tax from any sum paid or payable by or on account of the Borrower to the Administrative Agent or any Lender under any of the Loan Documents:

(a) the Borrower shall notify the Administrative Agent of any such requirement or any change in any such requirement as soon as the Borrower becomes aware of it;

(b) the Borrower shall timely pay any such Tax to the relevant Government Authority when such Tax is due, in accordance with applicable law;

(c) unless such Tax is an Excluded Tax, the sum payable by the Borrower shall be increased to the extent necessary to ensure that, after making the required deductions (including deductions applicable to additional sums payable under this subsection 2.7B(ii)), the Administrative Agent or such Lender, as the case may be, receives on the due date a net sum equal to the sum it would have received had no such deduction been required or made; and

(d) as soon as practical after the due date of payment of any Tax which it is required by clause (b) above to pay, the Borrower shall deliver to the Administrative Agent the original or a certified copy of an official receipt or other document reasonably satisfactory to the other affected parties to evidence the payment and its remittance to the relevant Government Authority.

(iii) Indemnification by the Borrower. The Borrower shall indemnify the Administrative Agent and each Lender, within 30 days after the date the Administrative Agent or such Lender (as the case may be) makes written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes (including for the full amount of any Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this subsection 2.7B(iii)) paid by the Administrative Agent or such Lender, as the case may be, and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Government Authority. A certificate as to the amount of such payment or liability and the calculations used to determine such amount delivered to the Borrower by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive.

(iv) Tax Status of Lenders. Unless not legally entitled to do so:

(a) any Lender, if requested by the Borrower or the Administrative Agent, shall deliver such forms or other documentation prescribed by applicable law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to United States backup withholding or information reporting requirements;

(b) any Foreign Lender that is entitled to an exemption from or reduction of any Tax with respect to payments hereunder or under any other Loan Document shall deliver to the Borrower and the Administrative Agent, on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter, as may be necessary in the determination of the Borrower or the Administrative Agent, each in the reasonable exercise of its discretion), such properly completed and duly executed forms or other documentation prescribed by applicable law as will permit such payments to be made without United States withholding or at a reduced rate of withholding;

(c) without limiting the generality of the foregoing, in the event that the Borrower is resident for tax purposes in the United States, any Foreign Lender shall deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter, as may be necessary in the determination of the Borrower or the Administrative Agent, each in the reasonable exercise of its discretion), whichever of the following is applicable:

(1) properly completed and duly executed copies of Internal Revenue Service Form W-8BEN claiming eligibility for benefits of an income tax treaty to which the United States is a party, or

(2) properly completed and duly executed copies of Internal Revenue Service Form W-8ECI, or

(3) in the case of a Foreign Lender claiming the benefits of the exemption for "portfolio interest" under Section 881(c) of the Internal Revenue Code, (A) a duly executed certificate to the effect that such Foreign Lender is not (i) a "bank" within the meaning of Section 881(c)(3)(A) of the Internal Revenue Code, (ii) a ten-percent shareholder (within the meaning of Section 881(c)(3)(B) of the Internal Revenue Code) of the Borrower or (iii) a controlled foreign corporation described in Section 881(c)(3)(C) of the Internal Revenue Code and (B) properly completed and duly executed copies of Internal Revenue Service Form W-8BEN,

(4) properly completed and duly executed copies of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in any Tax,

in each case together with such supplementary documentation as may be prescribed by applicable law to permit the Borrower and the Administrative Agent to determine the withholding or deduction required to be made, if any;

(d) without limiting the generality of the foregoing, in the event that the Borrower is resident for tax purposes in the United States, any Foreign Lender that does not act or ceases to act for its own account with respect to any portion of any sums paid or payable to such Lender under any of the Loan Documents (for example, in the case of a typical participation by such Lender) shall deliver to the Administrative Agent and the Borrower (in such number of copies as shall be requested by the recipient), on or prior to the date such Foreign Lender becomes a Lender, or on such later date when such Foreign Lender ceases to act for its own account with respect to any portion of any such sums paid or payable, and from time to time thereafter, as may be necessary in the determination of the Borrower or the Administrative Agent (each in the reasonable exercise of its discretion):

(1) duly executed and properly completed copies of the forms and statements required to be provided by such Foreign Lender under clause (c) of subsection 2.7B(iv), to establish the portion of any such sums paid or payable with respect to which such Lender acts for its own account and may be entitled to an exemption from or a reduction of the applicable Tax, and

(2) duly executed and properly completed copies of Internal Revenue Service Form W-8IMY (or any successor forms) properly completed and duly executed by such Foreign Lender, together with any information, if any, such Foreign Lender chooses to transmit with such form, and any other certificate or statement of exemption required under the Internal Revenue Code or the regulations thereunder, to establish that such Foreign Lender is not acting for its own account with respect to a portion of any such sums payable to such Foreign Lender;

(e) without limiting the generality of the foregoing, in the event that the Borrower is resident for tax purposes in the United States, any Lender that is not a Foreign Lender and has not otherwise established to the reasonable satisfaction of the Borrower and the Administrative Agent that it is an exempt recipient (as defined in section 6049(b)(4) of the Internal Revenue Code and the United States Treasury Regulations thereunder) shall deliver to the Borrower and the Administrative Agent (in such numbers of copies as shall be requested by the recipient) on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter as prescribed by applicable law or upon the request of the Borrower or the Administrative Agent), duly executed and properly completed copies of Internal Revenue Service Form W-9; and

(f) without limiting the generality of the foregoing, each Lender hereby agrees, from time to time after the initial delivery by such Lender of such forms, whenever a lapse in time or change in circumstances renders such forms, certificates or other evidence so delivered obsolete or inaccurate in any material respect, that such Lender shall promptly (1) deliver to the Administrative Agent and the Borrower two original copies of renewals, amendments or additional or successor forms, properly completed and duly executed by such Lender, together with any other certificate or statement of exemption required in order to confirm or establish that such Lender is entitled to an exemption from or reduction of any Tax with respect to payments to such Lender under the Loan Documents and, if applicable, that such Lender does not act for its own account with respect to any portion of such payment, or (2) notify the Administrative Agent and the Borrower of its inability to deliver any such forms, certificates or other evidence.

(v) FATCA. If a payment made to a Lender under any Loan Document would be subject to United States federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Internal Revenue Code, as applicable), such Lender shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Internal Revenue Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this paragraph (v), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(vi) Refunds. If the Administrative Agent or any Lender becomes aware that it is entitled to claim a refund from a Government Authority or other taxation authority in respect of any Indemnified Taxes or Other Taxes as to which it has been indemnified by the Borrower or with respect to which the Borrower has paid additional amounts pursuant to this subsection 2.7B it shall promptly notify the Borrower of the availability of such refund claim and shall, within 30 days after receipt of a request by the Borrower, make a claim to such Government Authority or taxation authority for such refund at the Borrower's expense. If the Administrative Agent or any Lender receives a refund (including pursuant to a claim made pursuant to the preceding sentence) in respect of any Indemnified Taxes or Other Taxes as to which it has been indemnified by the Borrower or with respect to which the Borrower has paid additional amounts pursuant to this subsection 2.7B, it shall pay over such refund to the Borrower (but only to the extent of indemnity payments made, or additional amounts paid, by the Borrower under this subsection 2.7B with respect to the Indemnified Taxes or Other Taxes giving rise to such refund), net of all reasonable out-of-pocket expenses of the Administrative Agent or such Lender and without interest (other than any interest paid by the relevant Government Authority or taxation authority with respect to such refund); provided, that the Borrower, upon the request of the Administrative Agent or such Lender, agrees to repay the amount paid over to the Borrower (plus any penalties, interest or other charges imposed by the relevant Government Authority or taxation authority) to the Administrative Agent or such Lender in the event the Administrative Agent or such Lender is required to repay such refund to such Government Authority. This paragraph shall not be construed to require the Administrative Agent or any Lender to make available its tax returns (or any other information relating to its taxes which it deems confidential) to the Borrower or any other Person.

(vii) Indemnification of the Administrative Agent. Each Lender shall severally indemnify the Administrative Agent, within 10 days after demand therefor, for any Taxes (but, in the case of Indemnified Taxes and Other Taxes, only to the extent that the Borrower has not already indemnified the Administrative Agent for such Indemnified Taxes or Other Taxes and without limiting the obligation of the Borrower to do so) attributable to such Lender that are payable or paid by the Administrative Agent, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Government Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this paragraph (vii). The agreements in this paragraph (vii) shall survive the resignation and/or replacement of the Administrative Agent.

(viii) Survival. Without prejudice to the survival of any other agreement of the Borrower hereunder, the agreements and obligations of the Borrower contained in this Section shall survive the payment in full of the Obligations and the termination of the Revolving Loan Commitment.

C. Capital Adequacy Adjustment. If any Lender shall have determined that any Change in Law regarding capital adequacy has or would have the effect of reducing the rate of return on the capital of such Lender or any corporation controlling such Lender as a consequence of, or with reference to, such Lender's Loans or Commitments or other obligations hereunder with respect to the Loans to a level below that which such Lender or such controlling corporation could have achieved but for such Change in Law (taking into consideration the policies of such Lender or such controlling corporation with regard to capital adequacy), then from time to time, within ten Business Days after receipt by the Borrower from such Lender of the statement referred to in subsection 2.8A, the Borrower shall pay to such Lender such additional amount or amounts as will compensate such Lender or such controlling corporation on an after-tax basis for such reduction. The Borrower shall not be required to compensate a Lender pursuant to this subsection 2.7C for any reduction in respect of a period occurring more than 180 days prior to the date on which such Lender notifies the Borrower of such Change in Law and such Lender's intention to claim compensation therefor, except, if the Change in Law giving rise to such reduction is retroactive, no such 180 day time limitation shall apply to such period of retroactivity, so long as such Lender requests compensation within 180 days from the date on which the applicable Government Authority informed such Lender of such Change in Law.

2.8 Statement of Lenders; Obligation of Lenders to Mitigate.

A. Statements. Each Lender claiming compensation or reimbursement pursuant to subsection 2.6D, 2.7 or 2.8B shall, as promptly as practical, deliver to the Borrower (with a copy to the Administrative Agent) a written statement, setting forth in reasonable detail the basis of the calculation of such compensation or reimbursement, which statement shall be conclusive and binding upon all parties hereto.

B. Mitigation. Each Lender agrees that, as promptly as practicable after the officer of such Lender responsible for administering the Loans of such Lender becomes aware of the occurrence of an event or the existence of a condition that would cause such Lender to become an Affected Lender or that would entitle such Lender to receive payments under subsection 2.7, it will use reasonable efforts to make, issue, fund or maintain the Commitments of such Lender or the Loans of such Lender through another lending office of such Lender, if (i) as a result thereof the circumstances which would cause such Lender to be an Affected Lender would cease to exist or the additional amounts which would otherwise be required to be paid to such Lender pursuant to subsection 2.7 would be materially reduced and (ii) as determined by such Lender in its sole discretion, such action would not otherwise be disadvantageous to such Lender; provided that such Lender will not be obligated to utilize such other lending office pursuant to this subsection 2.8B unless the Borrower agrees to pay all incremental expenses incurred by such Lender as a result of utilizing such other lending as described above.

2.9 Replacement of a Lender.

If (i) the Borrower receives notice that it may incur Obligations under subsection 2.7 through a written statement under subsection 2.8A from the Administrative Agent or a Lender or otherwise (other than for breakage costs under subsection 2.6D), (ii) a Lender is a Defaulting Lender, (iii) a Lender (a "**Non-Consenting Lender**") refuses to consent to an amendment, modification or waiver of this Agreement that, pursuant to subsection 9.6, requires the consent of such Lender and such amendment, modification or waiver has been approved by the Requisite Lenders, or (iv) a Lender becomes an Affected Lender (any such Lender, a "**Subject Lender**"), so long as (i) no Event of Default shall have occurred and be continuing and the Borrower has obtained a commitment from another Lender or an Eligible Assignee to purchase at par the Subject Lender's Loans and assume the Subject Lender's Commitments and all other obligations of the Subject Lender hereunder and (ii), if applicable, the Subject Lender is unwilling to withdraw the notice delivered to the Borrower pursuant to subsection 2.8 upon 10 days prior written notice to the Subject Lender and the Administrative Agent and/or is unwilling to remedy its default upon three days prior written notice to the Subject Lender and the Administrative Agent, the Borrower may require the Subject Lender to assign all of its Loans and Commitments to such other Lender, Lenders, Eligible Assignee or Eligible Assignees pursuant to the provisions of subsection 9.1B; provided that, prior to or concurrently with such replacement, (1) the Subject Lender shall have received payment in full of all principal, interest, fees and other amounts actually due and owing (including all amounts under subsections 2.6D, 2.7 and/or 2.8B (if applicable)) through such date of replacement and a release from its obligations under the Loan Documents, (2) the processing fee required to be paid by subsection 9.1B(i) shall have been paid to the Administrative Agent by the Borrower or the assignee, (3) all of the requirements for such assignment contained in subsection 9.1B, including, without limitation, the consent of the Administrative Agent (if required) and the receipt by the Administrative Agent of an executed Assignment Agreement and other supporting documents, have been fulfilled and (4) in the event such Subject Lender is a Non-Consenting Lender, each assignee shall consent, at the time of such assignment, to each matter in respect of which such Subject Lender was a Non-Consenting Lender.

2.10 Increase in Commitments.

A. Request for Increase. Provided there exists no Potential Event of Default or Event of Default, upon notice to the Administrative Agent (which shall promptly notify the Lenders), the Borrower may from time to time request an increase in the Revolving Loan Commitment Amount by an amount (for all such requests) not exceeding $100,000,000; provided that (i) the Revolving Loan Commitment Amount, after giving effect to each increase hereunder, may not exceed $495,000,000 in the aggregate, (ii) any such request for an increase shall be in a minimum amount of $25,000,000 and in multiples of $5,000,000 in excess thereof and (iii) the Borrower may not request more than two increases. At the time of sending such notice, the Borrower (in consultation with the Administrative Agent) shall specify the time period within which each Lender is requested to respond (which shall in no event be less than ten Business Days from the date of delivery of such notice to the Lenders).

B. Lender Elections to Increase. Each Lender shall notify the Administrative Agent within such time period whether or not it agrees to increase its Revolving Loan Commitment and, if so, whether by an amount equal to, greater than, or less than its Pro Rata Share of such requested increase. Any Lender not responding within such time period shall be deemed to have declined to increase its Revolving Loan Commitment.

C. Notification by the Administrative Agent; Additional Lenders. The Administrative Agent shall notify the Borrower and each Lender of the Lenders' responses to each request made hereunder. If the Lenders do not agree to the full amount of a requested increase, subject to the approval of the Administrative Agent (which approval shall not be unreasonably withheld), the Borrower may also invite additional Eligible Assignees to become Lenders pursuant to a joinder agreement in form and substance reasonably satisfactory to the Administrative Agent and its counsel.

D. Increase Effective Date and Allocations. If the Revolving Loan Commitment Amount is increased in accordance with this Section, the Administrative Agent and the Borrower shall determine the effective date (the "**Increase Effective Date**") and the final allocation of such increase. The Administrative Agent shall promptly notify the Borrower and the Lenders of the final allocation of such increase, the Increase Effective Date and revised Pro Rata Shares.

E. Conditions to Effectiveness of Increase. As a condition precedent to such increase, the Borrower shall deliver to the Administrative Agent an Officer's Certificate dated as of the Increase Effective Date (i) certifying and attaching the resolutions adopted by the Borrower approving or consenting to such increase, and (ii) certifying that, before and after giving effect to such increase, (A) the representations and warranties contained in Section 4 and the other Loan Documents are true and correct in all material respects on and as of the Increase Effective Date, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct in all material respects as of such earlier date, and (B) no Potential Event of Default or Event of Default exists or shall result from such increase to the Revolving Loan Commitment Amount. The Lenders (new or existing) shall accept an assignment from the existing Lenders, and the existing Lenders shall make an assignment to the new or existing Lender accepting a new or increased Commitment, of a direct or participation interest in each then outstanding Loan such that, after giving effect thereto, all Revolving Loan Exposure hereunder is held ratably by the Lenders in proportion to their respective Commitments. Assignments pursuant to the preceding sentence shall be made in exchange for the principal amount assigned plus accrued and unpaid interest and commitment and letter of credit fees. The Borrower shall make any payments under subsection 2.6D resulting from such assignments.

F. Conflicting Provisions. This Section shall supersede any provisions in subsection 9.5 or 9.6 to the contrary.

2.11 Defaulting Lenders.

Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as such Lender is no longer a Defaulting Lender, to the extent permitted by Applicable Law:

A. Waivers and Amendments. Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in subsection 9.6.

B. Reallocation of Payments. Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, or otherwise, and including any amounts made available to the Administrative Agent for the account of such Defaulting Lender pursuant to subsection 9.4), shall be applied at such time or times as may be determined by the Administrative Agent as follows: first, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; second, to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to the Swing Line Lenders hereunder; third, if so determined by the Administrative Agent or requested by either Swing Line Lender, to be held as cash collateral for future funding obligations of such Defaulting Lender of any participation in any Swing Line Loans; fourth, as the Borrower may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; fifth, if so determined by the Administrative Agent and the Borrower, to be held in a non-interest bearing deposit account and released in order to satisfy obligations of such Defaulting Lender to fund Loans under this Agreement; sixth, to the payment of any amounts owing to the Administrative Agent, the Lenders, or the Swing Line Lenders as a result of any judgment of a court of competent jurisdiction obtained by the Administrative Agent, any Lender, or any Swing Line Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; seventh, so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and eighth, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (i) such payment is a payment of the principal amount of any Revolving Credit Loans or funded participations in Swing Line Loans in respect of which such Defaulting Lender has not fully funded its appropriate share and (ii) such Revolving Credit Loans or funded participations in Swing Line Loans were made at a time when the conditions set forth in subsection 3.2 were satisfied or waived, such payment shall be applied solely to pay the Revolving Credit Loans of, and funded participations in Swing Line Loans owed to, all non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Revolving Credit Loans of, or funded participations in Swing Line Loans owed to, such Defaulting Lender. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post cash collateral pursuant to this subsection 2.11B shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

C. Reallocation of Applicable Percentages to Reduce Fronting Exposure. During any period in which there is a Defaulting Lender, for purposes of computing the amount of the obligation of each non-Defaulting Lender to acquire, refinance or fund participations in Swing Line Loans pursuant to subsection 2.1A, the "Pro Rata Share" of each non-Defaulting Lender shall be computed without giving effect to the Revolving Loan Commitment of such Defaulting Lender; provided that (i) each such reallocation shall be given effect only if, at the date the applicable Lender becomes a Defaulting Lender, no Default or Event of Default exists and (ii) the aggregate obligation of each non-Defaulting Lender to acquire, refinance or fund participations in Swing Line Loans shall not exceed the positive difference, if any, of (A) the Revolving Loan Commitment of that non-Defaulting Lender minus (B) the aggregate outstanding principal amount of the Revolving Loans of that Lender.

D. Prepayment of Swing Line Loans. Promptly on demand by any Swing Line Lender or the Administrative Agent from time to time, the Borrower shall prepay Swing Line Loans in the amount of all Fronting Exposure with respect to the Swing Line Lenders (after giving effect to subsection 2.11C).

E. Certain Fees. For any period during which such Lender is a Defaulting Lender, such Defaulting Lender shall not be entitled to receive any commitment fee pursuant to subsection 2.3A (and the Borrower shall not be required to pay any such fee that otherwise would have been required to have been paid to such Defaulting Lender).

F. Defaulting Lender Cure. If the Borrower, the Administrative Agent, and the Swing Line Lenders agree in writing in their sole discretion that a Defaulting Lender should no longer be deemed to be a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any cash collateral), that Lender will, to the extent applicable, purchase that portion of outstanding Revolving Credit Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Revolving Credit Loans and funded and unfunded participations in Swing Line Loans to be held on a pro rata basis by the Lenders in accordance with their Pro Rata Shares (without giving effect to subsection 2.11C), whereupon such Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while such Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from such Lender's having been a Defaulting Lender.

Section3. CONDITIONS TO LOANS

The obligations of the Lenders to make Loans hereunder are subject to the satisfaction of the following conditions.

3.1 Conditions to Closing.

This Agreement shall become effective upon satisfaction of the following conditions, upon which the Closing Date shall occur:

A. Loan Documents. The Borrower shall deliver to the Lenders (or to the Administrative Agent with sufficient originally executed copies, where appropriate, for each Lender) the following, each, unless otherwise noted, dated the date hereof:

(i) Copies of the Organizational Documents of the Borrower, certified by the Secretary of State of the Borrower's jurisdiction of organization or, if such document is of a type that may not be so certified, certified by an Officer of the Borrower, together with a good standing certificate from the appropriate governmental officer of its jurisdiction of organization dated as of a recent date prior to the date hereof;

(ii) Resolutions of the Governing Body of the Borrower approving and authorizing the execution, delivery and performance of the Loan Documents to which it is a party, certified as of the date hereof by an Officer of the Borrower as being in full force and effect without modification or amendment;

(iii) Signature and incumbency certificates of the Officers of the Borrower executing a Loan Document;

(iv) Executed originals of the Loan Documents; and

(v) Such other opinions, documents or materials as Administrative Agent or any Lender may reasonably request on or prior to the Closing Date.

B. Fees. The Borrower shall have paid all accrued and unpaid fees and expenses contemplated to be paid by the Borrower on or before the Closing Date in connection with the transactions contemplated hereby.

C. Officer's Certificate. The Borrower shall have delivered to the Administrative Agent an Officer's Certificate, in form and substance reasonably satisfactory to the Administrative Agent, (i) to the effect that the representations and warranties in Section 4 are true and correct in all material respects on and as of the date hereof to the same extent as though made on and as of that date (or, to the extent such representations and warranties specifically relate to an earlier date, that such representations and warranties were true and correct in all material respects on and as of such earlier date); provided that, if a representation and warranty is qualified as to materiality, the materiality qualifier set forth above shall be disregarded with respect to such representation and warranty for purposes of this condition, (ii) to the effect that, after giving effect to the transactions contemplated by this Agreement on the Closing Date, no Event of Default or Potential Event of Default has occurred and is continuing and (iii) to the effect that the Borrower has satisfied the conditions set forth in this subsection 3.1 and 3.2, as applicable.

D. Financial Statements. The Lenders (or the Administrative Agent with sufficient copies for each Lender) shall have received from the Borrower audited consolidated financial statements for the Borrower and its Subsidiaries for the Fiscal Year ended December 31, 2009 and unaudited consolidated financial statements for the Borrower and its Subsidiaries for the Fiscal Year ended December 31, 2010, all of which shall be in form and substance reasonably satisfactory to the Administrative Agent and the Lenders.

E. Opinions of Counsel. The Lenders (or the Administrative Agent with sufficient copies for each Lender) shall have received executed copies of the opinion of the Deputy General Counsel of the Borrower and of Duane Morris LLP, special counsel for the Borrower, each dated as of the Closing Date and in form and substance reasonably satisfactory to the Administrative Agent.

F. Necessary Governmental Authorizations and Consents; Expiration of Waiting Periods, Etc. The Borrower shall have obtained (a) all Governmental Authorizations and all consents of other Persons required to be obtained by the Borrower, in each case that are necessary or advisable in connection with the transactions contemplated by the Loan Documents and (b) all Governmental Authorizations and consents necessary for the continued operation of the business conducted by the Borrower and its Subsidiaries in substantially the same manner as conducted prior to the date hereof, except where the failure to obtain such Governmental Authorizations described in the foregoing clause (b) would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Each such Governmental Authorization and consent shall be in full force and effect, except in a case where the failure to obtain or maintain a Governmental Authorization or consent, either individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect. All applicable waiting periods shall have expired without any action being taken or threatened by any competent authority that would restrain, prevent or otherwise impose adverse conditions on the transactions contemplated by the Loan Documents or the financing thereof. No action, request for stay, petition for review or rehearing, reconsideration or appeal with respect to any of the foregoing shall be pending, except in each case not specifically relating to the transactions contemplated by the Loan Documents where such action, request for stay, petition for review or rehearing, reconsideration or appeal, either individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

G. Patriot Act. The Borrower shall have provided to the Administrative Agent the documentation and other information reasonably requested by the Administrative Agent or a Lender in order to comply with the requirements of the Act.

H. Termination of Existing Credit Agreement. The Borrower's existing credit agreement with Wells Fargo as administrative agent shall have been terminated.

3.2 Conditions to Closing; All Loans.

The obligations of the Lenders to make any Revolving Loans and Swing Line Loans on any Funding Date are, in addition to the conditions precedent specified in subsection 3.1, subject to prior or concurrent satisfaction of the following conditions:

A. Notice of Borrowing. The Administrative Agent shall have received on or before that Funding Date, in accordance with the provisions of subsection 2.1B, a duly executed Notice of Borrowing, in each case signed by a duly authorized Officer of the Borrower.

B. Representations and Warranties True; No Default; Etc. As of that Funding Date:

(i) the representations and warranties contained herein (other than in subsection 4.4) and in the other Loan Documents shall be true and correct in all material respects on and as of that Funding Date to the same extent as though made on and as of that date, except to the extent such representations and warranties specifically relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects on and as of such earlier date; provided, that, if a representation and warranty is qualified as to materiality, the materiality qualifier set forth above shall be disregarded with respect to such representation and warranty for purposes of this condition;

(ii) no event shall have occurred and be continuing or would result from the consummation of the borrowing contemplated by such Notice of Borrowing that would constitute an Event of Default or a Potential Event of Default; and

(iii) no order, judgment or decree of any arbitrator or Government Authority shall purport to enjoin or restrain any applicable Lender from making the Loans to be made by it on that Funding Date, provided that such order, judgment or decree shall not impair the obligation of any other Lender to fund a Revolving Loan as of such Funding Date.

Section 4. REPRESENTATIONS AND WARRANTIES

In order to induce the Administrative Agent and the Lenders to enter into this Agreement, to induce the Lenders to make the Loans hereunder, the Borrower hereby represents and warrants to each Lender, both immediately before and immediately after giving effect to the transactions contemplated hereunder, which representations and warranties shall be deemed to be made on the Closing Date and on such other dates as set forth in subsection 3.2, that:

4.1 Organization, Powers, Qualification, Good Standing, Business and Subsidiaries.

A. Organization and Powers. The Borrower is duly organized, validly existing and in good standing under the laws of the State of Missouri. The Borrower has the organizational power and authority to own and operate its properties, to carry on its business as now conducted, to enter into the Loan Documents to which it is a party and to carry out the transactions contemplated thereby.

B. Qualification and Good Standing. The Borrower is qualified to do business and is in good standing in every jurisdiction where its assets are located and wherever necessary to carry out its business and operations, except in jurisdictions where the failure to be so qualified or in good standing would not reasonably be expected to result in a Material Adverse Effect.

C. Conduct of Business. The Borrower is engaged only in the businesses permitted to be engaged in pursuant to subsection 6.10.

D. Subsidiaries. All of the Subsidiaries of the Borrower as of the Closing Date and their jurisdictions of organization as of the Closing Date are listed in Schedule 4.1. The Capital Stock of each of the Subsidiaries of the Borrower is duly authorized, validly issued, fully paid and (except for any interest as a general partner, limited partner or subordinated limited partner) nonassessable and none of such Capital Stock constitutes Margin Stock. Each of the Subsidiaries of the Borrower is a corporation, partnership, trust or limited liability company duly organized, validly existing and in good standing under the laws of its respective jurisdiction of organization, has all requisite organizational power and authority to own and operate its properties and to carry on its business as now conducted, and is qualified to do business and in good standing in every jurisdiction where its assets are located and wherever necessary to carry out its business and operations, in each case except where failure to be so qualified or in good standing or a lack of such power and authority would not reasonably be expected to result in a Material Adverse Effect.

4.2 Authorization of Borrowing, etc.

A. Authorization of Borrowing. The execution, delivery and performance of the Loan Documents by the Borrower have been duly authorized by all necessary organizational action.

B. No Conflict. The execution, delivery and performance by the Borrower of the Loan Documents to which it is a party and the consummation of the transactions contemplated by the Loan Documents do not and will not (i) violate any provision of any law or any governmental rule or regulation applicable to the Borrower, the Organizational Documents of the Borrower or any order, judgment or decree of any court or other Government Authority binding on the Borrower, (ii) conflict with, result in a breach of or constitute (with due notice or lapse of time or both) a default under any Contractual Obligation of the Borrower which would reasonably be expected to result in a Material Adverse Effect, (iii) result in or require the creation or imposition of any Lien upon any of the properties or assets of the Borrower not permitted under subsection 6.2, or (iv) require any approval of stockholders or any approval or consent of any Person under any Contractual Obligation of the Borrower, except for such approvals or consents which have been obtained on or before the Closing Date and disclosed in writing to the Lenders as to material Contractual Obligations and except to the extent such failure to obtain such approval or consent would not reasonably be expected to result in a Material Adverse Effect.

C. Governmental Consents. The execution, delivery and performance by the Borrower of the Loan Documents to which it is a party and the consummation of the transactions contemplated by the Loan Documents do not and will not require any Governmental Authorization except for any Governmental Authorization required in connection with the conduct of business of the Borrower in the ordinary course.

D. Binding Obligation. Each of the Loan Documents required to be executed by the Borrower has been duly executed and delivered by the Borrower and is the legally valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with its respective terms, except as may be limited by bankruptcy, insolvency, reorganization, fraudulent transfer, moratorium or similar laws relating to or limiting creditors' rights generally or by equitable principles.

4.3 Financial Condition.

The Borrower has heretofore delivered or made available to the Lenders, at the Lenders' request, the audited consolidated balance sheets, statements of income and cash flows of the Borrower and its Subsidiaries as at and for the Fiscal Year ended December 31, 2009, and the unaudited consolidated balance sheets, statements of income and cash flows of the Borrower and its Subsidiaries as at and for the Fiscal Year ended December 31, 2010. All such statements were prepared in conformity with GAAP and fairly present, in all material respects, the financial position (on a consolidated basis) of the entities described in such financial statements as at the respective dates thereof and the results of operations and cash flows (on a consolidated basis) of the entities described therein for each of the periods then ended. Neither the Borrower nor any of its Subsidiaries has any Contingent Obligation, contingent liability or liability for taxes, long-term lease or unusual forward or long-term commitment not incurred in the ordinary course of business that (a) as of the Closing Date, is not reflected in the Borrower's audited consolidated balance sheets, statements of income and cash flows of the Borrower and its Subsidiaries as at and for the Fiscal Year ended December 31, 2010 or the notes thereto, or described in Schedule 6.1, that, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect or (b) as of any Funding Date subsequent to the Closing Date, is not reflected in the most recent audited financial statements delivered to the Lenders pursuant to subsection 5.1 or the notes thereto or permitted pursuant to subsection 6.1 and that, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

4.4 No Material Adverse Change.

Since December 31, 2009, no event or change has occurred that has resulted in or evidences, either in any case or in the aggregate, a Material Adverse Effect.

4.5 Title to Properties; Intellectual Property.

A. The Borrower and its Subsidiaries have good title or a valid leasehold interest in and to all of their respective properties and assets reflected as owned or leased in the financial statements referred to in subsection 4.3 or in the most recent financial statements delivered pursuant to subsection 5.1, in each case except for assets disposed of since the date of such financial statements in the ordinary course of business or as otherwise permitted under subsection 6.7 and except for defects and irregularities that would not reasonably be expected to result in a Material Adverse Effect.

B. The Borrower and its Subsidiaries own or have the right to use, all Intellectual Property used in the conduct of their business, except where the failure to own or have such right to use in the aggregate would not reasonably be expected to result in a Material Adverse Effect. No claim has been asserted and is pending by any Person challenging or questioning the use of any Intellectual Property or the validity or effectiveness of any such Intellectual Property, nor does the Borrower know of any valid basis for any such claim, except for such claims that in the aggregate would not reasonably be expected to result in a Material Adverse Effect. The use of such Intellectual Property by the Borrower and its Subsidiaries does not infringe on the rights of any Person, except for such claims and infringements that, in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

4.6 Litigation; Adverse Facts.

Except as set forth on Schedule 4.6, there are no Proceedings (whether or not purportedly on behalf of the Borrower or any of its Subsidiaries) at law or in equity, or before or by any court or other Government Authority (including any Environmental Claims) that are pending or, to the knowledge of the Borrower, threatened against or affecting the Borrower or any of its Subsidiaries or any property or assets of the Borrower or any of its Subsidiaries and that, individually or in the aggregate, would reasonably be expected to result in a Material Adverse Effect. Neither the Borrower nor any of its Subsidiaries (i) is in violation of any applicable laws (including Environmental Laws) that, individually or in the aggregate, would reasonably be expected to result in a Material Adverse Effect, or (ii) is subject to or in default with respect to any final judgments, writs, injunctions, decrees, rules or regulations of any court or other Government Authority that, individually or in the aggregate, would reasonably be expected to result in a Material Adverse Effect.

4.7 Payment of Taxes.

All federal and all other material tax returns and reports of the Borrower and its Subsidiaries required to be filed by any of them have been timely filed, and all taxes shown on such tax returns to be due and payable and all material assessments, fees and other governmental charges upon the Borrower and its Subsidiaries and upon their respective properties, assets, income, businesses and franchises that are due and payable have been paid when due and payable, except to the extent that the failure to do so would not reasonably be expected to have a Material Adverse Effect and excluding any such tax, assessment, charge or claim being contested in good faith by appropriate proceedings, so long as (i) such reserve or other appropriate provision, if any, as shall be required in conformity with GAAP shall have been made therefor and (ii) in the case of a tax, assessment, charge or claim which has or may become a Lien against any of the properties or assets of the Borrower or its Subsidiaries, the Lien is not being enforced by foreclosure or sale of any portion of such properties or assets to satisfy such charge or claim or is otherwise permitted by this Agreement.

4.8 Governmental Regulation; Licenses.

Neither the Borrower nor any of its Subsidiaries is subject to regulation under the Investment Company Act of 1940 or under any other federal or state statute or regulation which would reasonably be expected to limit its ability to incur the Obligations or which may otherwise render all or any portion of the Obligations unenforceable. Each of the Borrower and each of its Subsidiaries possesses all licenses, registrations and authorizations from and with any Government Authority, Self-Regulatory Organization or securities exchange, necessary or material to the conduct of its business as now or presently proposed to be conducted. Edward Jones is (a) duly registered with the Commission as a broker-dealer under the Exchange Act, (b) a member in good standing of the FINRA, (c) not in arrears in regard to any assessment made upon it by the SIPC and (d) has received no notice from the Commission, FINRA, FDIC, MSRB, FDIC or any other Government Authority, Self-Regulatory Organization or securities exchange of any alleged rule violation or other circumstance which could reasonably be expected to have a Material Adverse Effect.

4.9 Securities Activities.

A. The Borrower is not engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying any Margin Stock.

B. Neither the making of any Loan hereunder or the use of the proceeds thereof will violate or be inconsistent with the provisions of Regulation T, Regulation U or Regulation X.

C. Following the application of the proceeds of any Loan, less than 25% of the value of the assets of the Borrower and its Subsidiaries which are subject to any limitation on sale, pledge or other restriction hereunder taken as a whole have been, and will continue to be, represented by Margin Stock.

4.10 Employee Benefit Plans.

A. The Borrower, each of its Subsidiaries and each of their respective ERISA Affiliates are in material compliance with all applicable provisions and requirements of ERISA and the regulations and published interpretations thereunder with respect to each Employee Benefit Plan, and have performed all their obligations under each Employee Benefit Plan. To the knowledge of the Borrower and each of its Subsidiaries, each Employee Benefit Plan that is intended to qualify under Section 401(a) of the Internal Revenue Code is so qualified.

B. No ERISA Event has occurred and is continuing or is reasonably expected to occur.

C. No Employee Benefit Plan provides health or welfare benefits (through the purchase of insurance or otherwise) for any retired or former employee of the Borrower, any of its Subsidiaries or any of their respective ERISA Affiliates except (i) to the extent required under Section 4980B of the Internal Revenue Code, or (ii) otherwise, the payment or nonpayment of which would not reasonably be expected to result in a Material Adverse Effect.

D. None of the Borrower, any of its Subsidiaries or any of their respective ERISA Affiliates sponsor or contribute to, or have ever sponsored or contributed to, any Pension Plan or Multiemployer Plan, other than defined contribution plans of Affiliates of the Borrower (other than its Subsidiaries) where the applicable defined contributions, if not made, would not reasonably be expected to result in a Material Adverse Effect.

4.11 Environmental Protection.

Neither the Borrower nor any of its Subsidiaries has received any notice to the effect that its operations are not in compliance with any of the requirements of applicable Environmental Laws or are the subject of any federal or state investigation evaluating whether any remedial action is needed to respond to a release of any Hazardous Materials into the environment, which non-compliance or remedial action, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect. The Borrower's and each of its Subsidiaries' use and operation of its facilities and properties is in compliance with all Environmental Laws except for such non-compliance which, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect. All necessary permits, approvals, certificates, licenses and other authorizations relating to environmental matters of the Borrower and its Subsidiaries are in effect and the Borrower and its subsidiaries are in compliance therewith, except where the failure to keep or comply with such permits, approvals, certificates, licenses or other authorizations would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect. The Borrower and its Subsidiaries handle all Hazardous Materials in compliance with all applicable Environmental Laws, except for any non-compliance that would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

4.12 Solvency.

After giving effect to the transactions contemplated hereby and the incurrence of any Obligations hereunder from time to time, the Borrower is Solvent.

4.13 Disclosure.

No representation or warranty of the Borrower or any of its Subsidiaries contained in the Confidential Information Memorandum dated February 2011, or in any Loan Document or in any other document, certificate or written statement furnished to the Lenders by or on behalf of the Borrower or any of its Subsidiaries for use in connection with the transactions contemplated by this Agreement, nor any of the reports, financial statements, certificates and other information required to be furnished pursuant to subsection 5.1 after the Closing Date (other than financial statements of any Target delivered to the Administrative Agent), as of the date furnished contains any untrue statement of a material fact or omits to state a material fact (known to the Borrower, in the case of any information not furnished by it) necessary in order to make the statements contained herein or therein not misleading in light of the circumstances in which the same were made. Any projections and pro forma financial information contained in such materials were based upon good faith estimates and assumptions believed by the Borrower to be reasonable at the time made, it being recognized by the Administrative Agent and the Lenders that such projections as to future events are not to be viewed as facts and that actual results during the period or periods covered by any such projections may differ from the projected results and that such differences may be material. There are no facts known (or which should upon the reasonable exercise of diligence be known) to the Borrower that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect and that have not been disclosed herein or in such other documents, certificates and statements furnished to the Lenders for use in connection with the transactions contemplated hereby.

4.14 Foreign Assets Control Regulations, etc.

Neither the making of the Loans to the Borrower nor its use of the proceeds thereof will violate the Trading with the Enemy Act, as amended, or any of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended) or any enabling legislation or executive order relating thereto. Without limiting the foregoing, neither the Borrower nor any of its Subsidiaries or Affiliates (a) is or will become a Person whose property or interests in property are blocked pursuant to Section 1 of Executive Order 13224 of September 23, 2001 Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism (66 Fed. Reg. 49079 (2001)) or (b) engages or will engage in any dealings or transactions, or be otherwise associated, with any such Person. The Borrower and its Subsidiaries and Affiliates are in compliance, in all material respects, with the Uniting And Strengthening America By Providing Appropriate Tools Required To Intercept And Obstruct Terrorism (USA Patriot Act of 2001).

Section5. AFFIRMATIVE COVENANTS

The Borrower covenants and agrees that, so long as any of the Commitments hereunder shall remain in effect and until payment in full of all of the Loans and other Obligations (other than Unasserted Obligations), unless the Requisite Lenders shall otherwise give consent, the Borrower shall perform, and shall cause each of its Subsidiaries to perform, all covenants in this Section 5.

5.1 Financial Statements and Other Reports.

The Borrower will maintain, and cause each of its Subsidiaries to maintain, a system of accounting established and administered in accordance with sound business practices to permit preparation of consolidated financial statements of the Borrower and its Subsidiaries in conformity with GAAP. The Borrower will deliver, or cause to be delivered or, in the case of subsections 5.1(ii), (iii) and (vi) below, will make available in the manner described in clause (xiv) below, to the Administrative Agent for the benefit of the Lenders:

(i) Events of Default, etc.: promptly upon any Officer of the Borrower obtaining knowledge (A) of any condition or event that constitutes an Event of Default or a Potential Event of Default, (B) that any Person has given any notice to the Borrower or any of its Subsidiaries or taken any other action with respect to a claimed default or event or condition of the type referred to in subsection 7.2 or (C) of the occurrence of any event or change that has caused or evidences, either in any case or in the aggregate, a Material Adverse Effect, an Officer's Certificate specifying the nature and period of existence of such condition, event or change, or specifying the notice given or action taken by any such Person and the nature of such claimed Event of Default, Potential Event of Default, default, event or condition and what action the Borrower has taken, is taking and proposes to take with respect thereto;

(ii) Quarterly Financials: (a) as soon as available and in any event within 50 days after the end of each of the first three Fiscal Quarters of each Fiscal Year, the consolidated balance sheets of the Borrower and its Subsidiaries as at the end of such Fiscal Quarter and the related consolidated statements of operations and cash flows (including all required footnotes thereto) of the Borrower and its Subsidiaries for such Fiscal Quarter and for the period from the beginning of the then current Fiscal Year to the end of such Fiscal Quarter, setting forth in each case in comparative form the corresponding figures for the corresponding periods of the previous Fiscal Year, all in reasonable detail and prepared by the Borrower in accordance with GAAP and certified by the chief financial officer of the Borrower that they fairly present, in all material respects, the financial condition of the Borrower and its Subsidiaries as at the dates indicated and the results of their operations and their cash flows for the periods indicated, subject to changes resulting from audit and normal year-end adjustments and the absence of footnote disclosure, and (b) with respect to the first three Fiscal Quarters of each Fiscal Year, the management's discussion and analysis incorporated into the Borrower's Form 10-Q delivered for such Fiscal Quarter or, if no such discussion and analysis has been delivered, a narrative report describing the operations of the Borrower and its Subsidiaries in the form prepared for presentation to senior management for such Fiscal Quarter and for the period from the beginning of the then current Fiscal Year to the end of such Fiscal Quarter; it being understood and agreed that the delivery or availability of the Borrower's Form 10-Q, if required, promptly following the filing thereof with the Commission shall satisfy the delivery requirements set forth in this clause (subject to the time periods set forth in this clause (ii));

(iii) Year-End Financials: as soon as available and in any event within 95 days after the end of each Fiscal Year, (a) the consolidated balance sheet of the Borrower and its Subsidiaries as at the end of such Fiscal Year and the related consolidated statements of operations and cash flows (including all required footnotes thereto) of the Borrower and its Subsidiaries for such Fiscal Year, setting forth in each case in comparative form the corresponding figures for the previous Fiscal Year, all in reasonable detail and prepared by the Borrower in accordance with GAAP and certified by the chief financial officer of the Borrower that they fairly present, in all material respects, the consolidated financial condition of the Borrower and its Subsidiaries as at the dates indicated and the consolidated results of their operations and their cash flows for the periods indicated, (b) the management's discussion and analysis incorporated in the Borrower's Form 10-K delivered for such Fiscal Year or, if no such 10-K has been delivered, a narrative report describing the operations of the Borrower and its Subsidiaries in the form prepared for presentation to senior management for such Fiscal Year, and (c) in the case of all such consolidated financial statements, a report and opinion thereon of PricewaterhouseCoopers LLP or any other independent certified public accountants of recognized national standing selected by the Borrower, and reasonably satisfactory to the Administrative Agent, which report and opinion shall be prepared in accordance with audit standards of the Public Company Accounting Oversight Board and applicable Securities Laws unqualified as to the scope of the audit or the ability of the Borrower and its Subsidiaries to continue as a going concern, and shall state that such consolidated financial statements fairly present, in all material respects, the consolidated financial position of the Borrower and its Subsidiaries as at the dates indicated and the consolidated results of their operations and their cash flows for the periods indicated in conformity with GAAP applied on a basis consistent with prior years (except as otherwise disclosed in such financial statements) and that the examination by such accountants in connection with such consolidated financial statements has been made in accordance with, if applicable, the audit standards of the Public Company Accounting Oversight Board and otherwise in accordance with generally accepted auditing standards; and it being understood and agreed that the delivery or availability of the Borrower's Form 10-K, if required, promptly after the filing thereof with the Commission shall satisfy the requirements set forth in this clause (subject to the time periods set forth in this clause (iii));

(iv) Compliance Certificates: together with each delivery of financial statements pursuant to subdivisions (ii) and (iii) above, (a) an Officer's Certificate of the Borrower stating that the signer or signers (in each case in such Person's capacity as an Officer and not in any individual capacity) have reviewed the terms of this Agreement and have made, or caused to be made under their supervision, a review in reasonable detail of the transactions and condition of the Borrower and its Subsidiaries during the accounting period covered by such financial statements and that such review has not disclosed the existence during or at the end of such accounting period, and that the signers (in each case in such Person's capacity as an Officer and not in any individual capacity) do not have knowledge of the existence as at the date of such Officer's Certificate, of any condition or event that constitutes an Event of Default or Potential Event of Default, or, if any such condition or event existed or exists, specifying the nature and period of existence thereof and what action the Borrower has taken, is taking and proposes to take with respect thereto and (b) a Compliance Certificate demonstrating in reasonable detail compliance at the end of the applicable accounting periods with the restrictions contained in subsection 6.6.

(v) Accountants' Reports: promptly upon receipt thereof (unless restricted by applicable professional standards), copies of all reports submitted to the Borrower by independent certified public accountants in connection with each annual, interim or special audit of the financial statements of the Borrower and its Subsidiaries made by such accountants;

(vi) SEC Filings: promptly upon their becoming publicly available, copies of regular and periodic reports and all registration statements (other than on Form S-8 or a similar form) and prospectuses, if any, filed by the Borrower or any of its Subsidiaries with any securities exchange or with the Commission or any governmental or private regulatory authority;

(vii) Litigation or Other Proceedings: promptly upon any Officer of the Borrower obtaining knowledge of (a) the institution of, any Proceeding against or affecting the Borrower or any of its Subsidiaries or any property or assets of the Borrower or any of its Subsidiaries not previously disclosed in writing by the Borrower to the Lenders or (b) any material development in any Proceeding that, in any case:

(x) after giving effect to the coverage and policy limits of insurance policies issued to the Borrower and its Subsidiaries, would reasonably be expected to result in a Material Adverse Effect; or

(y) seeks to enjoin or otherwise prevent the consummation of, or to recover any damages or obtain relief as a result of, the making, securing or repayment of the Obligations hereunder or the application of proceeds thereof;

written notice thereof together with such other information as may be reasonably available to the Borrower to enable the Lenders and their counsel to evaluate such matters;

(viii) ERISA Events: promptly upon an Officer of the Borrower becoming aware of the occurrence of or forthcoming occurrence of any ERISA Event, a written notice specifying the nature thereof, what action the Borrower, any of its Subsidiaries or any of their respective ERISA Affiliates has taken, is taking or proposes to take with respect thereto and, when known, any action taken or threatened by the Internal Revenue Service, the Department of Labor or the PBGC with respect thereto;

(ix) New Subsidiaries: together with each delivery of a Compliance Certificate pursuant to subdivision (iv) above with respect to the financial statements delivered pursuant to subdivision (iii) above, an updated list (containing information comparable to that required to be set forth on Schedule 4.1 with respect to the Subsidiaries of the Borrower as of the Closing Date) of all Subsidiaries of the Borrower;

(x) Insurance: as soon as practicable after any material reduction in insurance coverage maintained by the Borrower and its Subsidiaries, notice thereof to Administrative Agent specifying the changes and reasons therefor;

(xi) FOCUS Reports: as soon as practicable and in any event within 25 days after the end of each Fiscal Quarter, the FOCUS Report for such Fiscal Quarter filed by Edward Jones with the Commission;

(xii) Other Actions: as soon as possible and in any event within 10 days after any Officer of the Borrower learns thereof, notice of the assertion or commencement of any claim, action, litigation, suit or proceeding against or affecting the Borrower or any Subsidiary, including any investigation or proceeding commenced by the Commission, the Board, FINRA, MSRB, FDIC, OTS or any other Government Authority, Self-Regulatory Organization or securities exchange, which could reasonably be expected to have a Material Adverse Effect; and

(xiii) Other Information: with reasonable promptness, such other information and data with respect to the Borrower or any of its Subsidiaries as from time to time may be reasonably requested by the Administrative Agent. Information required to be delivered pursuant to the preceding clauses (ii), (iii) and (vi) shall be deemed to have been delivered if such information, or one or more annual, quarterly or other reports containing such information shall have been posted on the Borrower's website on the internet or shall be available on the website of the Securities and Exchange Commission at http://www.sec.gov; provided that the Borrower shall deliver paper copies of such information to the Administrative Agent or any Lender that requests such delivery, and provided, further that such information shall only be deemed to have been delivered when posted on any such website upon notification by the Borrower to the Administrative Agent and the Lenders of such posting.

5.2 Existence, etc.

Except as permitted under subsection 6.7, the Borrower will, and will cause each of its Subsidiaries to, at all times (a) preserve and keep in full force and effect its existence and all rights and franchises material to its business; provided, however that neither the Borrower nor any of its Subsidiaries shall be required to preserve any such rights or franchises if the Governing Body of the Borrower or such Subsidiary shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Borrower or such Subsidiary, as the case may be, and that the loss thereof would not reasonably be expected to result in a Material Adverse Effect and (b) maintain all registrations, licenses, consents, approvals and authorizations from and with any Government Authority, Self-Regulatory Organization or securities exchange necessary or material to the conduct of its business.

5.3 Payment of Taxes and Claims.

The Borrower will, and will cause each of its Subsidiaries to, pay all material taxes, assessments and other governmental charges imposed upon it or any of its properties or assets or in respect of any of its income, businesses or franchises before any material penalty accrues thereon, and all material claims (including claims for labor, services, materials and supplies) for sums that have become due and payable and that by law have or may become a Lien upon any of its properties or assets, prior to the time when any material penalty or fine shall be incurred with respect thereto, provided that no such tax, assessment, charge or claim need be paid if it is being contested in good faith by appropriate proceedings, so long as (i) such reserve or other appropriate provision, if any, as shall be required in conformity with GAAP shall have been made therefor and (ii) in the case of a tax, assessment, charge or claim which has or may become a Lien against any of the properties or assets of the Borrower or its Subsidiaries, the Lien is not being enforced by foreclosure or sale of any portion of such properties or assets to satisfy such charge or claim or is otherwise permitted by this Agreement.

5.4 Maintenance of Properties; Insurance.

A. Maintenance of Properties. The Borrower will, and will cause each of its Subsidiaries to, (a) maintain, preserve and protect all of its material properties (including material Intellectual Property) and equipment necessary in the operation of its business in good repair, working order and condition, ordinary wear and tear excepted and (b) make all necessary repairs thereto and renewals and replacements thereof except in each case where the failure to do so would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

B. Insurance. The Borrower will maintain or cause to be maintained, with financially sound and reputable insurers (or through self-insurance arrangements), such public liability insurance, third party property damage insurance, business interruption insurance and casualty insurance with respect to liabilities, losses or damage in respect of the assets, properties and businesses of the Borrower and its Subsidiaries as may customarily be carried or maintained under similar circumstances by corporations of established reputation engaged in similar businesses, in each case in such amounts (giving effect to self-insurance and retentions), with such deductibles, covering such risks and otherwise on such terms and conditions as shall be customary for corporations similarly situated in the industry.

5.5 Inspection Rights; Books and Records.

The Borrower shall, and shall cause each of its Subsidiaries to, permit any authorized representatives designated by the Administrative Agent (and, during the continuance of an Event of Default, any Lender) to visit and inspect any of the properties of the Borrower or of any of its Subsidiaries, to inspect, copy and take extracts from its and their financial and accounting records, and to discuss its and their affairs, finances and accounts with its and their Officers and independent public accountants (provided that the Borrower may, if it so chooses, be present at or participate in any such discussion), all upon reasonable notice and at such reasonable times during normal business hours without unreasonably interfering with the business of Borrower and its Subsidiaries up to one (1) time per twelve month period (beginning on the Closing Date) so long as no Event of Default shall have occurred and be continuing or at any time or from time to time following the occurrence and during the continuation of an Event of Default.

5.6 Compliance with Laws, etc.

The Borrower shall comply, and shall cause each of its Subsidiaries to comply, with the requirements of all applicable laws, statutes, and rules, regulations, orders and decrees or restrictions of any Government Authority, Self-Regulatory Organization or securities exchange having jurisdiction over the conduct of their respective businesses or the ownership of their respective properties (including, without limitation, the Exchange Act, the Advisers Act, the Investment Company Act, the CEA, Environmental Laws, and the applicable rules and regulations of the Commission, the Board, FINRA, MSRB, FDIC and OTS), except where the failure to so comply could not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect. Without limiting the foregoing, the Borrower and its Subsidiaries shall comply in all material respects with all applicable capital requirements of all Government Authorities (including, without limitation, Rule 15c3-1 and OTS capital requirements).

5.7 Environmental Matters.

The Borrower will, and will cause each of its Subsidiaries to:

(a) use and operate all of its facilities and properties in compliance with all Environmental Laws except for such non-compliance which, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect, keep all necessary permits, approvals, certificates, licenses and other authorizations relating to environmental matters in effect and remain in compliance therewith, except where the failure to keep such permits, approvals, certificates, licenses or other authorizations, or any non-compliance with the provisions thereof would not reasonably be expected to result in a Material Adverse Effect, and handle all Hazardous Materials in compliance with all applicable Environmental Laws, except for any non-compliance that would not reasonably be expected to result in a Material Adverse Effect;

(b) promptly notify the Administrative Agent and provide copies upon receipt of all written claims, complaints and notices of violation from any local, state or federal governmental agency relating to the condition of its facilities and properties or compliance with Environmental Laws which would reasonably be expected to result in a Material Adverse Effect, and shall promptly cure and have dismissed with prejudice, or contest in good faith, any actions and proceedings relating to compliance with Environmental Laws the result of which, if not contested by the Borrower, would reasonably be expected to result in a Material Adverse Effect; and

(c) provide such non-confidential information and certifications which the Administrative Agent may reasonably request from time to time to evidence compliance with this subsection 5.7.

Section 6. NEGATIVE COVENANTS

The Borrower covenants and agrees that, so long as any of the Commitments hereunder shall remain in effect and until payment in full of all of the Loans and other Obligations (other than Unasserted Obligations), unless the Requisite Lenders shall otherwise give consent, the Borrower shall perform, and shall cause each of its Subsidiaries to perform, all covenants in this Section 6.

6.1 Indebtedness.

The Borrower shall not permit any of its Subsidiaries to, directly or indirectly, create, incur, assume or guaranty, or otherwise become or remain directly or indirectly liable with respect to, any Indebtedness, except:

(i) (A) Contingent Obligations in respect of customary indemnification and purchase price adjustment obligations incurred in connection with dispositions of properties or assets or with purchases of properties or assets and (B) Contingent Obligations in respect of (1) any Indebtedness permitted pursuant to this subsection 6.1 (other than clause (xii) below) or (2) any obligation of the Borrower or any of its Subsidiaries not constituting Indebtedness incurred in a transaction that is not prohibited by this Agreement or any of the other Loan Documents;

(ii) Indebtedness owed by (A) any Subsidiary to the Borrower and (B) any Subsidiary to any other Subsidiary;

(iii) Indebtedness described in Schedule 6.1, together with any refinancing, refunding, renewal, modification, extension or replacement thereof; provided that (A) the principal amount of such Indebtedness is not increased at the time of such refinancing, refunding, renewal or extension except by an amount equal to a reasonable premium or other reasonable amount paid, and fees and expenses reasonably incurred, in connection with such refinancing and by an amount equal to any existing commitments unutilized thereunder and (B) the final maturity date and weighted average life of such refinancing, refunding, renewal or extension shall not be prior to the Revolving Loan Commitment Termination Date unless the maturity date of the existing Indebtedness being refinanced was already prior to the Revolving Loan Commitment Termination Date;

(iv) Indebtedness of any Subsidiary incurred to finance the acquisition, construction or improvement of any fixed or capital assets in the ordinary course of business, including Capital Leases and any Indebtedness assumed in connection with the acquisition of any such assets or secured by a Lien on any such assets prior to the acquisition thereof, and extensions, renewals and replacements of any such Indebtedness to the extent not increasing the outstanding principal amount thereof or resulting in an earlier maturity date or decreasing the weighted average life thereof; provided that (A) such Indebtedness is incurred prior to or within 90 days after such acquisition or the completion of such construction or improvement and (B) the principal amount of Indebtedness secured by any such Lien shall at no time exceed the original purchase price of such property at the time it was acquired;

(v) Indebtedness of a Person existing at the time such Person became a Subsidiary or assets were acquired from such Person in connection with an Investment permitted pursuant to subsection 6.3, to the extent that (A) such Indebtedness was not incurred in connection with, or in contemplation of, such Person becoming a Subsidiary or the acquisition of such assets, respectively, and (B) the aggregate outstanding principal amount of such Indebtedness does not exceed $25,000,000 at any time outstanding;

(vi) obligations in respect of Swap Contracts to the extent such agreements are entered into in the ordinary course of business and not for speculative purposes;

(vii) Indebtedness arising from the honoring of a bank or other financial institution of a check, draft or other similar instrument drawn against insufficient funds in the ordinary course of business;

(viii) obligations of any Subsidiary of the Borrower in respect of performance bonds and completion, guarantee, surety and similar bonds, in each case obtained in the ordinary course of business to support statutory and contractual obligations (other than Indebtedness) arising in the ordinary course of business;

(ix) committed and uncommitted bank lines of credit with maturities of one year or less incurred by Edward Jones and used by Edward Jones to facilitate its broker-dealer business;

(x) other Mortgage Indebtedness;

(xi) Contingent Obligations of any Subsidiary of the Borrower in respect of the headquarters lease of the former UK Subsidiary known as Edward Jones Limited;

(xii) Indebtedness in the form of notes co-issued by the Borrower and one or more Co-Issuer Subsidiaries in an aggregate principal amount not to exceed $500,000,000 at any time outstanding; and

(xiii) Indebtedness not otherwise permitted by this subsection 6.1 in an aggregate principal amount not to exceed $25,000,000 at any time outstanding.

6.2 Liens and Related Matters.

A. Prohibition on Liens. The Borrower shall not, and shall not permit any of its Subsidiaries to, directly or indirectly, create, incur, assume or permit to exist any Lien on or with respect to any property or asset of any kind (including any document or instrument in respect of goods or accounts) of the Borrower or any of its Subsidiaries, whether now owned or hereafter acquired, or any income or profits therefrom, except:

(i) Permitted Encumbrances;

(ii) Liens described in Schedule 6.2A;

(iii) Liens securing obligations incurred in connection with transactions governed by a Swap Contract to the extent permitted pursuant to subsection 6.3;

(iv) Liens on any property or assets existing at the time such property or asset was acquired (including Liens on the property or assets of any Person that becomes a Subsidiary of the Borrower that existed at the time such Person became a Subsidiary by acquisition, merger, consolidation or otherwise), which Liens were not created in contemplation of such acquisition; provided that (i) such Liens shall not extend to or cover any property or assets of any character other than the property or assets being acquired and (ii) such Liens shall secure only those obligations which such Liens secured on the date of such acquisition;

(v) Liens securing Indebtedness permitted pursuant to subsection 6.1(iv) (or Indebtedness of the same type incurred by the Borrower) (other than any Chapter 100 Transaction obligations) upon or in any real property or equipment acquired or held by the Borrower or any Subsidiary in the ordinary course of business to secure the purchase price of such property or equipment or to secure Indebtedness incurred solely for the purpose of financing the acquisition of such property or equipment; provided that (A) such Liens shall not extend to or cover any property or assets of any character other than the property or equipment being financed, (B) such Liens shall be created within 90 days of the acquisition of the related asset and (C) the amount of Indebtedness secured thereby is not increased;

(vi) Liens (i) in favor of the Borrower made by any Subsidiary of the Borrower and (ii) in favor of a Subsidiary made by another Subsidiary;

(vii) customary restrictions on transfers of assets contained in agreements related to the sale by the Borrower or the Subsidiaries of such assets pending their sale, provided that such restrictions apply only to the assets to be sold and such sale is permitted hereunder; and

(viii) Liens securing Indebtedness permitted pursuant to subsection 6.1(ix);

(ix) Liens on any real property securing Mortgage Indebtedness permitted pursuant to subsection 6.1(x) in respect of which (i) the recourse of the holder of such Mortgage Indebtedness (whether direct or indirect and whether contingent or otherwise) under the instrument creating the Lien or providing for the Mortgage Indebtedness secured by the Lien is limited to such real property directly securing such Mortgage Indebtedness, any after-acquired property affixed thereto or incorporated therein and any proceeds or products thereof and (ii) such holder may not under the instrument creating the Lien or providing for the Indebtedness secured by the Lien collect by levy of execution or otherwise against assets or property of the Borrower or any of its Subsidiaries (other than such real property directly securing such Mortgage Indebtedness) if the Borrower or any of its Subsidiaries fails to pay such Mortgage Indebtedness when due and such holder obtains a judgment with respect thereto, except for recourse obligations that are customary in "non-recourse" real estate transactions;

(x) Liens arising in connection with any Chapter 100 Transaction;

(xi) Liens on cash or deposits granted in favor of the Swing Line Lenders to cash collateralize any Defaulting Lender's participation in Swing Line Loans; and

(xii) Liens not otherwise permitted hereunder securing obligations in an aggregate principal amount not to exceed $15,000,000 at any time outstanding; and

(xiii) the replacement, extension or renewal of any Lien permitted by clauses (ii), (iii)(b) and (iii)(c) above upon or in the same property subject thereto arising out of the replacement, extension or renewal of the Indebtedness secured thereby (to the extent the amount thereof is not increased).

B. No Further Negative Pledges. Neither the Borrower nor any of its Subsidiaries shall create or otherwise cause or suffer to exist or become effective any agreement prohibiting the creation or assumption of any Lien upon any of its or its Subsidiaries' properties or assets, whether now owned or hereafter acquired, other than (i) any agreement evidencing Indebtedness secured by Liens permitted by this Agreement, as to the assets securing such Indebtedness, (ii) any agreement evidencing an asset sale, lease or license as to the assets being sold, leased or licensed, (iii) restrictions and conditions arising under this Agreement and the other Loan Documents or the Existing Indentures and the notes issued thereunder, (iv) restrictions and conditions arising under any indenture entered into by the Borrower and any Co-Issuer Subsidiary after the Closing Date in respect of one or more debt issuances by the Borrower and any Co-Issuer Subsidiary of up to $500,000,000 in the aggregate for all such debt issuances, (v) customary provisions in licenses, governmental permits, leases and other contracts restricting the assignment thereof, (vi) customary provisions in joint venture agreements relating solely to the respective Joint Venture or the Securities therein, (vii) restrictions and conditions contained in any agreements existing at the time of (and not created in contemplation of) the acquisition of any Person or assets (including agreements governing Indebtedness permitted pursuant to clauses (iv) and (v) of subsection 6.1), provided that such restrictions and conditions apply only to the Person or assets so acquired, (viii) restrictions and conditions imposed by any Government Authority and (ix) restrictions under an agreement governing Indebtedness of a Foreign Subsidiary incurred in compliance with subsection 6.1 if such restriction applies only to assets of such Foreign Subsidiary or any Subsidiary thereof.

C. No Restrictions on Subsidiary Distributions to the Borrower or Other Subsidiaries. The Borrower will not, and will not permit any of its Subsidiaries to, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or restriction on the ability of any such Subsidiary to (i) pay dividends or make any other distributions on any of such Subsidiary's Capital Stock owned by the Borrower or any other Subsidiary of the Borrower, (ii) repay or prepay any Indebtedness owed by such Subsidiary to the Borrower or any other Subsidiary of the Borrower, (iii) make loans or advances to the Borrower or any other Subsidiary of the Borrower, or (iv) transfer any of its property or assets to the Borrower or any other Subsidiary of the Borrower, except in each case (A) as provided in this Agreement, any other Loan Document or existing on the date hereof and identified on Schedule 6.2C, (B) as to transfers of assets, as may be provided in an agreement with respect to a sale, lease or license of such assets, (C) as required by law, rules or regulations of any Government Authority, (D) as to customary restrictions and conditions that waive or prohibit the subrogation of claims and/or prohibit parties to such agreements from collecting intercompany obligations customarily included in guaranty or indemnity agreements and (E) as to customary provisions in joint venture agreements relating solely to the respective Joint Venture or the Securities thereof.

6.3 Investments; Acquisitions.

The Borrower shall not, and shall not permit any of its Subsidiaries to, directly or indirectly, make or permit to exist any Investment in any Person, including any Joint Venture, or acquire, by purchase or otherwise, all or substantially all of the assets comprising a division or a line of business, or Capital Stock of any Person except:

(i) (A) Investments in cash or Cash Equivalents and (B) other Investments by Edward Jones made in the ordinary course of business in accordance with Rule 15c3-3;

(ii) Investments existing on the Closing Date in any Subsidiaries of the Borrower in existence as of the Closing Date and additional equity Investments made after the Closing Date (A) by a Subsidiary in another Subsidiary, (B) by a Subsidiary in the Borrower, (C) by the Borrower in Edward Jones or EDJ Leasing and (D) by the Borrower in any other Subsidiaries in an amount not to exceed $35,000,000 in the aggregate for all such Subsidiaries;

(iii) intercompany loans and advances to the extent permitted under subsection 6.1(ii);

(iv) other Investments existing on the Closing Date and described in Schedule 6.3;

(v) Investments in the form of promissory notes and other non-cash consideration received by the Borrower or any of its Subsidiaries in connection with any conveyances, sales, leases or sub-leases, assignments, transfers and dispositions permitted by subsection 6.7;

(vi) transactions governed by Swap Contracts entered into in the ordinary course of business but not for speculative purposes;

(vii) Securities purchased under agreements to resell (to the extent such transactions constitute Investments);

(viii) the Borrower and its Subsidiaries may acquire, in a single transaction or series of related transactions (A) all or substantially all of the assets or a majority of the outstanding Securities entitled to vote in an election of members of the Governing Body of a Person incorporated or organized in the United States or (B) any division, line of business or other business unit of a Person that is incorporated or organized in the United States (such Person or such division, line of business or other business unit of such Person being referred to herein as the **"Target"**), in each case that is a type of business (or assets used in a type of business) permitted to be engaged in by the Borrower and its Subsidiaries pursuant to subsection 6.10, so long as (1) no Event of Default or Potential Event of Default shall then exist or would exist after giving effect thereto, (2) the Borrower delivers a Compliance Certificate demonstrating that, after giving effect to such acquisition and any financing thereof on a pro forma basis as if such acquisition had been completed on the first day of the four Fiscal Quarter period ending on the last day of the most recent Fiscal Quarter for which financial statements have been delivered pursuant to subsection 5.1(ii) (such last day, the "test date"), the Borrower and its Subsidiaries would have been in compliance with each of the financial covenants set forth in subsection 6.6 and (3) such acquisition shall not be a "hostile" acquisition and shall have been approved by the Governing Body and/or shareholders of the Borrower or such Subsidiary, as applicable, and Target;

(ix) Investments in Securities, whether purchased and held for resale to customers, for such Person's own investment purposes or to fund deferred compensation liabilities for employees, in each case, in the ordinary course of business and consistent with past practice;

(x) Investments in margin loans to retail customers in the ordinary course of business and consistent with past practice;

(xi) (A) Investments in Edward Jones Mortgage, LLC and Passport Research Ltd. in existence on the Closing Date and (B) additional Investments in Joint Ventures (including Edward Jones Mortgage, LLC and Passport Research Ltd.) from and after the Closing Date in an aggregate amount not at any time to exceed $25,000,000;

(xii) Investments in Securities issued by Government Authorities with a maturity of up to ten (10) years and in an aggregate principal amount not to exceed the amount of any bond issue permitted under the terms hereof;

(xiii) Investments by the Borrower constituting loans to the Borrower's partners, the proceeds of which are used exclusively for the concurrent purchase of Partnership Capital;

(xiv) Investments by the Borrower permitted pursuant to subsection 6.5(a)(v); and

(xv) other additional Investments not otherwise permitted pursuant to this subsection 6.3 in an aggregate amount not to exceed $25,000,000 at any time.

For purposes of determining the amount of any Investment outstanding for purposes of this subsection 6.3, such amount shall be deemed to be the amount of such Investment when made, purchased or acquired less any amount realized in respect of such Investment upon the sale, collection or return of capital (not to exceed the original amount invested).

6.4 Fiscal Year.

The Borrower shall not change its Fiscal Year-end from December 31 without prior written notice to the Administrative Agent.

6.5 Restricted Payments.

The Borrower shall not, and shall not permit any of the Subsidiaries to, directly or indirectly, declare, order, pay, make or set apart any sum for any Restricted Payment so long as any Event of Default shall have occurred and be continuing or shall be caused thereby; provided, however, that:

(a) except as set forth in clause (b) below, notwithstanding the occurrence and continuance of an Event of Default, the Borrower shall be permitted to make and/or pay:

(i) distributions to its partners in order for each of them to pay any and all foreign, federal, state or local income, employment and/or other taxes arising with respect to the income, gains or profit of the Borrower and its Subsidiaries (assuming that each partner is in the highest marginal rate for each taxing jurisdiction) (collectively, the "Tax Distributions");

(ii) distributions to fund the repayment of principal and interest on loans incurred by the partners to make their respective capital contributions;

(iii) salaries to its partners in accordance with its Organizational Documents;

(iv) guaranteed payments to its limited partners as they come due in accordance with its Organizational Documents and not on an accelerated basis;

(v) distributions to its partners required by the Borrower's Repurchase Obligations; and

(vi) distributions to its partners in an amount not to exceed $5,000,000 in order to pay other amounts owing to such partners;

in each case of the foregoing clauses (i) through and including (vi), in the ordinary course of business and consistent with past practice (collectively, the "Permitted Restricted Payments"); and

(b) if an Event of Default in respect of Section 6.6B shall have occurred, no Permitted Restricted Payments (other than Tax Distributions) shall be permitted from and after the occurrence of such Event of Default and during the continuance thereof.

6.6 Financial Covenants.

A. Maximum Leverage Ratio. The Borrower shall not, at any time, permit the Leverage Ratio to be greater than thirty five percent (35%).

B. Minimum Partnership Capital. The Borrower shall maintain Partnership Capital at all times of not less than an amount equal to the sum of (i) $1,200,000,000 plus (ii) fifty percent (50%) of the Change in Partnership Capital (if positive) for each Fiscal Quarter ending after the Closing Date and on or prior to the date of determination.

6.7 Restriction on Fundamental Changes; Asset Sales.

The Borrower shall not, and shall not permit any of its Subsidiaries to, enter into any transaction of merger or consolidation, or liquidate, wind-up or dissolve itself (or suffer any liquidation or dissolution), or convey, sell, lease or sub-lease (as lessor or sublessor), transfer or otherwise dispose of, in one transaction or a series of transactions, all or any part of its business, property or assets (including its notes or receivables and Capital Stock of any Subsidiary, whether newly issued or outstanding), whether now owned or hereafter acquired, except:

(i) sales of Securities sold in the ordinary course of business;

(ii) (A) any Subsidiary of the Borrower may be merged or consolidated with or otherwise combined into the Borrower or any Wholly-Owned Subsidiary; provided that, in the case of such a merger, consolidation or other combination, the Borrower or such other Wholly-Owned Subsidiary shall be the continuing or surviving Person, (B) any Subsidiary of the Borrower may be liquidated, wound up or dissolved into the Borrower or any Wholly-Owned Subsidiary and (C) all or any part of the business, property or assets of any Subsidiary of the Borrower may be conveyed, sold, leased, sub-leased, transferred or otherwise disposed of, in one transaction or a series of transactions, to the Borrower or any Wholly-Owned Subsidiary;

(iii) dispositions of obsolete, used, worn out or surplus property in the ordinary course of business;

(iv) sales or dispositions of shares of Capital Stock of any of the Borrower's Subsidiaries in order to qualify members of the Governing Body of such Subsidiary if required by applicable law;

(v) any Person may be merged or consolidated with or otherwise combined into the Borrower or any Subsidiary if the acquisition of the Capital Stock of such Person by the Borrower or such Subsidiary would have been permitted pursuant to subsection 6.3; or all or any part of such Person's business, property or assets may be conveyed, sold, leased, sub-leased, transferred or otherwise disposed of, in one transaction or a series of transactions to a Borrower or a Subsidiary, provided that (a) in the case of the Borrower, the Borrower shall be the continuing or surviving Person, (b) if a Subsidiary is not the surviving or continuing Person, the surviving Person becomes a Subsidiary and (c) no Potential Event of Default or Event of Default shall have occurred or be continuing after giving effect thereto;

(vi) sales, transfers and asset swaps in the ordinary course of business that are described in Schedule 6.7;

(vii) sale and leaseback transactions permitted under subsection 6.9;

(viii) the lease, sub-lease, license, sublicense or other transfer of real or personal property (including Intellectual Property) in the ordinary course of business in accordance with past practices;

(ix) any Subsidiary of the Borrower may enter into and consummate any Chapter 100 Transactions;

(x) sales or dispositions of assets or Capital Stock of Edward Jones Trust Co. and/or Edward Jones (Ontario Limited Partnership); and

(xi) additional conveyances, sales, leases or sub-leases (as lessor or sublessor), transfers or other dispositions of assets not otherwise permitted by this subsection 6.7 in any Fiscal Year of assets having a fair market value, as of the date of any such transaction, in an aggregate amount for such Fiscal Year not to exceed ten percent (10%) of Partnership Capital as of the first day of such Fiscal Year.

6.8 Transactions with Affiliates.

The Borrower shall not, and shall not permit any of its Subsidiaries to, directly or indirectly, enter into or permit to exist any transaction (including the purchase, sale, lease or exchange of any property or assets or the rendering of any service) of any kind with any Affiliate of the Borrower except (a) in the ordinary course of business of the Borrower or the applicable Subsidiary at prices and on terms and conditions not less favorable to the Borrower or such Subsidiary than could be obtained on an arm's length basis for unrelated third parties; (b) transactions between or among the Borrower and its Wholly-Owned Subsidiaries or between or among Wholly-Owned Subsidiaries of the Borrower; (c) transactions permitted pursuant to subsections 6.1, 6.3, 6.5 or 6.7; (d) payment of customary fees and expenses to members of the board of directors of the Borrower and its Subsidiaries in the ordinary course of business; (e) payment of employee compensation in the ordinary course of business to any Affiliate who is an individual in such Person's capacity as an officer, employee or consultant of the Borrower or any of its Subsidiaries; and (f) transactions existing on the date hereof identified on Schedule 6.8.

6.9 Sale and Lease-Backs.

Except as set forth on Schedule 6.9 hereto, the Borrower shall not, and shall not permit any of its Subsidiaries to, directly or indirectly, become or remain liable as lessee or as a guarantor or other surety with respect to any lease (including a Capital Lease), of any property (whether real, personal or mixed), whether now owned or hereafter acquired, that the Borrower or any of its Subsidiaries sells or transfers or is to sell or transfer to any other Person (other than the Borrower or any of its Subsidiaries); provided that (i) the Borrower and its Subsidiaries may become and remain liable as lessee, guarantor or other surety with respect to any such lease if and to the extent that the Borrower or any of its Subsidiaries would be permitted to enter into, and remain liable under, such lease to the extent that the transaction would be permitted under subsection 6.1, as if the sale and lease back transaction constituted Indebtedness in a principal amount equal to the gross proceeds of the sale and (ii) any Subsidiary of the Borrower may enter into the transactions contemplated by subsection 6.7 (ix).

6.10 Conduct of Business.

From and after the Closing Date, the Borrower shall not, and shall not permit any of its Subsidiaries to, engage in any businesses that are material to the Borrower and its Subsidiaries, taken as a whole, other than the businesses engaged in by the Borrower and its Subsidiaries on the Closing Date, and businesses reasonably related, complementary, ancillary or incidental thereto.

6.11 Limitations on Co-Issuer Subsidiaries.

The Borrower shall not permit any Co-Issuer Subsidiary to (a) hold any assets other than non-material assets, (b) have any liabilities other than Indebtedness permitted pursuant to Section 6.1(xii) or (c) engage in any activities or business other than acting as a co-issuer with the Borrower of Indebtedness permitted pursuant to Section 6.1(xii).

Section 7. EVENTS OF DEFAULT

If any of the following conditions or events ("**Events of Default**") shall occur:

7.1 Failure to Make Payments When Due.

Failure of the Borrower to pay any principal of any Loan when due, whether at stated maturity, by acceleration, by notice of voluntary prepayment, by mandatory prepayment or otherwise; or failure by the Borrower to pay any interest on any Loan or any fee or any other Obligation within three (3) Business Days after the date due; or

7.2 Default in Other Agreements.

(i) Failure of the Borrower or any of its Subsidiaries to pay when due any principal of or interest on or any other amount payable in respect of Indebtedness (other than Indebtedness referred to in subsection 7.1) with an outstanding principal amount of at least $25,000,000 for any one item of Indebtedness or for multiple items of Indebtedness in the aggregate, in each case beyond the end of any grace period provided therefor; or

(ii) breach or default by the Borrower or any of its Subsidiaries with respect to any agreement or condition relating to Indebtedness with an outstanding principal amount of at least $25,000,000 for any one item of Indebtedness or for multiple items of Indebtedness in the aggregate, or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which breach, default, event or condition is to cause, or to permit the holder or holders of that Indebtedness (or a trustee on behalf of such holder or holders) to cause, such Indebtedness to become or be declared due and payable prior to its stated maturity or the stated maturity of any underlying obligation, as the case may be (with all notices provided for therein having been given and all grace periods provided for therein having lapsed, such that no further notice or passage of time is required in order for such holders or such trustee to exercise such right, other than notice of their or its election to exercise such right); or

7.3 Breach of Certain Covenants.

Failure of the Borrower to perform or comply with any term or condition contained in subsection 2.5, 5.1(i), 5.2 or Section 6 (other than subsection 6.4) of this Agreement; or

7.4 Breach of Warranty.

Any representation, warranty or certification made by the Borrower or any of its Subsidiaries in any Loan Document or in any certificate at any time given by the Borrower or any of its Subsidiaries in writing pursuant hereto or thereto or in connection herewith or therewith (i) that is subject to materiality qualifications shall be incorrect or misleading in any respect when made or deemed made or (ii) that is not subject to materiality qualifications shall be incorrect or misleading in any material respect when made or deemed made; or

7.5 Other Defaults Under Loan Documents.

The Borrower or any of its Subsidiaries shall default in the performance of or compliance with any term contained in this Agreement or any of the other Loan Documents, other than any such term referred to or covered in any other subsection of this Section 7, and such default shall not have been remedied or waived within 30 days after receipt by the Borrower or such Subsidiary of notice from the Administrative Agent or any Lender of such default; or

7.6 Involuntary Bankruptcy; Appointment of Receiver, etc.

(i) A court having jurisdiction in the premises shall enter a decree or order for relief in respect of the Borrower or any of its Subsidiaries in an involuntary case under the Bankruptcy Code or under any other applicable bankruptcy, insolvency or similar law now or hereafter in effect, which decree or order is not stayed; or any other similar relief shall be granted under any applicable federal or state law; or

(ii) an involuntary case shall be commenced against the Borrower or any of its Subsidiaries under the Bankruptcy Code or under any other applicable bankruptcy, insolvency or similar law now or hereafter in effect; or a decree or order of a court having jurisdiction in the premises for the appointment of a receiver, liquidator, sequestrator, trustee, conservator, custodian or other officer having similar powers over the Borrower or any of its Subsidiaries, or over all or a substantial part of its property, shall have been entered; or there shall have occurred the involuntary appointment of an interim receiver, trustee or other custodian of the Borrower or any of its Subsidiaries for all or a substantial part of the property of the Borrower or any of its Subsidiaries, and any such event described in this clause (ii) shall continue for 60 days unless dismissed, bonded or discharged; or

7.7 Voluntary Bankruptcy; Appointment of Receiver, etc.

(i) The Borrower or any of its Subsidiaries shall have an order for relief entered with respect to it or commence a voluntary case under the Bankruptcy Code or under any other applicable bankruptcy, insolvency or similar law now or hereafter in effect, or shall consent to the entry of an order for relief in an involuntary case, or to the conversion of an involuntary case to a voluntary case, under any such law, or shall consent to the appointment of or taking possession by a receiver, trustee or other custodian for all or a substantial part of its property; or the Borrower or any of its Subsidiaries shall make any assignment for the benefit of creditors; or

(ii) the Borrower or any of its Subsidiaries shall be unable, or shall fail generally, or shall admit in writing its inability, to pay its debts as such debts become due; or the Governing Body of the Borrower or any of its Subsidiaries (or any committee thereof) shall adopt any resolution or otherwise authorize any action to approve any of the actions referred to in clause (i) above or this clause (ii); or

7.8 Judgments and Attachments.

Any money judgment, writ or warrant of attachment, execution or similar process involving in the aggregate at any time an amount in excess of $25,000,000 to the extent not adequately covered by insurance as to which a solvent and unaffiliated insurance company has acknowledged coverage, shall be entered or filed against the Borrower or any of its Subsidiaries or any of their respective assets and shall remain undischarged, unvacated, unbonded or unstayed for a period of 60 days (or in any event later than five days prior to the date of any proposed sale thereunder); or

7.9 Dissolution.

Any order, judgment or decree shall be entered against the Borrower or any of its Subsidiaries decreeing the dissolution or split up of the Borrower or such Subsidiary in a manner not permitted under subsections 5.2 or 6.7, and such order shall remain undischarged or unstayed for a period in excess of 30 days; or

7.10 Employee Benefit Plans.

There shall occur one or more ERISA Events that individually or in the aggregate result in or would reasonably be expected to result in a Material Adverse Effect; or there shall exist an amount of unfunded benefit liabilities (as reported in the Borrower's most recent Form 5500), individually or in the aggregate for all Pension Plans to which the Borrower or any of its Subsidiaries has contributed (excluding for purposes of such computation any Pension Plans with respect to which assets exceed benefit liabilities), which would reasonably be expected to result in a Material Adverse Effect; or

7.11 Change in Control.

A Change in Control shall have occurred; or

7.12 SIPC.

The Commission or any Self-Regulatory Organization shall have notified the SIPC pursuant to Section 5(a)(1) of the SIPA of facts which lead it to reasonably believe that the Borrower or any Subsidiary thereof is in or is approaching financial difficulty, or the SIPC shall file an application for a protective decree with respect to the Borrower or any of its Subsidiaries under Section 5(a)(3) of the SIPA; or

7.13 Broker-Dealer License.

The Commission or other Government Authority shall revoke or suspend the license or authorization of any Subsidiary of the Borrower under Federal or Missouri state law (or any other state in which five percent (5%) or more of securities trade revenue is generated) to conduct business as a securities broker-dealer (and such license or authorization shall not be reinstated within five days), or any Subsidiary of the Borrower shall be suspended or expelled from membership in the FINRA or any other Self-Regulatory Organization or securities exchange; or

7.14 Invalidity of Loan Documents; Repudiation of Obligations.

At any time after the execution and delivery thereof, (i) any Loan Document or any provision thereof, for any reason other than the satisfaction in full of all Obligations, shall cease to be in full force and effect (other than in accordance with its terms) or shall be declared to be null and void, (ii) the Borrower or any of its Subsidiaries shall contest the validity or enforceability of any Loan Document or any provision thereof in writing, or (iii) the Borrower shall deny in writing that it has any further liability, including with respect to future advances by the Lenders, under any Loan Document or any provision thereof;

THEN (i) upon the occurrence of any Event of Default described in subsection 7.6 or 7.7 in respect of the Borrower or any of its Subsidiaries, (a) the Commitment shall be terminated and the obligation of each Lender to make any Loan hereunder shall thereupon terminate and (b) the unpaid principal amount of and accrued interest on the Loans and all other Obligations shall automatically become immediately due and payable, without presentment, demand, protest or other requirements of any kind, all of which are hereby expressly waived by the Borrower, and (ii) upon the occurrence and during the continuation of any other Event of Default, the Administrative Agent shall, upon the written request or with the written consent of the Requisite Lenders, by written notice to the Borrower, declare all or any portion of the amounts described in clauses (a) and (b) above to be, and the same shall forthwith become, immediately due and payable, and the obligation of each Lender to make any Loan hereunder shall thereupon terminate; provided that the foregoing shall not affect in any way the obligations of the Lenders to purchase assignments of any unpaid Swing Line Loans as provided in subsection 2.1A(ii).

Notwithstanding anything contained in the preceding paragraph, if at any time within 60 days after an acceleration of the Loans pursuant to clause (ii) of the preceding paragraph the Borrower shall pay all arrears of interest and all payments on account of principal which shall have become due otherwise than as a result of such acceleration (with interest on principal and, to the extent permitted by law, on overdue interest, at the rates specified in this Agreement) and all Events of Default and Potential Events of Default (other than non-payment of the principal of and accrued interest on the Loans, in each case which is due and payable solely by virtue of acceleration) shall be remedied or waived pursuant to subsection 9.6, then the Requisite Lenders, by written notice to the Borrower, may at their option rescind and annul such acceleration and its consequences; but such action shall not affect any subsequent Event of Default or Potential Event of Default or impair any right consequent thereon. The provisions of this paragraph are intended merely to bind the Lenders to a decision which may be made at the election of the Requisite Lenders, and such provisions shall not at any time be construed so as to grant the Borrower the right to require the Lenders to rescind or annul any acceleration hereunder or to preclude the Administrative Agent or the Lenders from exercising any of the rights or remedies available to them under any of the Loan Documents, even if the conditions set forth in this paragraph are met.

Section 8. ADMINISTRATIVE AGENT

8.1 Appointment. Wells Fargo is hereby appointed the Administrative Agent hereunder and under the other Loan Documents. Each Lender hereby authorizes the Administrative Agent to act as its agent in accordance with the terms of this Agreement and the other Loan Documents. Wells Fargo agrees to act upon the express conditions contained in this Agreement and the other Loan Documents, as applicable. The provisions of this Section 8 are solely for the benefit of the Administrative Agent and the Lenders and neither the Borrower nor any of its Subsidiaries shall have rights as a third party beneficiary of any of the provisions hereof, except that the Borrower shall be a third party beneficiary of subsections 8.5A, 8.5B and 8.6 and shall be entitled to enforce its rights thereunder. In performing its functions and duties under this Agreement, the Administrative Agent (other than as provided in subsection 2.1D) shall act solely as an agent of the Lenders and does not assume and shall not be deemed to have assumed any obligation towards or relationship of agency or trust with or for the Borrower or any of its Subsidiaries.

8.2 Powers and Duties; General Immunity.

A. Powers; Duties Specified. Each Lender irrevocably authorizes the Administrative Agent to take such action on such Lender's behalf and to exercise such powers, rights and remedies hereunder and under the other Loan Documents as are specifically delegated or granted to the Administrative Agent by the terms hereof and thereof, together with such powers, rights and remedies as are reasonably incidental thereto. The Administrative Agent shall have only those duties and responsibilities that are expressly specified in this Agreement and the other Loan Documents. The Administrative Agent may exercise such powers, rights and remedies and perform such duties by or through its agents or employees. The Administrative Agent shall not have, by reason of this Agreement or any of the other Loan Documents, a fiduciary relationship in respect of any Lender or the Borrower; and nothing in this Agreement or any of the other Loan Documents, expressed or implied, is intended to or shall be so construed as to impose upon the Administrative Agent any obligations in respect of this Agreement or any of the other Loan Documents except as expressly set forth herein or therein.

B. No Responsibility for Certain Matters. The Administrative Agent shall not be responsible to any Lender for the execution, effectiveness, genuineness, validity, enforceability, collectability or sufficiency of this Agreement or any other Loan Document or for any representations, warranties, recitals or statements made herein or therein or made in any written or oral statements or in any financial or other statements, instruments, reports or certificates or any other documents furnished or made by the Administrative Agent to the Lenders or by or on behalf of the Borrower to the Administrative Agent or any Lender in connection with the Loan Documents and the transactions contemplated thereby or for the financial condition or business affairs of the Borrower or any other Person liable for the payment of any Obligations, nor shall the Administrative Agent be required to ascertain or inquire as to the performance or observance of any of the terms, conditions, provisions, covenants or agreements contained in any of the Loan Documents or as to the use of the proceeds of the Loans or as to the existence or possible existence of any Event of Default or Potential Event of Default.

C. Exculpatory Provisions. Neither any Agent nor any of its officers, directors, employees or agents shall be liable to the Lenders for any action taken or omitted by such Agent under or in connection with any of the Loan Documents except to the extent caused by such Agent's gross negligence or willful misconduct. Each Agent shall be entitled to refrain from any discretionary act or the taking of any discretionary action (including the failure to take an action) in connection with this Agreement or any of the other Loan Documents or from the exercise of any power, discretion or authority vested in it hereunder or thereunder unless and until such Agent shall have received instructions in respect thereof from the Requisite Lenders (or such other Lenders as may be required to give such instructions under subsection 9.6) and, upon receipt of such instructions from the Requisite Lenders (or such other Lenders, as the case may be), such Agent shall be required to act or (where so instructed) refrain from acting, or to exercise such power, discretion or authority, in accordance with such instructions; provided that no Agent shall be required to take any action that, in its opinion or the opinion of its counsel, may expose such Agent to liability or that is contrary to any Loan Document or applicable law. Without prejudice to the generality of the foregoing, (i) each Agent shall be entitled to rely, and shall be fully protected in relying, upon any communication (including any electronic message, Internet or intranet website posting or other distribution), instrument or document believed by it to be genuine and correct and to have been signed or sent by the proper person or persons, and shall be entitled to rely and shall be protected in relying on opinions and judgments of attorneys (who may be attorneys for Company and its Subsidiaries), accountants, experts and other professional advisors selected by it; and (ii) no Lender shall have any right of action whatsoever against any Agent as a result of such Agent acting or (where so instructed) refraining from acting under this Agreement or any of the other Loan Documents in accordance with the instructions of the Requisite Lenders (or such other Lenders as may be required to give such instructions under subsection 9.6).

D. Administrative Agent Entitled to Act as Lender. The agency hereby created shall in no way impair or affect any of the rights and powers of, or impose any duties or obligations upon, the Administrative Agent in its individual capacity as a Lender hereunder. The term "Lender" or "Lenders" or any similar term shall, unless the context clearly otherwise indicates, include the Administrative Agent in its individual capacity. The Administrative Agent and its Affiliates may accept deposits from, lend money to, acquire equity interests in and generally engage in any kind of commercial banking, investment banking, trust, financial advisory or other business with the Borrower or any of its Affiliates as if it were not performing the duties specified herein, and may accept fees and other consideration from the Borrower for services in connection with this Agreement and otherwise without having to account for the same to the Lenders.

8.3 Independent Investigation by Lenders; No Responsibility For Appraisal of Creditworthiness.

Each Lender agrees that it has made its own independent investigation of the financial condition and affairs of the Borrower and its Subsidiaries in connection with the making of the Loans hereunder and that it has made and shall continue to make its own appraisal of the creditworthiness of the Borrower and its Subsidiaries. The Administrative Agent shall not have any duty or responsibility, either initially or on a continuing basis, to make any such investigation or any such appraisal on behalf of the Lenders or to provide any Lender with any credit or other information with respect thereto, whether coming into its possession before the making of the Loans or at any time or times thereafter, and the Administrative Agent shall not have any responsibility with respect to the accuracy of or the completeness of any information provided to the Lenders.

8.4 Right to Indemnity.

Each Lender, in proportion to its Pro Rata Share, severally agrees to indemnify the Administrative Agent and its officers, directors, employees, agents, attorneys, professional advisors and Affiliates (collectively, the "**Agent Indemnitees**") to the extent that any such Person shall not have been reimbursed by the Borrower, for and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses (including reasonable counsel fees and disbursements and fees and disbursements of any financial advisor engaged by the Administrative Agent) or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against the Administrative Agent or such other Person in exercising the powers, rights and remedies of the Administrative Agent or performing duties of the Administrative Agent hereunder or under the other Loan Documents or otherwise in its capacity as the Administrative Agent in any way relating to or arising out of this Agreement or the other Loan Documents; provided that no Lender shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any Agent Indemnitee resulting solely from that Agent Indemnitee's gross negligence or willful misconduct as determined by a final judgment of a court of competent jurisdiction. If any indemnity furnished to the Administrative Agent or any other such Person for any purpose shall, in the opinion of the Administrative Agent, be insufficient or become impaired, the Administrative Agent may call for additional indemnity and cease, or not commence, to do the acts indemnified against until such additional indemnity is furnished.

8.5 Resignation of the Administrative Agent; Successor Administrative Agent and Swing Line Lender.

A. Resignation; Successor Administrative Agent. The Administrative Agent may resign at any time by giving 30 days' prior written notice thereof to the Lenders and the Borrower. Upon any such notice of resignation by the Administrative Agent, the Requisite Lenders shall have the right, upon five Business Days' notice to the Borrower, to appoint a successor Administrative Agent, with such appointment subject, so long as no Event of Default shall have occurred and be continuing, to prior approval of the Borrower (such approval not to be unreasonably withheld or delayed). If no such successor shall have been so appointed by the Requisite Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation, the retiring Administrative Agent may, on behalf of the Lenders, appoint a successor Administrative Agent with such appointment subject, so long as no Event of Default shall have occurred and be continuing, to prior approval of the Borrower (such approval not to be unreasonably withheld or delayed). If the Administrative Agent shall notify the Lenders and the Borrower that no Person has accepted such appointment as successor Administrative Agent, such resignation shall nonetheless become effective in accordance with the Administrative Agent's notice and (i) the retiring Administrative Agent shall be discharged from its duties and obligations under the Loan Documents, and (ii) all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by, to or through each Lender directly, until such time as the Requisite Lenders appoint a successor Administrative Agent in accordance with this subsection 8.5A. Upon the acceptance of any appointment as the Administrative Agent hereunder by a successor Administrative Agent, that successor Administrative Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent and the retiring Administrative Agent shall be discharged from its duties and obligations under this Agreement (if not already discharged as set forth above). After the Administrative Agent's resignation hereunder, the provisions of this Section 8 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was the Administrative Agent under this Agreement.

B. Successor Swing Line Lender. Any resignation of the Administrative Agent pursuant to subsection 8.5A shall also constitute the resignation of Wells Fargo or its successor as a Swing Line Lender, and any successor Administrative Agent appointed pursuant to subsection 8.5A shall, upon its acceptance of such appointment, become a successor Swing Line Lender for all purposes hereunder. Any assignment by any other Swing Line Lender (other than a Swing Line Lender that is also the Administrative Agent) of its Commitment and Loans under this Agreement shall constitute the resignation of such Swing Line Lender as a Swing Line Lender and any successor Swing Line Lender shall, upon the effectiveness of the assignment thereto (which shall require the consent of the Borrower to such assignee becoming a Swing Line Lender hereunder), such assignee shall be a Swing Line Lender for all purposes of this Agreement. In either of the events described in the preceding two sentences, (i) the Borrower shall at the effective time of such resignation prepay any outstanding Swing Line Loans made by the retiring Administrative Agent or Swing Line Lender, in its capacity as Swing Line Lender, (ii) upon such prepayment, the retiring Administrative Agent or Swing Line Lender shall surrender any Swing Line Note held by it to the Borrower for cancellation, and (iii) if so requested by the successor Administrative Agent or successor Swing Line Lender in accordance with subsection 2.1E, the Borrower shall issue a Swing Line Note to the successor Administrative Agent or successor Swing Line Lender substantially in the form of Exhibit IV, in the amount of the applicable Swing Line Loan Subfacility then in effect and with other appropriate insertions.

8.6 Administrative Agent May File Proofs of Claim.

In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to the Borrower or any of the Subsidiaries of the Borrower, the Administrative Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(i) to file and prove a claim for the whole amount of principal and interest owing and unpaid in respect of the Loans and any other Obligations that are owing and unpaid and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Lenders and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders and the Administrative Agent and their agents and counsel and all other amounts due the Lenders and the Administrative Agent under subsections 2.3 and 9.2) allowed in such judicial proceeding, and

(ii) to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under subsections 2.3 and 9.2.

Nothing herein contained shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lenders or to authorize the Administrative Agent to vote in respect of the claim of any Lender in any such proceeding.

8.7 No Other Duties, etc. Anything herein to the contrary notwithstanding, none of the syndication agents, documentation agents, co-agents, book manager, lead manager, arranger, lead arranger or co-arranger listed on the cover page or signature pages hereof shall have any powers, duties or responsibilities under this Agreement or any of the other Loan Documents, except in its capacity, as applicable, as the Administrative Agent or a Lender hereunder.

Section 9. MISCELLANEOUS

9.1 Successors and Assigns; Assignments and Participations in Loans.

A. General. This Agreement shall be binding upon the parties hereto and their respective successors and assigns and shall inure to the benefit of the parties hereto and the successors and assigns of the Lenders and the successors and permitted assigns of the Borrower (it being understood that the Lenders' and the Borrower's rights of assignment are subject to the further provisions of this subsection 9.1). Neither Borrower's rights nor obligations hereunder nor any interest therein may be assigned or delegated by the Borrower without the prior written consent of all Lenders (and any attempted assignment or transfer by the Borrower without such consent shall be null and void). Anything contained herein to the contrary notwithstanding, except as provided in subsection 2.1A(ii) and subsection 9.5, the applicable Swing Line Loan Subfacility and the related Swing Line Loans of a Swing Line Lender may not be sold, assigned or transferred as described below to any Person other than to the extent contemplated by subsection 8.5. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby and, to the extent expressly contemplated hereby, the Affiliates of each of the Administrative Agent and the Lenders and the Indemnitees) any legal or equitable right, remedy or claim under or by reason of this Agreement.

B. Assignments.

(i) Amounts and Terms of Assignments. Any Lender may assign to one or more Eligible Assignees all or any portion of its rights and obligations under this Agreement; provided that (a), except (1) in the case of an assignment of the entire remaining amount of the assigning Lender's rights and obligations under this Agreement or (2) in the case of an assignment to a Lender or an Affiliate of a Lender or an Approved Fund of a Lender, the aggregate amount of the Revolving Loan Exposure of the assigning Lender and the assignee subject to each such assignment shall not be less than $5,000,000 and in increments of $1,000,000 in excess thereof, unless the Administrative Agent otherwise consents (such consent not to be unreasonably withheld or delayed), provided that simultaneous assignments to or by two or more related Funds shall be treated as one assignment for purposes of this clause (a), (b) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Loan or the Commitment assigned; and any assignment of all or any portion of a Revolving Loan Commitment or Revolving Loan shall be made only as an assignment of the same proportionate part of the assigning Lender's Revolving Loan Commitment or Revolving Loans, (c) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment Agreement, together with a processing and recordation fee of $3,500 (which fee may be waived by the Administrative Agent in its sole discretion), and the Eligible Assignee, if it shall not already be a Lender, shall deliver to the Administrative Agent information reasonably requested by the Administrative Agent, including forms, certificates or other information in compliance with subsection 2.7B(iv), and (d) except in the case of an assignment to another Lender, an Affiliate of a Lender or an Approved Fund of a Lender, the Administrative Agent, the Swing Line Lenders and, if no Event of Default or Potential Event of Default has occurred and is continuing, the Borrower, shall have consented thereto (which consent shall not be unreasonably withheld).

Upon such execution, delivery and consent, from and after the effective date specified in such Assignment Agreement, (y) the assignee thereunder shall be a party hereto and, to the extent that rights and obligations hereunder have been assigned to it pursuant to such Assignment Agreement, shall have the rights and obligations of a Lender hereunder and (z) the assigning Lender thereunder shall, to the extent that rights and obligations hereunder have been assigned by it pursuant to such Assignment Agreement, relinquish its rights (other than any rights which survive the termination of this Agreement under subsection 9.9B) and be released from its obligations under this Agreement (and, in the case of an Assignment Agreement covering all or the remaining portion of an assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto; provided that, anything contained in any of the Loan Documents to the contrary notwithstanding). The assigning Lender shall, upon the effectiveness of such assignment or as promptly thereafter as practicable, surrender its Notes, if any, to the Administrative Agent for cancellation, and thereupon new Notes shall, if so requested by the assignee and/or the assigning Lender in accordance with subsection 2.1E, be issued to the assignee and/or to the assigning Lender, substantially in the form of Exhibit III or Exhibit IV, as the case may be, with appropriate insertions, to reflect the amounts of the new Commitments and/or outstanding Revolving Loans, as the case may be, of the assignee and/or the assigning Lender. Other than as provided in subsection 2.1A(ii) and subsection 9.5, any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this subsection 9.1B shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with subsection 9.1C.

(ii) Acceptance by Administrative Agent; Recordation in Register. Upon its receipt of an Assignment Agreement executed by an assigning Lender and an assignee representing that it is an Eligible Assignee, together with the processing and recordation fee referred to in subsection 9.1B(i) and any forms, certificates or other evidence with respect to United States federal income tax withholding matters that such assignee may be required to deliver to the Administrative Agent pursuant to subsection 2.7B(iv), the Administrative Agent shall, if the Administrative Agent, each Swing Line Lender and the Borrower have consented to the assignment evidenced thereby (in each case to the extent such consent is required pursuant to subsection 9.1B(i)), (a) accept such Assignment Agreement by executing a counterpart thereof as provided therein (which acceptance shall evidence any required consent of the Administrative Agent to such assignment), (b) record the information contained therein in the Register, and (c) give prompt notice thereof to the Borrower. The Administrative Agent shall maintain a copy of each Assignment Agreement delivered to and accepted by it as provided in this subsection 9.1B(ii).

(iii) Deemed Consent by the Borrower. If the consent of the Borrower to an assignment or to an Eligible Assignee is required hereunder, the Borrower shall be deemed to have given its consent five Business Days after the date notice thereof has been delivered by the assigning Lender (through the Administrative Agent) unless such consent is expressly refused by the Borrower on or prior to such fifth Business Day.

C. Participations. Any Lender may, without the consent of, or notice to, the Borrower or the Administrative Agent, sell participations to one or more Persons (other than a natural Person or the Borrower or any of its Affiliates) in all or a portion of such Lender's rights and/or obligations under this Agreement; provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrower, the Administrative Agent and the Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver directly affecting (i) the extension of the scheduled final maturity date of any Loan allocated to such participation or (ii) a reduction of the principal amount of or the rate of interest payable on any Loan allocated to such participation. Subject to the further provisions of this subsection 9.1C, the Borrower agrees that each Participant shall be entitled to the benefits of subsections 2.6D and 2.7 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to subsection 9.1B. To the extent permitted by law, each Participant also shall be entitled to the benefits of subsection 9.4 as though it were a Lender, provided such Participant agrees to be subject to subsection 9.5 as though it were a Lender. A Participant shall not be entitled to receive any greater payment under subsections 2.6D and 2.7A than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant unless the sale of the participation to such Participant is made with the Borrower's prior written consent. No Participant shall be entitled to the benefits of subsection 2.7 unless the Borrower is notified of the participation sold to such Participant and such Participant agrees, for the benefit of the Borrower, to comply with subsection 2.7B(iv) as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "**Participant Register**"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register to any Person (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary.

D. Pledges and Assignments. Any Lender may, without the consent of the Administrative Agent or the Borrower, at any time pledge or assign a security interest in all or any portion of its Loans, and the other Obligations owed to such Lender, to secure obligations of such Lender, including without limitation (A) any pledge or assignment to secure obligations to any Federal Reserve Bank and (B) in the case of any Lender that is a Fund, any pledge or assignment to any holders of obligations owed, or securities issued, by such Lender including to any trustee for, or any other representative of, such holders; provided that (i) no Lender shall be relieved of any of its obligations hereunder as a result of any such assignment or pledge and (ii) in no event shall any assignee or pledgee be considered to be a "Lender" or be entitled to require the assigning Lender to take or omit to take any action hereunder.

E. Information. Each Lender may furnish any information concerning the Borrower and its Subsidiaries in the possession of that Lender from time to time to pledgees under subsection 9.1D, assignees and participants (including prospective assignees and participants), in each case subject to subsection 9.18.

F. Agreements of Lenders. Each Lender listed on the signature pages hereof hereby agrees, and each Lender that becomes a party hereto pursuant to an Assignment Agreement shall be deemed to agree, (i) that it has experience and expertise in the making of or purchasing loans such as the Loans; and (ii) that it will make or purchase Loans for its own account in the ordinary course of its business and without a view to distribution of such Loans within the meaning of the Securities Act or the Exchange Act or other federal securities laws (it being understood that, subject to the provisions of this subsection 9.1, the disposition of such Loans or any interests therein shall at all times remain within its exclusive control).

9.2 Expenses.

Whether or not the transactions contemplated hereby shall be consummated, the Borrower agrees to pay promptly (i) all reasonable out-of-pocket costs and expenses incurred by the Administrative Agent, including reasonable fees, expenses and disbursements of counsel to the Administrative Agent, in connection with the negotiation, preparation, execution and administration of the Loan Documents and any consents, amendments, waivers or other modifications thereto and any other documents or matters; (ii) all other reasonable costs and expenses incurred by the Administrative Agent and the Joint Lead Arrangers in connection with the syndication of the Commitments; (iii) all reasonable costs and expenses, including reasonable attorneys' fees (including allocated costs of internal counsel) and reasonable fees, costs and expenses of accountants, advisors and consultants, incurred by the Administrative Agent and its counsel at any time when an Event of Default has occurred and is continuing, relating to efforts to evaluate or assess the Borrower or any of its Subsidiaries and its business or financial condition; and (iv) all reasonable costs and expenses, including reasonable attorneys' fees (including allocated costs of internal counsel), reasonable fees, costs and expenses of accountants, advisors and consultants and costs of settlement, incurred by the Administrative Agent and the Lenders in enforcing any Obligations of or in collecting any payments due from the Borrower hereunder or under the other Loan Documents (including in connection with the enforcement of the Loan Documents) or in connection with any refinancing or restructuring of the credit arrangements provided under this Agreement in the nature of a "work-out" or pursuant to any insolvency or bankruptcy proceedings. The Administrative Agent shall provide the Borrower with a detailed statement of all reimbursements or payments requested pursuant to this subsection 9.2.

9.3 Indemnity.

In addition to the payment of expenses pursuant to subsection 9.2, whether or not the transactions contemplated hereby shall be consummated, the Borrower agrees to indemnify, pay and hold harmless the Administrative Agent and each of the Lenders, and the officers, directors, trustees, employees, agents, advisors and Affiliates of each of the foregoing (collectively called the "**Indemnitees**"), from and against any and all Indemnified Liabilities (as hereinafter defined); provided that the Borrower shall not have any obligation to any Indemnitee hereunder with respect to any Indemnified Liabilities to the extent such Indemnified Liabilities arise solely from the gross negligence or willful misconduct of that Indemnitee as determined by a final judgment of a court of competent jurisdiction.

As used herein, "**Indemnified Liabilities**" means, collectively, any and all liabilities, obligations, losses, damages (including natural resource damages) penalties, actions, judgments, suits, claims (including Environmental Claims), costs (including the costs of any investigation, study, sampling, testing, abatement, cleanup, removal, remediation or other response action necessary to remove, remediate, clean up or abate any Hazardous Materials Activity), expenses and disbursements of any kind or nature whatsoever (including the reasonable fees and disbursements of counsel for Indemnitees in connection with any investigative, administrative or judicial proceeding commenced or threatened by any Person, whether or not any such Indemnitee shall be designated as a party or a potential party thereto, and any fees or expenses incurred by Indemnitees in enforcing this indemnity), whether direct, indirect or consequential and whether based on any federal, state or foreign laws, statutes, rules or regulations (including securities and commercial laws, statutes, rules or regulations and Environmental Laws), on common law or equitable cause or on contract or otherwise, that are imposed on, incurred by, or asserted against any such Indemnitee, in any manner relating to or arising out of (i) this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby (including the Lenders' agreement to make the Loans hereunder or the use or intended use of the proceeds thereof or any enforcement of any of the Loan Documents) or (ii) any Environmental Claim or any Hazardous Materials Activity relating to or arising from, directly or indirectly, any past or present activity, operation, land ownership, or practice of the Borrower or any of its Subsidiaries.

To the extent that the undertakings to indemnify, pay and hold harmless set forth in this subsection 9.3 may be unenforceable in whole or in part because they are violative of any law or public policy, the Borrower shall contribute the maximum portion that it is permitted to pay and satisfy under applicable law to the payment and satisfaction of all Indemnified Liabilities incurred by Indemnitees or any of them.

9.4 Set-Off.

In addition to any rights now or hereafter granted under applicable law and not by way of limitation of any such rights, upon the occurrence and during the continuation of any Event of Default each of the Lenders and their Affiliates is hereby authorized by the Borrower at any time or from time to time, without notice to the Borrower or to any other Person, any such notice being hereby expressly waived, to set off and to appropriate and to apply any and all deposits (general or special, time or demand, provisional or final, including Indebtedness evidenced by certificates of deposit, whether matured or unmatured, but not including (i) trust accounts, (ii) any asset, Security or other property right of the Borrower held solely as a fiduciary or otherwise for the benefit of another Person and (iii) any other asset, Security or account restricted by applicable law or regulation including, without limitation, Rule 15c3-3, Rule 8c-1 or Rule 15c2-1 of the General Rules and Regulations promulgated by the Commission under the Exchange Act) and any other Indebtedness at any time held or owing by that Lender or any Affiliate of that Lender to or for the credit or the account of the Borrower against and on account of the Obligations of the Borrower to that Lender (or any Affiliate of that Lender) or to any other Lender (or any Affiliate of any other Lender) under this Agreement and the other Loan Documents, including all claims of any nature or description arising out of or connected with this Agreement or any other Loan Document, irrespective of whether or not (i) that Lender shall have made any demand hereunder or (ii) the principal of or the interest on the Loans or any other amounts due hereunder shall have become due and payable pursuant to Section 7 and although said obligations and liabilities, or any of them, may be contingent or unmatured; provided, that promptly following such set-off, appropriation and application, the Lender taking such action shall provide written notice thereof to the Borrower.

9.5 Ratable Sharing.

The Lenders hereby agree among themselves that if any of them shall, whether by voluntary or mandatory payment (other than a payment or prepayment of Loans made and applied in accordance with the terms of this Agreement), by realization upon security, through the exercise of any right of set-off or banker's lien, by counterclaim or cross action or by the enforcement of any right under the Loan Documents or otherwise, or as adequate protection of a deposit treated as cash collateral under the Bankruptcy Code, receive payment or reduction of a proportion of the aggregate amount of principal, interest, fees and other amounts then due and owing to that Lender hereunder or under the other Loan Documents (collectively, the "**Aggregate Amounts Due**" to such Lender) that is greater than the proportion received by any other Lender in respect of the Aggregate Amounts Due to such other Lender, then the Lender receiving such proportionately greater payment shall, unless such proportionately greater payment is required by the terms of this Agreement, (i) notify the Administrative Agent and each other Lender of the receipt of such payment and (ii) apply a portion of such payment to purchase assignments (which it shall be deemed to have purchased from each seller of an assignment simultaneously upon the receipt by such seller of its portion of such payment) of the Aggregate Amounts Due to the other Lenders so that all such recoveries of Aggregate Amounts Due shall be shared by all Lenders in proportion to the Aggregate Amounts Due to them; provided that (A) if all or part of such proportionately greater payment received by such purchasing Lender is thereafter recovered from such Lender upon the bankruptcy or reorganization of the Borrower or otherwise, those purchases shall be rescinded and the purchase prices paid for such assignments shall be returned to such purchasing Lender ratably to the extent of such recovery, but without interest and (B) the foregoing provisions shall not apply to (1) any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement or (2) any payment obtained by a Lender as consideration for the assignment (other than an assignment pursuant to this subsection 9.5) of or the sale of a participation in any of its Obligations to any Eligible Assignee or Participant pursuant to subsection 9.1B. The Borrower expressly consents to the foregoing arrangement and agrees that any purchaser of an assignment so purchased may exercise any and all rights of a Lender as to such assignment as fully as if that Lender had complied with the provisions of subsection 9.1B with respect to such assignment. In order to further evidence such assignment (and without prejudice to the effectiveness of the assignment provisions set forth above), each purchasing Lender and each selling Lender agree to enter into an Assignment Agreement at the request of a selling Lender or a purchasing Lender, as the case may be, in form and substance reasonably satisfactory to each such Lender.

9.6 Amendments and Waivers.

No amendment, modification, termination or waiver of any provision of this Agreement or of the Notes, and no consent to any departure by the Borrower therefrom, shall in any event be effective without the written concurrence of the Requisite Lenders (or by the Administrative Agent with the consent of the Requisite Lenders) and the Borrower; provided that no such amendment, modification, termination, waiver or consent shall, without the consent of:

(i) each Lender with Obligations directly affected (whose consent shall be sufficient for any such amendment, modification, termination or waiver without the consent of the Requisite Lenders) (1) reduce or forgive the principal amount of any Loan, (2) postpone the scheduled final maturity date of any Loan (but not the date of any scheduled installment of principal), (3) postpone the date on which any interest or any fees are payable, (4) decrease the interest rate borne by any Loan (other than any waiver of any increase in the interest rate applicable to any of the Loans pursuant to subsection 2.2E) or the amount of any fees payable hereunder or (5) extend the Revolving Loan Commitment Termination Date; and

(ii) each Lender, (1) change in any manner the definition of "Pro Rata Share" or the definition of "Requisite Lenders" (except for any changes resulting solely from an increase in the aggregate amount of the Commitments approved by the Requisite Lenders), (2) change the provisions of subsection 2.4B(iii) to provide that the Lenders will not share pro rata in payments, (3) change in any manner any provision of this Agreement that, by its terms, expressly requires the approval or concurrence of all Lenders, (4) increase the maximum duration of Interest Periods permitted hereunder, (5) change in any manner or waive the provisions contained in subsection 2.4A(iii), subsection 7.1 (except by virtue of any acceleration that has been rescinded and annulled in accordance with this Agreement), subsection 9.5 or this subsection 9.6 or (6) change in any manner the provisions of subsection 2.4B to provide that the Lenders will not share pro rata in reductions of the Revolving Loan Commitment Amount.

In addition, no amendment, modification, termination or waiver of any provision (i) of subsection 2.1A(ii) or of any other provision of this Agreement relating to the Swing Line Loan Subfacility or the Swing Line Loans shall be effective without the written concurrence of the Swing Line Lenders (or the applicable Swing Line Lender), (ii) of Section 8 or of any other provision of this Agreement which, by its terms, expressly requires the approval or concurrence of the Administrative Agent shall be effective without the written concurrence of the Administrative Agent, and (iii) that increases the amount of a Commitment of a Lender shall be effective without the consent of such Lender.

The Administrative Agent may, but shall have no obligation to, with the concurrence of any Lender, execute amendments, modifications, waivers or consents on behalf of that Lender. Any waiver or consent shall be effective only in the specific instance and for the specific purpose for which it was given. No notice to or demand on the Borrower in any case shall entitle the Borrower to any other or further notice or demand in similar or other circumstances. Any amendment, modification, termination, waiver or consent effected in accordance with this subsection 9.6 shall be binding upon each Lender at the time outstanding and each future Lender.

Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except that (x) the Commitment of such Lender may not be increased or extended without the consent of such Lender and (y) any waiver, amendment or modification requiring the consent of all Lenders or each affected Lender that by its terms affects any Defaulting Lender more adversely than other affected Lenders shall require the consent of such Defaulting Lender.

Notwithstanding anything in this Agreement to the contrary, each Lender hereby irrevocably authorizes the Administrative Agent on its behalf, and without further consent, to enter into amendments or modifications to this Agreement (including, without limitation, amendments to this subsection 9.6) or any of the other Loan Documents or to enter into additional Loan Documents as the Administrative Agent reasonably deems appropriate in order to effectuate the terms of subsection 2.10; provided that no amendment or modification shall result in any increase in the amount of any Lender's Commitment or any increase in any Lender's Pro Rata Share, in each case, without the written consent of such affected Lender.

9.7 Independence of Covenants.

All covenants hereunder shall be given independent effect so that if a particular action or condition is not permitted by any of such covenants, the fact that it would be permitted by an exception to another covenant shall not avoid the occurrence of an Event of Default or Potential Event of Default if such action is taken or condition exists.

9.8 Notices; Effectiveness of Signatures; Posting on Electronic Delivery Systems.

A. Notices. Unless otherwise specifically provided herein, any notice or other communication herein required or permitted to be given shall be in writing and may be personally served or sent by United States mail or courier service and shall be deemed to have been given when delivered in person or by courier service, or three Business Days after depositing it in the United States mail with postage prepaid and properly addressed; provided that notices to the Borrower, the Administrative Agent and the Swing Line Lenders and notices to any Lender under Section 2 shall not be effective until received. For the purposes hereof, the address of the Borrower, the Administrative Agent and the Swing Line Lenders shall be as set forth on Schedule 9.8 and the address of each other Lender shall be as set forth on its Administrative Questionnaire or (i) as to the Borrower and the Administrative Agent, such other address as shall be designated by such Person in a written notice delivered to the other parties hereto and (ii) as to each other party, such other address as shall be designated by such party in a written notice delivered to the Administrative Agent. Electronic mail and Internet and intranet websites may be used to distribute routine communications, such as financial statements and other information as provided in subsection 5.1, and Notices of Borrowing and Notices of Conversion/Continuation. The Administrative Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications.

B. Effectiveness of Signatures. Loan Documents and notices under the Loan Documents may be transmitted and/or signed by telefacsimile and by signatures delivered in 'PDF' format by electronic mail. The effectiveness of any such documents and signatures shall, subject to applicable law, have the same force and effect as an original copy with manual signatures and shall be binding on the Borrower, the Administrative Agent and the Lenders. The Administrative Agent may also require that any such documents and signature be confirmed by a manually-signed copy thereof; provided, however, that the failure to request or deliver any such manually-signed copy shall not affect the effectiveness of any facsimile document or signature.

C. Posting on Electronic Delivery Systems. The Borrower acknowledges and agrees that (I) the Administrative Agent may make any material delivered by the Borrower to the Administrative Agent, as well as any amendments, waivers, consents, and other written information, documents, instruments and other materials relating to the Borrower, any of its Subsidiaries, or any other materials or matters relating to this Agreement, the Notes or any of the transactions contemplated hereby (collectively, the "**Communications**"), available to the Lenders by posting such notices on an electronic delivery system (which may be provided by the Administrative Agent, an Affiliate of Administrative Agent, or any Person that is not an Affiliate of the Administrative Agent), such as IntraLinks, or a substantially similar electronic system (the "**Platform**") and (II) certain of the Lenders may be "public-side" Lenders (i.e., Lenders that do not wish to receive material non-public information with respect to the Borrower or its securities) (each, a "**Public Lender**"). The Borrower acknowledges that (i) the distribution of material through an electronic medium is not necessarily secure and that there are confidentiality and other risks associated with such distribution; (ii) the Platform is provided "as is" and "as available" and (iii) neither the Administrative Agent nor any of its Affiliates warrants the accuracy, completeness, timeliness, sufficiency, or sequencing of the Communications posted on the Platform. The Administrative Agent and its Affiliates expressly disclaim with respect to the Platform any liability for errors in transmission, incorrect or incomplete downloading, delays in posting or delivery, or problems accessing the Communications posted on the Platform and any liability for any losses, costs, expenses or liabilities that may be suffered or incurred in connection with the Platform. No warranty of any kind, express, implied or statutory, including, without limitation, any warranty of merchantability, fitness for a particular purpose, non-infringement of third party rights or freedom from viruses or other code defects, is made by the Administrative Agent or any of its Affiliates in connection with the Platform.

The Borrower hereby agrees that (w) all Communications that are to be made available to Public Lenders shall be clearly and conspicuously marked "PUBLIC" which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently on the first page thereof; (x) by marking Communications "PUBLIC", the Borrower shall be deemed to have authorized Administrative Agent and the Lenders to treat such Communications as not containing any material non-public information with respect to the Borrower or its securities for purposes of United States Federal and state securities laws (provided, however, that to the extent such Communications constitute confidential information pursuant to subsection 9.18, they shall be treated as set forth in such subsection); (y) all Communications marked "PUBLIC" are permitted to be made available through a portion of the Platform designated "Public Investor"; and (z) Administrative Agent shall be entitled to treat any Communications that are not marked "PUBLIC" as being suitable only for posting on a portion of the Platform not designated "Public Investor". Each Lender which is a Public Lender agrees that any failure of the Borrower to provide it with a Communication which, as set forth above, is not suitable for Public Lenders shall not be a breach of any requirement in this Agreement or any other Loan Document to provide such Communication to all of the Lenders.

Each Lender agrees that notice to it (as provided in the next sentence) (a "**Notice**") specifying that any Communication has been posted to the Platform shall for purposes of this Agreement constitute effective delivery to such Lender of such information, documents or other materials comprising such Communication. Each Lender agrees (i) to notify, on or before the date such Lender becomes a party to this Agreement (pursuant to an Administrative Questionnaire or otherwise), the Administrative Agent in writing of such Lender's e-mail address to which a Notice may be sent (and from time to time thereafter to ensure that the Administrative Agent has on record an effective e-mail address for such Lender) and (ii) that any Notice may be sent to such e-mail address. Notwithstanding the foregoing, (x) the Borrower shall not be responsible for any failure of the Platform or for the inability of any Lender to access any Communication made available by the Borrower to the Administrative Agent in connection with the Platform and in no event shall any such failure constitute an Event of Default hereunder and (y) notices to any Lender pursuant to Section 2 shall not be provided by means other than hard copy or telecopy if such Lender notifies Administrative Agent that it is not capable of receiving such notices by such other means.

9.9 Survival of Representations, Warranties and Agreements.

A. All representations, warranties and agreements made herein shall survive the execution and delivery of this Agreement and the making of the Loans hereunder.

B. Notwithstanding anything in this Agreement or implied by law to the contrary, the agreements of the Borrower set forth in subsections 2.6D, 2.7, 9.2, 9.3, 9.16 and 9.17 and the agreements of Lenders set forth in subsections 8.2C, 8.4, 9.5 and 9.17 shall survive the payment of the Obligations, and the termination of this Agreement.

9.10 Failure or Indulgence Not Waiver; Remedies Cumulative.

No failure or delay on the part of an Agent or any Lender in the exercise of any power, right or privilege hereunder or under any other Loan Document shall impair such power, right or privilege or be construed to be a waiver of any default or acquiescence therein, nor shall any single or partial exercise of any such power, right or privilege preclude other or further exercise thereof or of any other power, right or privilege. All rights and remedies existing under this Agreement and the other Loan Documents are cumulative to, and not exclusive of, any rights or remedies otherwise available.

9.11 Payments Set Aside.

To the extent that the Borrower makes a payment or payments to the Administrative Agent or the Lenders (or to the Administrative Agent for the benefit of the Lenders), or the Administrative Agent or the Lenders exercise their rights of setoff, and such payment or payments or the proceeds of such setoff or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to a trustee, receiver or any other party under any bankruptcy law, any other state or federal law, common law or any equitable cause, then, to the extent of such recovery, the obligation or part thereof originally intended to be satisfied, and all Liens, rights and remedies therefor or related thereto, shall be revived and continued in full force and effect as if such payment or payments had not been made or such setoff had not occurred.

9.12 Severability.

In case any provision in or obligation under this Agreement or the Notes shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

9.13 Obligations Several; Independent Nature of Lenders' Rights; Damage Waiver.

The obligations of the Lenders hereunder are several and no Lender shall be responsible for the obligations or Commitments of any other Lender hereunder. Nothing contained herein or in any other Loan Document, and no action taken by the Lenders pursuant hereto or thereto, shall be deemed to constitute the Lenders, or the Lenders and the Borrower, as a partnership, an association, a joint venture or any other kind of entity. The amounts payable at any time hereunder to each Lender shall be a separate and independent debt, and, subject to subsection 8.6, each Lender shall be entitled to protect and enforce its rights arising out of this Agreement and it shall not be necessary for any other Lender to be joined as an additional party in any proceeding for such purpose.

To the extent permitted by law, the Borrower shall not assert, and hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with or as a result of this Agreement (including, without limitation, subsection 2.1C hereof), any other Loan Document, any transaction contemplated by the Loan Documents, any Loan or the use of proceeds thereof. No Indemnitee shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with the Loan Documents or the transactions contemplated thereby.

9.14 Applicable Law.

THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS (EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN ANY SUCH LOAN DOCUMENT), AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER AND THEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF ILLINOIS, WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES THAT WOULD REQUIRE APPLICATION OF ANOTHER LAW.

9.15 Construction of Agreement; Nature of Relationship.

The Borrower acknowledges that (i) it has been represented by counsel in the negotiation and documentation of the terms of this Agreement, (ii) it has had full and fair opportunity to review and revise the terms of this Agreement, (iii) this Agreement has been drafted jointly by the parties hereto, and (iv) neither the Administrative Agent nor any Lender or other Agent has any fiduciary relationship with or duty to the Borrower arising out of or in connection with this Agreement or any of the other Loan Documents, and the relationship between the Administrative Agent and the Lenders, on one hand, and the Borrower, on the other hand, in connection herewith or therewith is solely that of debtor and creditor. Accordingly, each of the parties hereto acknowledges and agrees that the terms of this Agreement shall not be construed against or in favor of another party.

9.16 Consent to Jurisdiction and Service of Process.

ALL JUDICIAL PROCEEDINGS BROUGHT AGAINST THE BORROWER ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT, OR ANY OBLIGATIONS HEREUNDER AND THEREUNDER, MAY BE BROUGHT IN ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION IN COOK COUNTY IN THE STATE OF ILLINOIS. BY EXECUTING AND DELIVERING THIS AGREEMENT, THE BORROWER, FOR ITSELF AND IN CONNECTION WITH ITS PROPERTIES, IRREVOCABLY:

(I) ACCEPTS GENERALLY AND UNCONDITIONALLY THE NONEXCLUSIVE JURISDICTION AND VENUE OF SUCH COURTS;

(II) WAIVES ANY DEFENSE OF FORUM NON CONVENIENS;

(III) AGREES THAT THE LENDERS RETAIN THE RIGHT TO SERVE PROCESS IN ANY MANNER PERMITTED BY APPLICABLE LAW OR TO BRING PROCEEDINGS AGAINST THE BORROWER IN THE COURTS OF ANY OTHER JURISDICTION; AND

(IV) AGREES THAT THE PROVISIONS OF THIS SUBSECTION 9.16 RELATING TO JURISDICTION AND VENUE SHALL BE BINDING AND ENFORCEABLE TO THE FULLEST EXTENT PERMISSIBLE UNDER ILLINOIS LAW.

9.17 Waiver of Jury Trial.

EACH OF THE PARTIES TO THIS AGREEMENT HEREBY AGREES TO WAIVE ITS RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT OR ANY OF THE OTHER LOAN DOCUMENTS OR ANY DEALINGS BETWEEN THEM RELATING TO THE SUBJECT MATTER OF THIS LOAN TRANSACTION OR THE LENDER/BORROWER RELATIONSHIP THAT IS BEING ESTABLISHED. The scope of this waiver is intended to be all-encompassing of any and all disputes that may be filed in any court and that relate to the subject matter of this transaction, including contract claims, tort claims, breach of duty claims and all other common law and statutory claims. Each party hereto acknowledges that this waiver is a material inducement to enter into a business relationship, that each has already relied on this waiver in entering into this Agreement, and that each will continue to rely on this waiver in their related future dealings. Each party hereto further warrants and represents that it has reviewed this waiver with its legal counsel and that it knowingly and voluntarily waives its jury trial rights following consultation with legal counsel. **THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING (OTHER THAN BY A MUTUAL WRITTEN WAIVER SPECIFICALLY REFERRING TO THIS SUBSECTION 9.17 AND EXECUTED BY EACH OF THE PARTIES HERETO), AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS AGREEMENT OR ANY OF THE OTHER LOAN DOCUMENTS OR TO ANY OTHER DOCUMENTS OR AGREEMENTS RELATING TO THE LOANS MADE HEREUNDER.** In the event of litigation, this Agreement may be filed as a written consent to a trial by the court.

9.18 Confidentiality.

The Administrative Agent, the Swing Line Lenders and each Lender shall maintain the confidentiality of all non-public information obtained pursuant to the requirements of this Agreement and hold all such information in accordance with such Person's customary procedures for handling confidential information of this nature and in accordance with the safe and sound commercial lending or investment practices maintained in comparable transactions, it being understood and agreed by the Borrower that in any event any such Person may make disclosures (a) to its and its Affiliates' directors, officers, employees and agents, including accountants, and legal counsel and other advisors (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such information and instructed to keep such information confidential, (b) to the extent requested by any Government Authority, (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) to any other party to this Agreement, (e) in connection with the exercise of any remedies hereunder or any suit, action or proceeding relating to this Agreement or the enforcement of rights hereunder, (f) subject to an agreement containing provisions substantially the same as those of this subsection 9.18, to (i) any pledgee under subsection 9.1, any Eligible Assignee of or participant in, or any prospective Eligible Assignee of or Participant in, any of its rights or obligations under this Agreement or (ii) any direct or indirect contractual counterparty or prospective counterparty (or such contractual counterparty's or prospective counterparty's professional advisor) to any credit derivative transaction relating to obligations of the Borrower, (g) with the consent of the Borrower, (h) to the extent such information (i) becomes publicly available other than as a result of a breach of this subsection 9.18 or (ii) becomes available to Administrative Agent, such Swing Line Lender or such Lender on a nonconfidential basis from a source other than the Borrower, (i) to any nationally recognized rating agency that requires access to information about a Lender's or its Affiliates' investment portfolio solely in connection with ratings issued with respect to such Lender or its Affiliates and such rating agency's ratings are publicly available and that no written or oral communications from counsel to the Administrative Agent and no information that is or is designated as privileged or as attorney work product may be disclosed to any Person unless such Person is a Lender or a Participant hereunder; provided that, unless specifically prohibited by applicable law or court order, the Administrative Agent, a Swing Line Lender or a Lender shall notify the Borrower of any requirement or request under applicable laws or regulations or under any subpoena or similar legal process, including by any Government Authority or representative thereof (other than any such request in connection with any examination of the financial condition of such Lender by such Government Authority), for disclosure of any such non-public information prior to disclosure of such information; and provided, further that in no event shall the Administrative Agent, such Swing Line Lender or such Lender be obligated or required to return any materials furnished by the Borrower or any of its Subsidiaries. In addition, subject to obtaining the prior approval of the Borrower (such approval not to be unreasonably withheld or delayed), the Administrative Agent, the Swing Line Lenders and the Lenders may disclose the existence of this Agreement and information about this Agreement to market data collectors, similar service providers to the lending industry, and service providers to Administrative Agent, the Swing Line Lenders and the Lenders, and the Administrative Agent or any of its Affiliates may place customary "tombstone" advertisements relating hereto in publications (including publications circulated in electronic form) of its choice at its own expense.

9.19 Counterparts; Effectiveness.

This Agreement and any amendments, waivers, consents or supplements hereto or in connection herewith may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument; signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signature pages are physically attached to the same document. This Agreement shall become effective upon the execution of a counterpart hereof by each of the parties hereto.

The words "execution," "signed," "signature," and words of like import in any Assignment Agreement shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

9.20 USA Patriot Act.

Each Lender hereby notifies the Borrower and that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "**Act**"), it is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of Borrower and other information that will allow such Lender to identify such Borrower in accordance with the Act.

9.21 Independent Effect of Covenants.

The Borrower expressly acknowledges and agrees that each covenant contained in Section 5 or 6 hereof shall be given independent effect. Accordingly, the Borrower shall not engage in any transaction or other act otherwise permitted under any covenant contained in Section 5 or 6, if before or after giving effect to such transaction or act, the Borrower shall or would be in breach of any other covenant contained in Section 5 or 6.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first written above.

BORROWER:

THE JONES FINANCIAL COMPANIES, L.L.L.P.

By: ______________________________
Name: ______________________________
Title: ______________________________

LENDERS:

WELLS FARGO BANK, NATIONAL ASSOCIATION, as the Administrative Agent, a Swing Line Lender and a Lender

By: ________________________________
Name: ________________________________
Title: ________________________________

BANK OF AMERICA, N.A., as the Syndication Agent, a Swing Line Lender and a Lender

By: ______________________________
Name: ____________________________
Title: _____________________________

[other Lenders to be added]

EXHIBIT I

[FORM OF] NOTICE OF BORROWING

[BORROWER LETTERHEAD]

[Date]

Wells Fargo Bank, National Association,
as Administrative Agent
1525 West WT Harris Boulevard
Charlotte, North Carolina 28262
Attention: Jason Jefferson
Telephone: (704) 590-2704

Re: Credit Agreement (as amended, restated, supplemented or otherwise modified from time to time, the "**Credit Agreement**") dated as of March 18, 2011 by and among The Jones Financial Companies, L.L.L.P., a Missouri limited liability limited partnership (the "**Borrower**"), the financial institutions from time to time party thereto, as lenders (the "**Lenders**") and Wells Fargo Bank, National Association, as administrative agent (the "**Administrative Agent**")

Pursuant to Section 2.1 of the Credit Agreement, the Borrower hereby gives notice of its request for a borrowing as follows:

Date of Borrowing:	[Date]
Requested Amount:	[Amount][1]
Type of Loan:	[Revolving Loans or Swing Line Loan]
Interest Rate Option:	[Base Rate Loan or Eurodollar Rate Loan]
Interest Period:	[For Eurodollar Rate Loan: Duration of Interest Period]
Maturity Date:	[Date if applicable]

The undersigned Officer, to the best of his or her knowledge, and the Borrower certify that (a) no event has occurred and is continuing or would result from the consummation of the borrowing contemplated hereby that would constitute an Event of Default or a Potential Event of Default, (b) the aggregate principal amount of all Loans outstanding as of the date hereof (including the Loan requested herein) does not exceed the maximum amount permitted to be outstanding pursuant to the terms of the Credit Agreement and (c) all of the conditions applicable to the Loan requested herein as set forth in the Credit Agreement have been satisfied as of the date hereof and will remain satisfied to the date of such Loan.

If you have any questions regarding this transaction please contact the undersigned as soon as possible.

[1] Amount requested to be in compliance with requirements set forth in Section 2.1B.

Sincerely,

THE JONES FINANCIAL COMPANIES, L.L.L.P.

By: ______________________________

Name: ______________________________

Title: ______________________________

EXHIBIT II

[FORM OF] NOTICE OF CONVERSION/CONTINUATION

[BORROWER LETTERHEAD]

[Date]

Wells Fargo Bank, National Association,
as Administrative Agent
1525 West WT Harris Boulevard
Charlotte, North Carolina 28262
Attention: Jason Jefferson
Telephone: (704) 590-2704

Re: Credit Agreement (as amended, restated, supplemented or otherwise modified from time to time, the "**Credit Agreement**") dated as of March 18, 2011 by and among The Jones Financial Companies, L.L.L.P., a Missouri limited liability limited partnership (the "**Borrower**"), the financial institutions from time to time party thereto, as lenders (the "**Lenders**") and Wells Fargo Bank, National Association, as administrative agent (the "**Administrative Agent**")

Pursuant to Section 2.2D of the Credit Agreement, the Borrower hereby gives notice of its request for a conversion/continuation as follows:

Description of outstanding Loan:

Maturity Date:	[Date if applicable]
Amount:	[Amount]
Type of Loan:	[Revolving Loan or Swing Line Loan]

Description of new Loan(s):

Date:	[Date][1]
Requested Amount:	[Amount]
Type of Request:	[Continuation or Conversion]
Interest Rate Option:	[Base Rate Loan or Eurodollar Rate Loan]
Interest Period:	[For Eurodollar Rate Loan: Duration of Interest Period]
Maturity Date:	[Date if applicable]

In the case of a conversion to or continuation of Eurodollar Rate Loans, the undersigned Officer, to the best of his or her knowledge, and the Borrower certify that (a) no Event of Default or Potential Event of Default has occurred and is continuing under the Credit Agreement and (b) all of the conditions applicable to the conversion or continuation of the Loan described herein as set forth in the Credit Agreement have been satisfied or waived as of the date hereof and will remain satisfied or waived to the date of such conversion or continuation.

[1] Complete with a Business Day in accordance with Section 2.2D.

If you have any questions regarding this transaction, please contact the undersigned as soon as possible.

Sincerely,

THE JONES FINANCIAL COMPANIES, L.L.L.P.

By: ________________________________

Name: ______________________________

Title: _______________________________

EXHIBIT III

[FORM OF] REVOLVING NOTE

THE JONES FINANCIAL COMPANIES, L.L.L.P.

$____[1] March 18, 2011

FOR VALUE RECEIVED, THE JONES FINANCIAL COMPANIES, L.L.L.P., a Missouri limited liability limited partnership (the "**Borrower**"), promises to pay to __________[2] ("**Payee**") or its registered assigns, the lesser of (x) __________[3] ($[____[1]]) and (y) the unpaid principal amount of all advances made by Payee to the Borrower as Revolving Loans under the Credit Agreement referred to below. The principal amount of this Note shall be payable on the dates and in the amounts specified in the Credit Agreement.

The Borrower also promises to pay interest on the unpaid principal amount hereof, until paid in full, at the rates and at the times which shall be determined in accordance with the provisions of that certain Credit Agreement dated as of March 18, 2011 by and among the Borrower, the financial institutions from time to time party thereto, as Lenders, and Wells Fargo Bank, National Association, as Administrative Agent (said Credit Agreement, as it may be amended, restated, supplemented or otherwise modified from time to time, being the "**Credit Agreement**", the terms defined therein and not otherwise defined herein being used herein as therein defined).

This Note is one of the Borrower's "Revolving Notes" and is issued pursuant to and entitled to the benefits of the Credit Agreement, to which reference is hereby made for a more complete statement of the terms and conditions under which the Revolving Loans evidenced hereby were made and are to be repaid.

All payments of principal and interest in respect of this Note shall be made in Dollars in immediately available funds at the Funding and Payment Office or at such other place as shall be designated in writing for such purpose in accordance with the terms of the Credit Agreement. Unless and until an Assignment Agreement effecting the assignment or transfer of this Note shall have been consented to by the Borrower (to the extent required under the terms of the Credit Agreement) and accepted by Administrative Agent and recorded in the Register as provided in the Credit Agreement, the Borrower and Administrative Agent shall be entitled to deem and treat Payee as the owner and holder of this Note and the Loans evidenced hereby. Payee hereby agrees, by its acceptance hereof, that before disposing of this Note or any part hereof it will make a notation hereon of all principal payments previously made hereunder and of the date to which interest hereon has been paid; provided, however, that the failure to make a notation of any payment made on this Note shall not limit or otherwise affect the obligations of the Borrower hereunder with respect to payments of principal of or interest on this Note.

[1] Insert Dollar amount of Lender's Revolving Loan Commitment in numbers.
[2] Insert Lender's name in capital letters.
[3] Insert amount of Lender's Revolving Loan Commitment in words.

Whenever any payment on this Note shall be stated to be due on a day which is not a Business Day, such payment shall be made on the next succeeding Business Day and such extension of time shall be included in the computation of the payment of interest on this Note.

This Note is subject to mandatory prepayment as provided in the Credit Agreement and to prepayment at the option of the Borrower as provided in the Credit Agreement.

THIS NOTE AND THE RIGHTS AND OBLIGATIONS OF THE BORROWER AND PAYEE HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF ILLINOIS, WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES THAT WOULD REQUIRE APPLICATION OF ANOTHER LAW.

Upon the occurrence of an Event of Default, the unpaid balance of the principal amount of this Note, together with all accrued and unpaid interest thereon, may become, or may be declared to be, due and payable in the manner, upon the conditions and with the effect provided in the Credit Agreement.

The terms of this Note are subject to amendment only in the manner provided in the Credit Agreement.

This Note is subject to restrictions on transfer or assignment as provided in the Credit Agreement.

No reference herein to the Credit Agreement and no provision of this Note or the Credit Agreement shall alter or impair the obligations of the Borrower, which are absolute and unconditional, to pay the principal of and interest on this Note at the place, at the respective times, and in the currency prescribed herein and in the Credit Agreement.

The Borrower promises to pay all reasonable costs and expenses, including reasonable and documented attorneys' fees, all as and to the extent provided in the Credit Agreement, incurred in the collection and enforcement of this Note. The Borrower and any endorsers of this Note hereby consent to renewals and extensions of time at or after the maturity hereof, without notice, and hereby waive diligence, presentment, protest and, except as set forth in the Credit Agreement, demand and notice of every kind and, to the full extent permitted by law, the right to plead any statute of limitations as a defense to any demand hereunder.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the Borrower has caused this Note to be duly executed and delivered by its officer thereunto duly authorized as of the date and at the place first written above.

THE JONES FINANCIAL COMPANIES, L.L.L.P.

By: ____________________________________

Name: ____________________________________

Title: ____________________________________

TRANSACTIONS
ON
REVOLVING NOTE

Date	Type of Loan Made This Date	Amount of Loan Made This Date	Amount of Principal Paid This Date	Outstanding Principal Balance This Date	Notation Made By

EXHIBIT IV

[FORM OF] SWING LINE NOTE

THE JONES FINANCIAL COMPANIES, L.L.L.P.

$50,000,000.00 March 18, 2011

FOR VALUE RECEIVED, THE JONES FINANCIAL COMPANIES, L.L.L.P., a Missouri limited liability limited partnership (the "**Borrower**"), promises to pay to **[**WELLS FARGO BANK, NATIONAL ASSOCIATION/BANK OF AMERICA, N.A.**]**, as Swing Line Lender ("**Payee**") or its registered assigns, the lesser of (x) FIFTY MILLION AND NO/100 DOLLARS ($50,000,000.00) and (y) the unpaid principal amount of all advances made by Payee in its capacity as Swing Line Lender to the Borrower as Swing Line Loans under the Credit Agreement referred to below. The principal amount of this Note shall be payable on the dates and in the amounts specified in the Credit Agreement.

The Borrower also promises to pay interest on the unpaid principal amount hereof, until paid in full, at the rates and at the times which shall be determined in accordance with the provisions of that certain Credit Agreement dated as of March 18, 2011 by and among the Borrower, the financial institutions from time to time party thereto, as Lenders, and Wells Fargo Bank, National Association, as Administrative Agent (said Credit Agreement, as it may be amended, restated, supplemented or otherwise modified from time to time, being the "**Credit Agreement**", the terms defined therein and not otherwise defined herein being used herein as therein defined).

This Note is the Borrower's "Swing Line Note" and is issued pursuant to and entitled to the benefits of the Credit Agreement, to which reference is hereby made for a more complete statement of the terms and conditions under which the Swing Line Loans evidenced hereby were made and are to be repaid.

All payments of principal and interest in respect of this Note shall be made in Dollars in immediately available funds at the Funding and Payment Office or at such other place as shall be designated in writing for such purpose in accordance with the terms of the Credit Agreement.

Whenever any payment on this Note shall be stated to be due on a day which is not a Business Day, such payment shall be made on the next succeeding Business Day and such extension of time shall be included in the computation of the payment of interest on this Note.

This Note is subject to mandatory prepayment as provided in the Credit Agreement and to prepayment at the option of the Borrower as provided in the Credit Agreement.

THIS NOTE AND THE RIGHTS AND OBLIGATIONS OF THE BORROWER AND PAYEE HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF ILLINOIS, WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES THAT WOULD REQUIRE APPLICATION OF ANOTHER LAW.

Upon the occurrence of an Event of Default, the unpaid balance of the principal amount of this Note, together with all accrued and unpaid interest thereon, may become, or may be declared to be, due and payable in the manner, upon the conditions and with the effect provided in the Credit Agreement.

The terms of this Note are subject to amendment only in the manner provided in the Credit Agreement.

This Note is subject to restrictions on transfer or assignment as provided in the Credit Agreement.

No reference herein to the Credit Agreement and no provision of this Note or the Credit Agreement shall alter or impair the obligations of the Borrower, which are absolute and unconditional, to pay the principal of and interest on this Note at the place, at the respective times, and in the currency prescribed herein and in the Credit Agreement.

The Borrower promises to pay all reasonable costs and expenses, including reasonable and documented attorneys' fees, all as and to the extent provided in the Credit Agreement, incurred in the collection and enforcement of this Note. The Borrower and any endorsers of this Note hereby consent to renewals and extensions of time at or after the maturity hereof, without notice, and hereby waive diligence, presentment, protest and, except as set forth in the Credit Agreement, demand and notice of every kind and, to the full extent permitted by law, the right to plead any statute of limitations as a defense to any demand hereunder.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the Borrower has caused this Note to be duly executed and delivered by its officer thereunto duly authorized as of the date and at the place first written above.

THE JONES FINANCIAL COMPANIES, L.L.L.P.

By: ______________________________

Name: ______________________________

Title: ______________________________

Exhibit IV

TRANSACTIONS
ON
SWING LINE NOTE

Date	Amount of Loan Made This Date	Amount of Principal Paid This Date	Amount of Principal Paid This Date	Outstanding Principal Balance This Date	Notation Made By

Exhibit IV

EXHIBIT V

[FORM OF] COMPLIANCE CERTIFICATE

THE UNDERSIGNED HEREBY CERTIFY THAT:

(1) I am the duly elected [Title] of The Jones Financial Companies, L.L.L.P., a Missouri limited liability limited partnership (the "**Borrower**");

(2) I have reviewed the terms of that certain Credit Agreement dated as of March 18, 2011, (as amended, restated, supplemented or otherwise modified from time to time, the "**Credit Agreement**", the terms defined therein and not otherwise defined in this Certificate (including Attachment No. 1 annexed hereto and made a part hereof) being used in this Certificate as therein defined), by and among the Borrower, the financial institutions from time to time party thereto, as Lenders, and Wells Fargo Bank, National Association, as Administrative Agent, and I have made, or have caused to be made under my supervision, a review in reasonable detail of the transactions and condition of the Borrower and its Subsidiaries during the accounting period covered by the attached financial statements;

(3) The examination described in paragraph (2) above did not disclose, and I have no knowledge of, the existence of any condition or event which constitutes an Event of Default or Potential Event of Default during or at the end of the accounting period covered by the attached financial statements or as of the date of this Certificate [, except as set forth below].

[Set forth [below] [in a separate attachment to this Certificate] are all exceptions to paragraph (3) above listing, in detail, the nature of the condition or event, the period during which it has existed and the action which the Borrower has taken, is taking, or proposes to take with respect to each such condition or event:

____]

(4) The Borrower and its Subsidiaries are in compliance with each of the financial covenants contained in subsection 6.6 of the Credit Agreement as shown on Attachment No. 1 annexed hereto.

The foregoing certifications, together with the computations set forth in Attachment No. 1 annexed hereto and made a part hereof and the financial statements delivered with this Certificate in support hereof, are made and delivered this __ day of ______, ____ pursuant to subsection 5.1(iv) of the Credit Agreement.

THE JONES FINANCIAL COMPANIES, L.L.L.P.

By: ______________________________

Name: ______________________________

Title: ______________________________

Exhibit V

ATTACHMENT NO. 1
TO COMPLIANCE CERTIFICATE

This Attachment No. 1 is attached to and made a part of a Compliance Certificate dated as of ______, ____ and pertains to the period from ______, ____ to ______, ____. Subsection references herein relate to subsections of the Credit Agreement.

A. **Leverage Ratio** (as of ______, ____)

1. Consolidated Total Debt:	
a. Aggregate stated balance sheet amount of all Indebtedness of the Borrower and its Subsidiaries	$______
2. Total Capitalization:	
a. Borrower's Partnership Capital	$______
b. Consolidated Total Debt (Line 1.a. above)	$______
c. **Total Capitalization** (Line 2.a. + Line 2.b.)	$______
3. Leverage Ratio (Line 1.a.):(Line 2.c):	__%
4. Maximum: Not to exceed 35%	
Compliance (Yes/No)	______

B. **Minimum Partnership Capital** (as of ______, ____)

1. Borrower's Partnership Capital:	$______
2. Minimum permitted under subsection 6.6B:	
a. Change in Partnership Capital (if positive) for each Fiscal Quarter ending after the Closing Date and on or prior to the date of determination	$______
b. 50% of amount set forth in Line 2.a.	$______
c. **Minimum Partnership Capital** (Line 2.b. + $1,200,000,000)	$______
Compliance (Yes/No)	____

C. **Applicable Margin**

1. Leverage Ratio	______
2. Pricing Level	______

EXHIBIT VI

[FORM OF] ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (the "**Assignment**") is dated as of the Effective Date set forth below and is entered into by and between [*Insert name of Assignor*] (the "**Assignor**") and [*Insert name of Assignee*] (the "**Assignee**"). Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (as amended, restated, supplemented or otherwise modified, the "**Credit Agreement**"), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by Administrative Agent as contemplated below, the interest in and to all of the Assignor's rights and obligations under the Credit Agreement and any other documents or instruments delivered pursuant thereto that represents the amount and percentage interest identified below of all of the Assignor's outstanding rights and obligations under the respective facilities identified below (including, to the extent included in any such facilities, letters of credit and swing line loans) (the "**Assigned Interest**"). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment, without representation or warranty by the Assignor.

1. Assignor: ____

2. Assignee: ____[and is an Affiliate/Approved Fund[1]]

3. The Borrower: The Jones Financial Companies, L.L.L.P., a Missouri limited liability limited partnership

4. Administrative Agent: Wells Fargo Bank, National Association, as administrative agent under the Credit Agreement

5. Credit Agreement: The Credit Agreement dated as of March 18, 2011 among the Borrower, the Lenders party thereto, Wells Fargo Bank, National Association, as Administrative Agent, and the other agents parties thereto, as amended, restated, supplemented or otherwise modified from time to time.

[1] Select as applicable.

6. Assigned Interest:

Facility Assigned	Aggregate Amount of Commitment/Loans for all Lenders	Amount of Commitment/Loans Assigned	Percentage Assigned of Commitment/Loans[2]
Revolving Loan Commitment	$____________	$____________	__________%

Effective Date: ____________ __ , 20___ [TO BE INSERTED BY ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.]

The terms set forth in this Assignment are hereby agreed to:

ASSIGNOR
[NAME OF ASSIGNOR]

By: ________________________________
Title:

ASSIGNEE
[NAME OF ASSIGNEE]

By: ________________________________
Title:

Consented to and Accepted:

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Administrative Agent

By: ________________________________
Title:

[Consented to:]

THE JONES FINANCIAL COMPANIES, L.L.L.P., as Borrower

By: ________________________________
Title:

[2] Set forth, to at least 9 decimals, as a percentage of the Commitment/Loans of all Lenders thereunder.

ANNEX 1

THE JONES FINANCIAL COMPANIES, L.L.L.P.
STANDARD TERMS AND CONDITIONS FOR ASSIGNMENT
AND ASSUMPTION AGREEMENT

1. Representations and Warranties.

1.1 Assignor. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with any Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Agreement or any other instrument or document delivered pursuant thereto, other than this Assignment (herein collectively the "**Loan Documents**"), or any collateral thereunder, (iii) the financial condition of the Borrower, any of its Subsidiaries or Affiliates or any other Person obligated in respect of any Loan Document or (iv) the performance or observance by the Borrower, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Loan Document.

1.2 Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it meets all requirements of an Eligible Assignee under the Credit Agreement, (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it has received a copy of the Credit Agreement, together with copies of the most recent financial statements delivered pursuant to subsection 5.1 thereof, as applicable, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and to purchase the Assigned Interest on the basis of which it has made such analysis and decision, and (v) if it is a Non-US Lender, attached to the Assignment is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by the Assignee; and (b) agrees that (i) it will, independently and without reliance on Administrative Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

2. Payments. From and after the Effective Date, Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignor for amounts which have accrued to but excluding the Effective Date and to the Assignee for amounts which have accrued from and after the Effective Date.

3. General Provisions. This Assignment shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF ILLINOIS, WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES.

Exhibit 21

Subsidiaries of the Registrant

The following lists all of the subsidiaries of The Jones Financial Companies, L.L.L.P. (“JFC”), which are included in the consolidated financial statements.

Entity Name	State or Jurisdiction of Incorporation	Subsidiary of
EDJ Leasing Co., L.P.	Missouri	LHC, Inc. (“LHC”)
LHC	Missouri	JFC
Edward Jones Trust Company (formerly Boone National Savings and Loan Association, F.A.)	Missouri	JFC
EDJ Holding Co., Inc. (“EHC”)	Missouri	JFC
Edward D. Jones & Co., L.P. (“EDJ”)	Missouri	EHC
Edward D. Jones & Co. Canada Holding Co., Inc. (“EJCH”)	Ontario, Canada	EDJ
Edward Jones (“EJC”)	Ontario, Canada	EJCH
Edward D. Jones & Co. Agency Holding Co., Inc. (“EJAH”)	Ontario, Canada	EJC
Edward Jones Insurance Agency (Quebec) Inc.	Ontario, Canada	EJAH
Edward Jones Insurance Agency	Ontario, Canada	EJAH
EJ Mortgage, L.L.C.	Missouri	EDJ
Conestoga Securities, Inc. (“CSI”)	Missouri	EDJ
EDJ Ventures, Ltd.	Missouri	CSI
CIP Management, L.P.	Missouri	CMI
CIP Management, Inc. (“CMI”)	Missouri	CSI
Edward Jones Insurance Agency of California, L.L.C.	California	California Agency Holding, L.L.C., EJIA
California Agency Holding, L.L.C.	California	EDJ
Edward Jones Insurance Agency of New Mexico, L.L.C.	New Mexico	EDJ
Edward Jones Insurance Agency of Massachusetts, L.L.C.	Massachusetts	EDJ

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statement on Form S-8 (No. 333-136775) of The Jones Financial Companies, L.L.L.P. of our report dated March 31, 2011 relating to the financial statements, financial statement schedules and the effectiveness of internal control over financial reporting, which appears in this Form 10 K.

/s/ PricewaterhouseCoopers LLP

St. Louis, Missouri
March 31, 2011

Exhibit 31.1

CHIEF EXECUTIVE OFFICER CERTIFICATION

I, James D. Weddle, certify that:

1. I have reviewed this report on Form 10-K of The Jones Financial Companies, L.L.L.P. (the “Registrant”).

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

4. The Registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the Registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the Registrant’s internal control over financial reporting that occurred during the Registrant’s most recent fiscal quarter (the Registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant’s internal control over financial reporting; and

5. The Registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant’s auditors and the audit committee of the Registrant’s board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant’s ability to record, process, summarize, and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant’s internal control over financial reporting.

/s/ James D. Weddle
Chief Executive Officer
The Jones Financial Companies, L.L.L.P.
March 31, 2011

Exhibit 31.2

CHIEF FINANCIAL OFFICER CERTIFICATION

I, Kevin Bastien, certify that:

1. I have reviewed this report on Form 10-K of The Jones Financial Companies, L.L.L.P. (the "Registrant").

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize, and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

/s/ Kevin D. Bastien
Chief Financial Officer
The Jones Financial Companies, L.L.L.P.
March 31, 2011

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the annual report of The Jones Financial Companies, L.L.L.P. (the “Partnership”) on Form 10-K for the year ending December 31, 2010, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, James D. Weddle, Chief Executive Officer of the Partnership, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Partnership.

/s/ James D. Weddle
Chief Executive Officer
The Jones Financial Companies, L.L.L.P.
March 31, 2011

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the annual report of The Jones Financial Companies, L.L.L.P. (the "Partnership) on Form 10-K for the year ending December 31, 2010, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Kevin Bastien, Chief Financial Officer of the Partnership, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Partnership.

/s/ Kevin D. Bastien
Chief Financial Officer
The Jones Financial Companies, L.L.L.P.
March 31, 2011