STATEMENT OF ACTIVITIES (FISCAL YEARS ENDING AUGUST 31, 2010 AND 2009)

2010    2009

REVENUE
Membership Dues    $2,575,575    $2,331,714
Membership Programs   1,699,522    1,349,217
Industry Programs    25,170    25,899
Processing Fees    113,748    79,317
Annual Dinner Meeting   156,780    113,100
Special Events    66,252    47,165
Google SEM Program    109,070
Other Income    11,184    14,527
TOTAL REVENUE    4,757,301    3,960,939

EXPENSES
PERSONNEL
Salaries    1,390,663    1,386,855
Retirement Plan Contribution    87,627    47,842
Payroll Taxes    175,939    147,024
Life and Health Insurance    206,776    164,386
TOTAL PERSONNEL EXPENSES    1,861,005    1,746,107

OFFICE AND SUPPLIES
Office Leases    199,684    222,522
Telephone    39,683    40,824
Depreciation    14,128    16,377
Professional Services    98,285    54,659
Printing and Stationary    11,919    25,162
Postage    58,685    50,372
General Supplies    130,651    117,387
Taxes, Insurance, and Interest    14,218    17,146
TOTAL OFFICE AND SUPPLIES EXPENSE

OPERATIONS AND DEVELOPMENT
Commissions Expense    291,126    287,667
Commissions    604,739    443,436
Annual Dinner Expense    58,713    70,337
Golf Invitational Expense    49,354    29,649
Google SEM Expense    141,187
Dues & Subscriptions    43,272    35,095
Computer Expense    74,179    66,697
Meetings & Conferences    15,441    19,090
Publicity and Promotions Expense    74,433    76,868
TOTAL OPERATIONS AND DEVELOPMENT EXPENSE

DIRECT MEMBERSHIP PROGRAM EXPENSES

TOTAL EXPENSES

NET OPERATING REVENUE

OTHER REVENUE (EXPENSE)
Interest and Dividends    42,146    57,912
Unrealized Gain (Loss) on Investments    64,281    (76,226)
Realized Loss on Investments    11,919    (5,685)

Increase in Unrestricted Net Assets

FINANCIAL HIGHLIGHTS - Years ending August 31
Top Industries Inquiry Activity  (January 1-December 31, 2010)

<table>
<thead>
<tr>
<th>Industry</th>
<th># of Inquiries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roofing Contractors</td>
<td>117,278</td>
</tr>
<tr>
<td>Contractors – General</td>
<td>92,164</td>
</tr>
<tr>
<td>Construction &amp; Remodeling Services</td>
<td>91,172</td>
</tr>
<tr>
<td>Attorneys</td>
<td>78,484</td>
</tr>
<tr>
<td>Heating &amp; Air Conditioning</td>
<td>84,264</td>
</tr>
<tr>
<td>Auto Dealers - New Cars</td>
<td>72,781</td>
</tr>
<tr>
<td>Movers</td>
<td>68,624</td>
</tr>
<tr>
<td>Insurance Companies</td>
<td>47,015</td>
</tr>
<tr>
<td>Windows - Installation &amp; Service</td>
<td>44,616</td>
</tr>
<tr>
<td>Financial Services</td>
<td>43,909</td>
</tr>
</tbody>
</table>

Top Industries Complaint Activity  (June 1-December 31, 2010)

<table>
<thead>
<tr>
<th>Industry</th>
<th># of Complaints</th>
<th>% of Settled Complaints</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department Stores</td>
<td>6155</td>
<td>99.97</td>
</tr>
<tr>
<td>Financial Services</td>
<td>2659</td>
<td>98.01</td>
</tr>
<tr>
<td>Internet Shopping</td>
<td>1740</td>
<td>7.07</td>
</tr>
<tr>
<td>Insurance Companies</td>
<td>1078</td>
<td>94.62</td>
</tr>
<tr>
<td>Airlines</td>
<td>1053</td>
<td>98.01</td>
</tr>
<tr>
<td>Auto Dealers - New Cars</td>
<td>971</td>
<td>89.7</td>
</tr>
<tr>
<td>Vacation Certificates &amp; Vouchers</td>
<td>939</td>
<td>1.49</td>
</tr>
<tr>
<td>Auto Repair &amp; Service</td>
<td>931</td>
<td>74.97</td>
</tr>
<tr>
<td>Travel Agencies &amp; Bureaus</td>
<td>774</td>
<td>90.44</td>
</tr>
<tr>
<td>Collection Agencies</td>
<td>689</td>
<td>89.84</td>
</tr>
</tbody>
</table>
To our Accredited Businesses:

As you know, 2010 was a year that continued to challenge businesses. I am very pleased to report that in spite of some of the most trying economic conditions we’ve seen in decades, business participation in our varied activities has been very successful and our business recruitment efforts have shown positive results for a banner year!

The BBB Highlights of 2010 include:

- Instances of service to consumers and businesses increased to over 13.9 million, up more than 51% compared to 2009. More people than ever are relying on your BBB for guidance and referrals to find trustworthy businesses.
- Our education efforts are showing amazing results. Information available on businesses was accessed by significantly more people than last year, and fewer complaints were processed due to consumers’ research before making a purchase or using a service. Of those complaints filed with our office, 76% were settled.
- We implemented a successful online advertising program using Search Engine Optimization and Google to direct searchers for various products and services of BBB Accredited Businesses.
- Business Accreditation is up achieving more than 7,400 Accredited Businesses in northern Illinois.

These programs and activities, as well as the thousands of everyday little, but important, things that make the BBB a valued resource for consumers and businesses, are due to the support of our Accredited Businesses, dedicated Board of Directors and our office staff.

Your support makes the BBB a success!

2010 EXECUTIVE COMMITTEE AND BOARD OF DIRECTORS

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Mayer Brown LLP

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Dacanay Consultants

Jeffrey Dann
RJ2 & Associates, Inc.

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Automated Data Processing

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West Suburban Bank

Dennis DePaola
CBS 2 Chicago

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Rick Dow
Midas International Corporation

Mark T. Doyle
National Van Lines

Rob Ewing
Walgreens

David B. Fine
AT&T Inc.

Paul Fisher
Danley Garage World

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Tribune Media Group

Russell T. (Wicker) Freeman
Coyne American Institute

Joseph M. Giaglardo
Lane, Muchin, Dombrow, Becker Levin and Tominberg

Ed Garcia
Wireless Central LLC

A. F. (Duffy) Gaynor
IBM Corporation

Dayle Gillett
The Inland Real Estate Group

James Gnoffo
AAA Chicago

Patricia Golden
NBCS Chicago

Edward E. Gordon
Imperial Consulting Corporation

Thomas D. Graham
Airoom Architects & Builders

Peter Grande
State Farm Insurance

E. Barry Greenberg
Greenberg & Silverman

Michael T. Grisamore
CDW

David P. Gutman
David Gutman Consulting

Greg L. Hoover
Bekins Van Lines, LLC

Richard Hynes
Hynes Associates Architecture & Interiors

Joann Jackson
Integrated Project Management

David Kelly
Dex One Corporation

Christopher E. Kentra
Meckler, Bulger Tilson Marwick & Pearson, LLP

John Kroen
DeVry Inc.

Gary Lang
Gary Lang Auto Group

Brian G. LaPelusa
LaPelusa Home Improvement

Brian Leonard
Code Red LLC

Edith Leonian
Concession Services, Inc.

Mark A. Lies II, Esq.
Seyfarth Shaw LLP

Jerry Lott
Bridgegate Retail Operations

Michael Magnusson
Pinnacle Advertising

David W. Maher
Public Interest Registry

Robert Marocchio
Assurance Agency, Ltd.

Dan McLaughlin
Plumbing Council of Chicagoland

Howard Medley
Medley’s Moving & Self Storage

Harold (Sandy) Menger
Pave Man, Inc.

Carlos M. Minetti
Discover Financial Services

Raymond D. Minkus
Minkus & Pearlman

Kevin Mize
O’Hare Honda, Pontiac, Hyundai

John Moran
KPMG LLP

Bridge Moscatello
Empire Today, LLC

Robert Mudd
Mudd Advertising

Dale Mueller
Chicagoland Aamco Dealers

Laura A. Novy
Eelon Corporation, ComEd

Bruce O’Neal
Matthews Roofing Company, Inc.

Dennis R. Ontaneda
Combined Insurance, Worksite Solutions

Steve Piwowar
Champion Window Company of Chicago

Desmond Roberts
Advantage Chevrolet

Allen Rodriguez
Rodriguez Consulting

Mark Scarpelli
Raymond Chevrolet/Olds, Inc.

David J. Schroer
Hallberg Commercial Insurors, Inc.

Jim Schwartz
Von Sydow’s Moving & Storage

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Jerry Zienty
Jerome A. Zienty & Associates