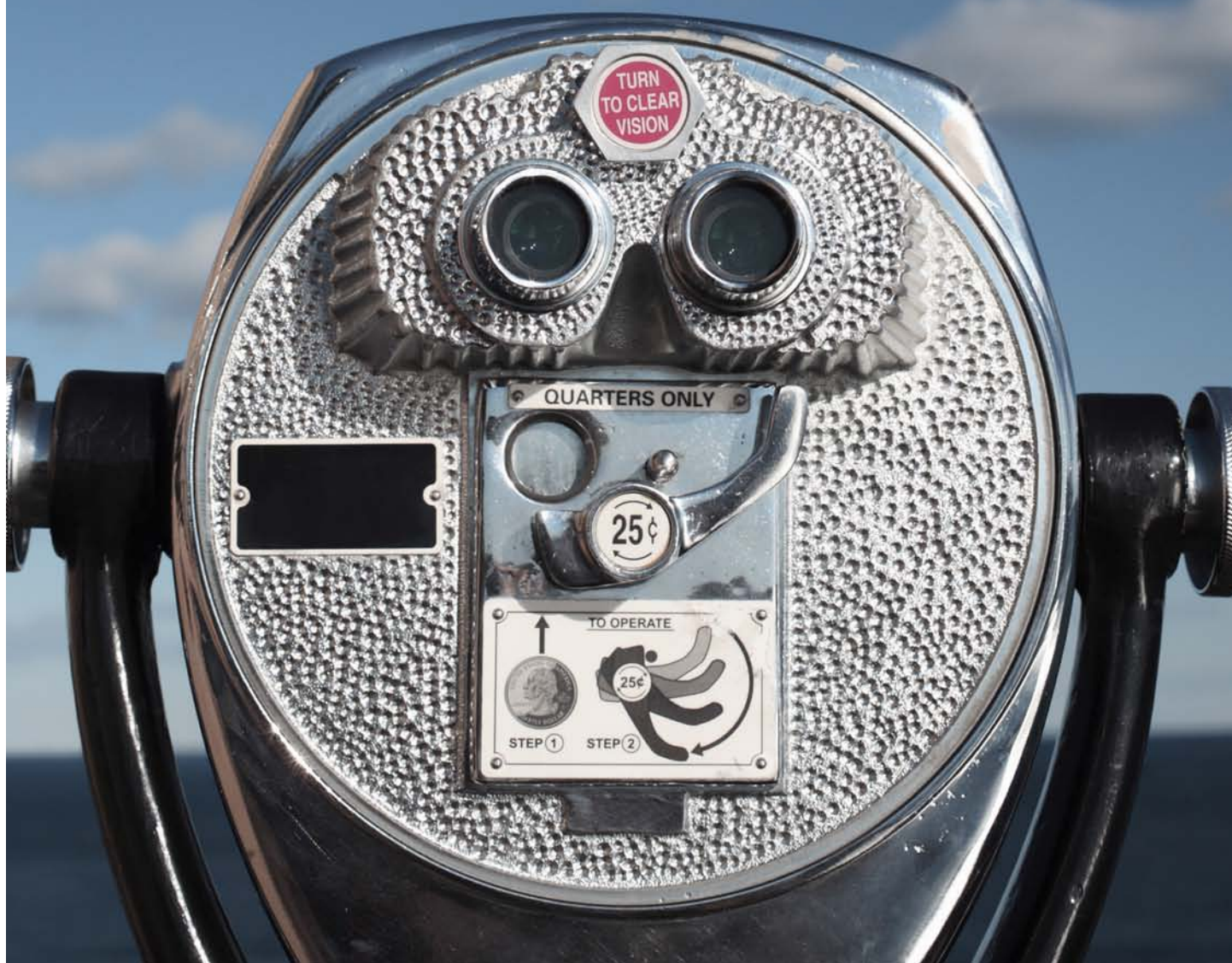


2011 YEAR IN REVIEW

Focused on What Matters



Our Focus:

Superior value to clients.

Efficient delivery of in-demand legal expertise.

An inclusive and enriching workplace culture.

Positive impact on citizens in need.

At Gray Plant Mooty, these goals represent the source of our inspiration and the ultimate measure of our success. Our continuous pursuit to be better is what makes us such a vibrant law firm to work with, work for, and have in the community.

Once again, we devoted more than 3 percent of our collective billable time to pro bono causes in 2011, with numerous attorneys, summer associates, and paralegals volunteering their legal expertise to disadvantaged individuals and organizations. Our attorneys and staff also rolled up their sleeves to assist community members in times of crisis and need.

Service, culture and diversity, and charity are an integral part of who we are at Gray Plant Mooty. Our efforts in these areas make us better legal service providers, and they provide meaning and dimension to our work. We look forward to finding new ways to improve the lives of all we serve in 2012 and beyond.

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**Letter from the Managing
Officer and Chairperson
of the Board**

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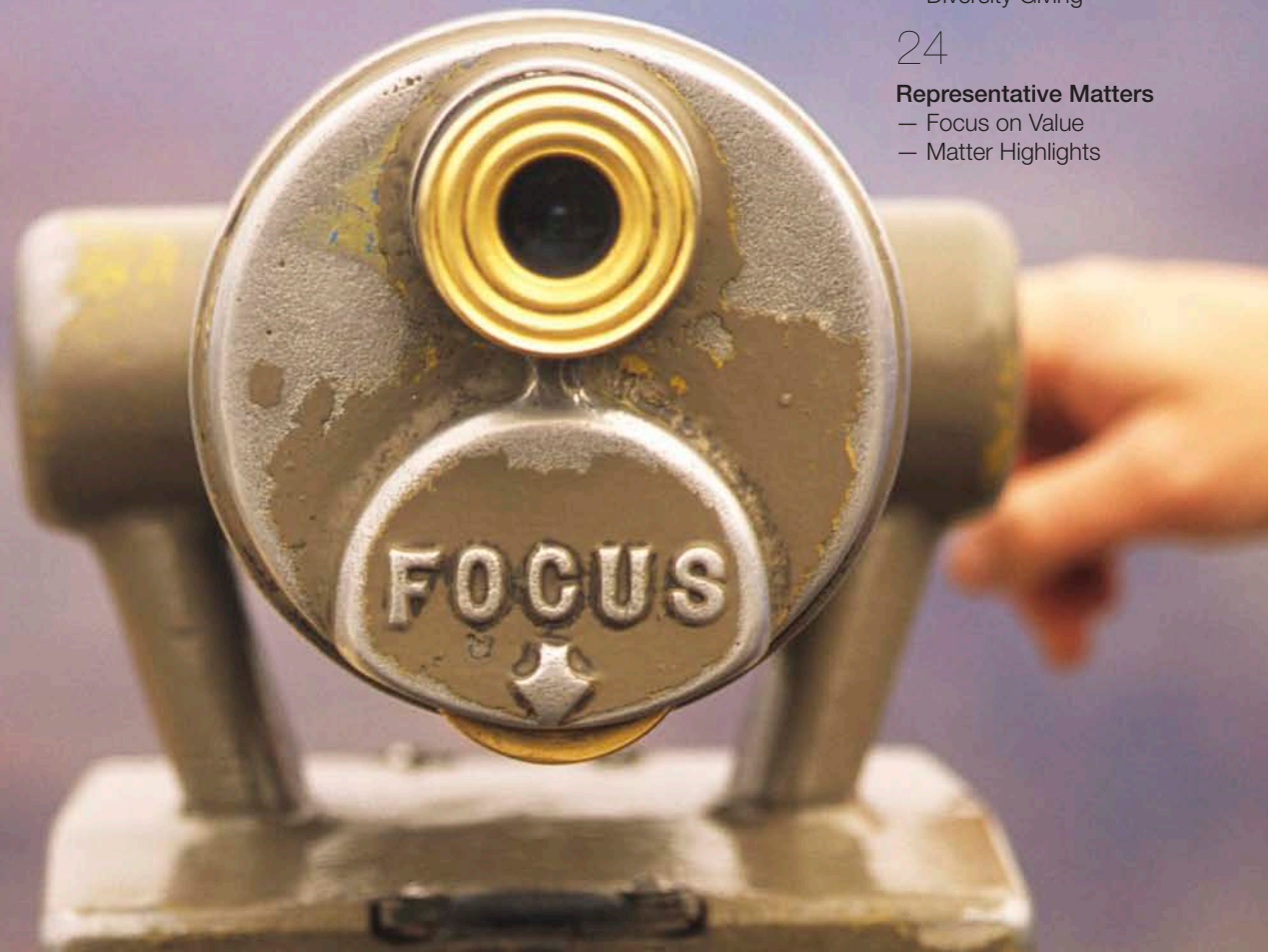
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Letter from the Managing Officer and Chairperson of the Board

Dear Gray Plant Mooty Clients and Friends,

It was a year of renewed perspective for our law firm. With so much happening in the global economy that was beyond anyone's control, we focused significant attention in 2011 on matters we could influence. We thoroughly reviewed our business and explored ways to improve how we serve our clients, our employees, and our communities.

We chose "Focused on What Matters" as the theme for this Year in Review, because it reflects the reenergized priorities that resulted from our evaluation. We focused on exceptional client service, efficient project management, process improvement, and bringing individualized service and value to each client. We have added highly qualified lawyers and staff and continued our exemplary efforts at giving back to the communities where we live and work.

The "Focused on What Matters" theme also touches on another event last year that profoundly impacted the Gray Plant Mooty family: the passing of our dear friend and colleague, Tamara Hjelle Olsen. Tamara was the embodiment of focusing on what matters—in how she lived, in how she worked, and in the sense of reverence and respect she paid to every individual she encountered.

At Gray Plant Mooty, we are focused on deepening and broadening relationships and using our vision, wisdom, and experience to get the best results for our clients, employees, and communities. It is both a pleasure and a privilege to serve you, and we look forward to continuing our work with you in the future.

We thank you for everything.



David C. Bahls

Dave Bahls
Managing Officer

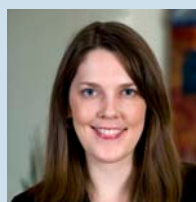


Bruce W. Mooty

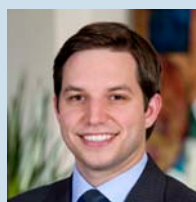
Bruce Mooty
Chairperson of the Board

Transitions

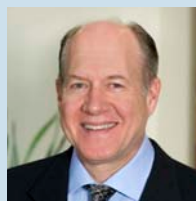
NEW ATTORNEYS



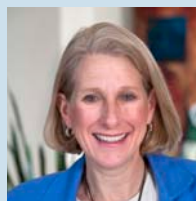
Ashley M. Bennett Ewald
Associate
Minneapolis
Practice areas: Business Litigation; White Collar Defense; Trademark & Brand Management; Intellectual Property, Technology & Privacy; Franchise & Distribution



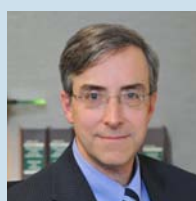
Nicholas H. Callahan
Associate
Minneapolis
Practice areas: Business Litigation; Financial Services Litigation; Trust & Estate Litigation



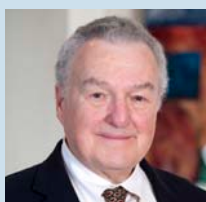
Michael R. Cohen
Principal
Minneapolis
Practice areas: Intellectual Property, Technology & Privacy; Trademark & Brand Management; Entrepreneurial Services; Mergers & Acquisitions; Health Care



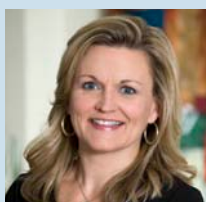
Susan Gaertner
Principal
Minneapolis
Practice areas: White Collar Defense; Health Care Compliance & Regulatory Defense; Health Care Litigation; Agribusiness & Food



Sheldon H. Klein
Principal
Washington, DC
Practice areas: Intellectual Property, Technology & Privacy; Trademark & Brand Management; Copyright; Franchise & Distribution



Frederick H. Miller
Of Council
Minneapolis
Practice areas: Commercial Lending; Consumer Finance & Regulation



Angela L. Rud
Principal
Minneapolis
Practice areas: Employment; Employment Litigation; Employee Benefits & Executive Compensation; Labor; Franchise & Distribution; Health Care; Mergers & Acquisitions



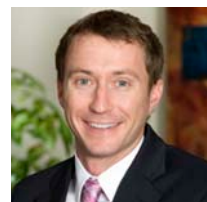
Andrew J. Steil
Associate
St. Cloud
Practice areas: Financial Services Litigation; Commercial Lending; Business Litigation; Real Estate Litigation; Reorganization & Bankruptcy



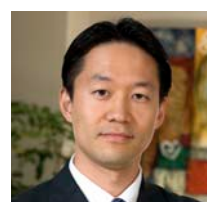
Karen E.N. Wenzel
Associate
Minneapolis
Practice areas: Entrepreneurial Services; Private Equity; Mergers & Acquisitions; Securities & Corporate Governance; Intellectual Property, Technology & Privacy

NEW SHAREHOLDERS

(as of January 1, 2011)



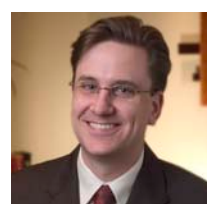
Brian A. Dillon
Minneapolis
Practice areas: Business Litigation; Complex Investigations; Financial Services Litigation; Government Relations; Health Care Litigation; Nonprofit & Tax-exempt Organizations; Products Liability; White Collar Defense



Inchan H. Hwang
Minneapolis
Practice areas: Securities & Corporate Governance; Corporate Finance; Mergers & Acquisitions; Entrepreneurial Services; Agribusiness & Food



Jeremy L. Johnson
Minneapolis
Practice areas: Antitrust & Trade Regulation; Business Litigation; Class Action; Health Care Litigation; Intellectual Property Litigation



Greg A. Larson
Minneapolis
Practice areas: Nonprofit & Tax-exempt Organizations; Health Care; Higher Education; Mergers & Acquisitions



Kermit J. Nash
Minneapolis
Practice areas: Agribusiness & Food; Corporate Finance; Entrepreneurial Services; Family-Owned Business; International Development; Mergers & Acquisitions; Private Equity; Securities & Corporate Governance



Matthew J. Shea
Minneapolis
Practice areas: Trust, Estate & Charitable Planning; Family-Owned Business; Agribusiness & Food

In Memoriam

TAMARA HJELLE OLSEN

1960-2011



Tamara Hjelle Olsen, who joined Gray Plant Mooty in 1986 fresh out of Harvard Law School and went on to become our firm's first female managing officer, died on July 4, 2011, after a courageous year-long battle with cancer. She is dearly missed by her loving family and friends, her second family here at Gray Plant Mooty, and her clients and colleagues from Minnesota's legal, business, and higher education communities.

While Tamara's 51 years on Earth were far too few, her accomplishments and contributions to the community were many.

Tamara was a dedicated and insightful lawyer. After coediting the *Harvard Women's Law Journal*, Tamara joined Gray Plant Mooty as a summer associate in 1985, and then came on board full-time in September 1986 as an associate in the firm's Litigation practice group. She helped launch the firm's Employment & Labor practice group in 1992, was elected to the board of directors in 1994, launched the Higher Education team in 1999, was named vice president in 2005, and elected managing officer and chair of Gray Plant Mooty's board of directors in 2007.

Tamara's professional honors and recognitions were numerous, and included being named one of Minnesota's leading employment attorneys by *Chambers USA* and *Super Lawyers*, one of Minnesota's Top 100 Women Super Lawyers, a Women in Business & Industry Leader by the *Minneapolis/St. Paul Business Journal*, and a recipient of the Distinguished Alumni Award from Minnesota State University-Moorhead, where she received her undergraduate degree in 1982.

To give back to the community, Tamara and her family traveled on a mission trip in 2001 to Hazel Green, Kentucky, where they painted and repaired local homes and churches. Tamara was also a regular contributor to pro bono legal efforts and she co-taught a course, entitled "Women and the Law," at the University of Minnesota in 1993. Tamara also served as an elder at Hope Presbyterian Church, and she served on the board of directors of People Incorporated and the board of trustees of Dunwoody College.

Tamara was born in Wadena, Minnesota, to Donn and Shirley Hjelle on May 4, 1960. She is survived by her husband of 31 years and high school sweetheart, Michael; children, Corbin and Johanna; father, Donn, and his wife, Ann; sisters, Deirdre Hjelle and Mara Hjelle; and brother, Dr. Tony Hjelle. Tamara was preceded in death by her grandparents; mother, Shirley; and daughter, Maren (1988-1989).

Honors & Recognition

Gray Plant Mooty has long been recognized for its superior business and workplace practices, and 2011 proved no exception. It was another year filled with awards, accolades, and acknowledgements.

- We were recognized by our clients in the *BTI Client Service A-Team 2011: The Survey of Law Firm Client Service Performance* for excellence in the delivery of client service.
- For the third consecutive time, the National Association for Female Executives (NAFE) and Flex-Time Lawyers, LLC, named Gray Plant Mooty one of the nation's 50 "Best Law Firms for Women."
- Our firm made another strong showing in the *U.S. News & World Report* "Best Law Firm" rankings, with the number of ranked practices increasing from 13 in 2010 to 20 in 2011.
- Ten Gray Plant Mooty attorneys were recognized in *The International Who's Who of Franchise Lawyers 2011*—the second most globally.
- *Chambers Global* ranked the Gray Plant Mooty Franchise & Distribution practice group in the top four globally.
- Our *Chambers USA: America's Leading Lawyers for Business* ranking included 11 Gray Plant Mooty attorneys and four practice groups.
- Twenty-six Gray Plant Mooty attorneys were named "Minnesota Super Lawyers," and 13 were named "Rising Stars." Fewer than 2.5 percent of Minnesota attorneys receive this honor.
- The 2012 edition of *Best Lawyers in America* (which was published in 2011) includes 22 Gray Plant Mooty attorneys.



Firmwide Sponsorships

In 2011, Gray Plant Mooty continued to be a proud sponsor of Minnesota Public Radio, the Walker Art Center, and the Weisman Art Museum.

Minnesota Public Radio Gray Plant Mooty was pleased to sponsor the 15th-annual Minnesota Public Radio Broadcast Journalist Series. The series commissions National Public Radio journalists and correspondents for a 24-hour residency in Minnesota, four times per year. While here, the journalists share insights on their craft with the public and discuss the people and events that impacted them professionally.

Gray Plant Mooty attorneys, staff, and clients attended the events as part of the sponsorship. Each session began with one of our attorneys introducing the featured journalist or correspondent.

Walker Art Center Gray Plant Mooty has supported more than 90 performances by 30 artist groups at the Walker, including many new commissions, residencies, and premieres by performers from around the world. The 2011-2012 dance season alone includes at least 25 performances by 10 different artist groups, bringing the total number of Gray Plant Mooty-sponsored performances up to 100 at year's end.

The Walker's performing arts season is punctuated by three mini-festivals: New Music and Dance from the Congo; A Merce Cunningham Celebration dedicated to the legacy of this transformative artistic figure; and an in-depth focus on vanguard composer and pianist Vijay Iyer, with five of his bands performing over two days.

Weisman Art Museum Since 1993, the Weisman Art Museum has resided in a stunning stainless-steel and brick building designed by luminary architect Frank Gehry. The Weisman is nestled on the bluffs of the Mississippi River on the University of Minnesota campus in Minneapolis, and has become a familiar icon of the Twin Cities cultural and architectural landscape.

Now, the Weisman enters a new phase with an 8,100-square-foot expansion, designed by Gehry and proudly sponsored by Gray Plant Mooty. The museum reopened its doors in October 2011, complete with five new gallery rooms and twice the display space for its permanent collection. Gray Plant Mooty attorneys, clients, and guests were among 700 people at the grand reopening gala dinner.

Focused on Pro Bono and Community Service

Last year, we participated in a broad range of pro bono and community service activities, donating our time and our talents to people in need.



Pro Bono All Star

Divorce law is far from his area of specialization. But when Bob Feigh saw a backlog of need for such services among economically disadvantaged people in his central Minnesota community, he began volunteering a significant portion of his time, free of charge.

That was nearly 30 years ago.

Bob, a Gray Plant Mooty shareholder and veteran attorney in the St. Cloud office, is a shining example of the rewards of pro bono work for the people he serves, as well as for himself. Since 1983, he has been consistently offering his talents through Central Minnesota Legal Services, assisting low-income clients with family law cases, mostly divorces. He has also handled many other pro bono cases in a variety of legal areas. In addition, Bob continues to serve as an arbitrator for fee disputes between clients and attorneys in the Seventh Judicial District.

"In law school, I found the idea of providing such valuable expertise to people who need it most to be highly appealing," he said. "However, I realized in practice that attorneys are more accessible to those with resources. I think the pro bono work is my way of making my knowledge available to more people across a broader range of economic prosperity."

Bob's pro bono generosity has been recognized among his peers. He received the Seventh Judicial District Pro Bono Award in 2009, and he is also the deserving recipient of the 2011 Gray Plant Mooty Pro Bono All Star Award.

"I am genuinely honored to receive this award from Gray Plant Mooty, considering the high number of my fellow attorneys who take on so many pro bono cases," he said. "It's gratifying to know that the firm I work for sees the same value in this work as I do."

Central Minnesota Legal Services sends out a survey to clients regarding the quality of legal representation at the conclusion of each case, and Bob receives consistently high marks from the people he serves. Comments routinely touch on his knowledge of the law, as well as Bob simply being a good person who seems to truly care about the clients he is assisting.

"I receive more out of this work than I put in, and most of the people are very kind and appreciative of how I'm helping," he said. "This is rewarding stuff. As long as I'm practicing law, my pro bono commitment will continue."

In addition to his pro bono work, Bob is involved in several local charities and community groups throughout the St. Cloud area.



Bob Feigh

*2011 Gray Plant Mooty
Pro Bono All Star*

"I receive more out of this work than I put in... As long as I'm practicing law, my pro bono commitment will continue."

Pro Bono Awards

The firm paid special tribute to three attorneys and a paralegal who went above and beyond to assist pro bono clients. To reward these efforts, the firm makes a donation to a pro bono organization of each attorney's or paralegal's choice.

Shining Stars The following attorneys were recognized for their notable contributions to pro bono causes in 2011:



Adam Nathe Adam, an attorney in Minneapolis, is a longtime volunteer who enjoys helping low-income individuals with legal issues at the Legal Access Point clinic and through the Housing Court Project clinic in Hennepin County District Court. He also regularly advises owners of small, minority-owned businesses and the Metropolitan Economic Development Association, a community organization that provides business planning, financial advising, and other services to minority-owned businesses.



José Garcia Since 2009, José, a Washington, DC, paralegal, has worked as a Volunteer Special Advocate for Abused Children in Fairfax County, Virginia. He contributes 100 hours per year meeting with parents and children who live in the community so that he can make recommendations to judges regarding which actions will best serve the interests of each child. He has appeared on television to promote the program and communicate the need for more Spanish-speaking volunteers.



Larry Henneman Each year for several years, Larry, a Minneapolis attorney, has been contributing his time toward assisting Mount Olivet Lutheran Church in Minneapolis. His work with the church covers the full range of legal issues, including estate and trust administration, his area of expertise. Larry has also spent substantial time working on the Uniform Trust Code in Minnesota.

Pro Bono Highlights



Matt Plowman

Gray Plant Mooty aids North Minneapolis tornado victims There was chaos everywhere following the storm that devastated this densely populated neighborhood on May 22, 2011. One of the main areas of concern among the tornado victims involved making insurance claims. An impromptu meeting was held among the directors of all pro bono legal teams on site, including the Volunteer Lawyers Network of Minneapolis, of which Gray Plant Mooty attorney Matt Plowman is an active member.

The meeting revealed that Matt, who had substantial experience in the insurance industry before going to law school, was the attorney best equipped to field the onslaught of insurance-related questions. He presented at two open-house events in the neighborhood on the topics of homeowner and rental insurance. The Minnesota Department of Commerce now uses information from Matt's presentation to help manage insurance commissioner complaints.

In addition to Matt's efforts, Minneapolis attorney Wade Anderson arranged a financial contribution to tornado victims from the Gray Plant Mooty Foundation. The contribution was distributed through Catalyst Community Partners, a nonprofit organization affiliated with The Ackerberg Group, a commercial real estate firm that does significant development and redevelopment work in North Minneapolis. Both Catalyst and Ackerberg are Gray Plant Mooty clients, and Wade is a Catalyst board member.



Wade Anderson



Dorrie Larison

An African woman finds a reliable study partner for U.S. naturalization test preparation Through her pro bono work with the Immigrant Law Center, Dorrie Larison, an attorney with our St. Cloud office, used her legal expertise—along with her experience as a mentor and friend—to help a woman from the Horn of Africa prepare for tests to become a naturalized U.S. citizen. This native of Eritrea is a wonderful, bright woman. She lacked confidence, however, and her nerves got the best of her during exam time. She failed to pass the verbal history portion of the test and was beginning to give up on herself.

Dorrie refused to give up on her. She helped the woman fill out the Application For Citizenship and prepare for the test. The woman failed the exam once more, but Dorrie helped her to begin the preparation anew and continued committing her time and attention. The woman failed to pass the test on her third attempt, so the story continues. Dorrie assured the woman that if she chooses to take the naturalization test again, she will not be alone in her preparation.

Pro Bono Highlights continued

Gray Plant Mooty attorneys help Kenyan woman obtain life-saving Withholding of Removal Gender violence represents a serious human rights issue in Kenya. Minneapolis Gray Plant Mooty attorneys Dean Eyler and Liz Dillon were deeply moved by the case of a particular young woman who fell victim to such violence and was seeking to avoid harm to herself and her young daughter if she were forced to return to Kenya. The Immigration Court had denied this woman's claim for asylum, because when represented by other counsel, she failed to file her claim within one year of entering the U.S., which is required by law.

Dean and Liz donated extensive time and legal expertise to the woman's cause. With their help, the court found her credible, and she was granted Withholding of Removal, preventing her and her daughter from being forced to return to Kenya and face almost certain additional violence.

Gray Plant Mooty attorneys attract national attention with a pro bono residential property case When Jennifer Coates and Dan Shulman learned about a suburban-Minneapolis couple deprived of due process with the residential property they own and lease, the two attorneys took on the case for free. The case involved a city forcing the property owners to evict their tenants who violated a city ordinance. The couple lost rental property rights and income for one year, and were threatened with permanent loss of property rights if another violation occurred.

The ordinance offered no means to address or appeal any of these deprivations, violating the constitutional rights of the property owners. Jennifer and Dan argued for a temporary injunction in federal court—and although that battle was lost, the war was won. While denying the initial motion, the court found a substantial likelihood of Jennifer and Dan successfully showing that the ordinance at issue was unconstitutional. As a result, the city settled the case, which included compensation for our clients and enactment of a new ordinance providing a right of review for landlords before the eviction of tenants. This case has attracted national attention due to the prevalence of similar ordinances across the U.S. More importantly, the landlords Jennifer and Dan represented and their tenants recouped most of their losses and had their trust in the justice system restored.

Gray Plant Mooty attorney helps create a system for providing free legal assistance to self-representing individuals in District Court The Pro Se Project provides assistance to people who represent themselves in civil matters in the U.S. District Court for the District of Minnesota. As any lawyer with experience in federal courts can attest, self-representation in this venue would be challenging for anyone not trained in the law. It also places extra burden on judges and other court personnel.

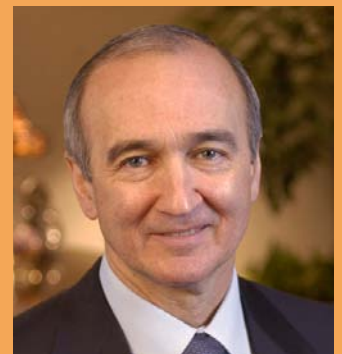
Jim Simonson, a veteran attorney with Gray Plant Mooty's Minneapolis office and a member of the Minnesota Chapter of the Federal Bar Association board of directors, was involved with the development and launch of the Pro Se Project. To date, he and other Gray Plant Mooty attorneys have undertaken representation of two individuals through the project, with both cases involving Social Security disability benefits.



Dean Eyler



Liz Dillon



Dan Shulman



Jim Simonson

We extend our appreciation to these Gray Plant Mooty attorneys, summer associates, and paralegals who did pro bono work in 2011:

*Norman M. Abramson
JC Anderson
Jennifer L. Anderson
*Joy R. Anderson
Megan L. Anderson
*Wade T. Anderson
*Albert Andrews
David C. Bahls
Bradford M. Barz
Jeffrey M. Bauer
Peter K. Beck
*Sitso W. Bediako
Jesse A. Berg
Kathryn J. Bergstrom
Deanna Bierwerth
Jennifer R. Bishop
*Catherine M. Bitzan
Anne L. Bjerken
*Julie L. Boehmke
Phillip W. Bohl
*Lindley S. Branson
Maxwell J. Bremer
John E. Brower
Nancy Quattlebaum
Burke
Nicholas H. Callahan
Alice E. Campbell
Christopher A. Carlisle
Tracy N. Castillo
*Jimmy Chatsuthiphan
*Barry F. Clegg
*Jennifer R. Coates
Michael R. Cohen
Peter B. Colton
*Abigail S. Crouse
Sandi L. De Boom
Brita C. de Malignon
Jennifer C. Debrow
Samuel W. Diehl
*Brian A. Dillon
*Elizabeth S. Dillon
Heidi A. Doverspike
Angela K. Downin
Sarah Duniway

Ellen M. Durkin
*Lesla M. Eastman
Ashley M. Bennett Ewald
*Dean C. Eyler
*Robert J. Feigh
*William J. Fisher
John W. Fitzgerald
*Richard N. Flint
Michael C. Flom
*Angela T. Fogt
*Maisa Jean Frank
Julie A. Frommelt
*Susan E. Gaertner
*José Garcia
Carol T. Garner
Ryan C. Gerads
John D. Giudicessi
*Melba R. Granlund
Michael R. Gray
John R. Green
Stephen F. Grinnell
Sally S. Grossman
*Kendra J. Hagen
*Ronda S. Hagglund
Lee W. Hanson
Christopher W.
Harmoning
*Hailey A. Harren
*Nevin R. Harwood
Cynthia Hefferan
Laura J. Hein
*Larry R. Henneman
*Gene H. Hennig
Alyssa J. Hirschfeld
Kelly W. Hoversten
Inchan Hwang
Cheryl L. Johnson
*Jeremy L. Johnson
Jessica B. Johnson
Marilee P. Johnson
*Thomas L. Johnson
Tina M. Johnson
*Meghann F. Kantke
Jeffrey L. Karlin

Sheldon H. Klein
William D. Klein
*Gaylen L. Knack
*Pamela J. Kovacs
John L. Krenn
Rick E. Kubler
Phillip L. Kunkel
Steven B. Kutscheid
Judith B. Langevin
*Doraine A. Larison
Scott T. Larison
Greg A. Larson
Edward J. Laubach
*Dean A. LeDoux
*Carl Crosby Lehmann
Susan D. Lenczewski
Nancy E. Lyke-Hilla
Charles K. Maier
Robert W. Mairs
Mark S. Mathison
George E. Meinz
Thomas P. Melloy
*Gregory R. Merz
Craig P. Miller
Jessica A. Mitchell
*Brianna M. Mooty
*Bruce W. Mooty
David M. Morehouse
Sheryl G. Morrison
Lauren K. Murphy
AmyAnn W. Mursu
Kathryn M. Nash
Kermit J. Nash
*Adam M. Nathe
John M. Nichols
*Kate G. Nilan
*Matthias L. Niska
*Casey M. Nolan
Julia S. Offenhauser
Jeffrey A. Peterson
Matthew G. Plowman
Carla J. Rice
Katherine S. Rodenwald
Iris F. Rosario

Angela L. Rud
Gayle M. Schaub
Norine A. Schmitt
Laura J. Schoenbauer
Max J. Schott
*Clinton A. Schroeder
Virginia S. Schubert
Jacqueline M. Schuh
Bryan M. Seiler
*Matthew J. Shea
Diane D. Shelander
Dan R. Shulman
*James S. Simonson
Andrew J. Steil
Paul W. Steil
Randy P. Stensrud
Jason J. Stover
Daniel R. Tenenbaum
Frank V. Vargas
Stephen J. Vaughan
Katherine L. Wallman
*Robert J. Walter
Henry T. Wang
Karen E. Wenzel
Trudy M. Wiechmann
Lori L. Wiese-Parks
Mark D. Williamson
Quentin R. Wittrock
Kathi J. Wright
*Eric L. Yaffe
Robert L. Zisk

**Special thanks to these individuals who donated 50+ hours to pro bono causes in 2011.*

Community Service Highlights

School Supply and Coat Drive During 2011, Catholic Charities Emergency Services assisted more than 1,700 central Minnesota students with basic school supplies. The St. Cloud office held a weeklong “Tools for Schools” campaign in support. Employees purchased numerous supplies or donated cash to purchase supplies, and the results were amazing.

The St. Cloud office also developed a drive of its own to benefit people in need in the community. On her way into work one February morning, receptionist Amy Lupinek noticed some individuals near the office without winter coats and decided to start a coat drive. The office ended up donating 37 coats—17 to Place of Hope, 17 to the Salvation Army Emergency Shelter, and three directly to individuals in need.

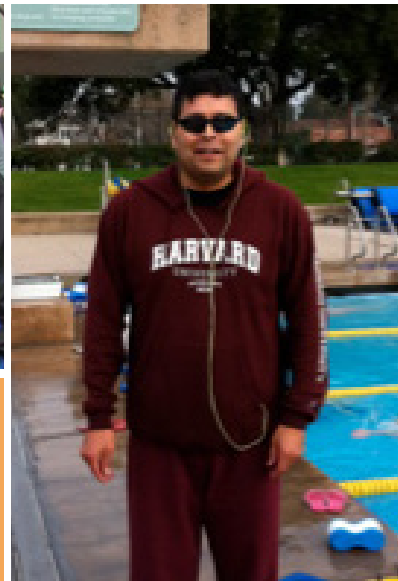
Clara’s House The *St. Cloud Times* ran a story in the summer of 2011 highlighting the donations that our St. Cloud office and colleagues made to Clara’s House in the CentraCare Health System. Clara’s House provides children and adolescent mental health and chemical dependency services in central Minnesota.

Other ongoing community service initiatives:

- **The United Way Campaign**
- **Everybody Wins!**
- **One Minneapolis, One Read**
- **Food & Fund Drive**
- **Habitat for Humanity, Women Build**
- **Share the Spirit Project**
- **Hats for Hope**
- **Angel Tree Program**
- **Hearts & Hammers**
- **Jeremiah Program**



Community Service Highlights cont.



Winter Carnival 5K run In January 2011, more than 50 Gray Plant Mooty family members and friends gathered in St. Paul to participate in the Winter Carnival 5K and send positive energy to Tamara Olsen while she courageously battled cancer. Runners, walkers, and watchers—ranging in age from age 7 to 77—had a wonderful time battling the cold, negotiating the hilly terrain, and running past the amazing snow sculptures in Rice Park.

Craig Miller and Brian Dillon must have run 15K as they scurried back and forth along the running route to catch everyone on video. If that wasn't enough, various images of people working out in Tamara's honor came in from around the world as well—locations ranging from Duluth and San Francisco to Rotterdam and the beaches of Mexico.



Foundation Giving Highlights

How can we give charitably to the community, to clients, and to attorney-related causes with the greatest positive impact? How do we focus our resources on organizations with values similar to our own? These questions are the lenses through which the Gray Plant Mooty Foundation makes every donation decision.

In 2011, the Foundation made a concerted effort to refine its list of grant beneficiaries. We continued to apply our existing guidelines, but in a way that better supports our firm's strategic objectives and commitment to diversity. We also made it clearer to our staff which organizations we stand behind and why, and offered financial support to those organizations for which our attorneys are active members. These measures are helping to provide the greatest value for our communities while motivating more of our people to get involved.

In 2011, the Gray Plant Mooty Foundation donated to the following organizations:

American Association of Jewish Lawyers and Jurists	EFWC Philanthropies, Inc.	Jewish Board of Family and Children's Services	Minnesota Private College Fund	St. Olaf College
Advocates for Human Rights	Equal Justice America	Jeremiah Program	Minnesota Urban Debate League	St. Olaf College Athletic Fund
ALA Capital Chapter Foundation	Fairfax Court Appointed Special Advocates	Kaposia	Minnesota YMCA—Youth Government	St. Paul Chamber Orchestra
Alliance Housing Inc.	Feed My Starving Children	Lawyers Concerned for Lawyers	Minnesota Zoo	Studio 206
American Cancer Society	First Evangelical Lutheran Church	Lee Carlson Center for Mental Health & Well-Being	MinnPost	The YMCA of the Greater Twin Cities
Animal Humane Society	FLAG (Farmers Legal Action Group)	LegalCorps	MinnWest Technology Foundation	Riverview Healthcare Foundation
ARC of Minnesota	Fraser	Lifeworks Services	Minot Area Recovery Fund	TSE, Inc.
Asian American Justice Center	Free Arts Minnesota	Lift Kids	Minnesota Angel Network/The BioBusiness Alliance	Twin Cities Christian Legal Aid
Asian Pacific American Bar Association Educational Fund	Friends of FANA Minnesota	Loan Repayment Assistance Program of Minnesota, Inc.	Minnesota Dance Theatre and Dance Institute	Twin Cities Gay Men's Chorus
Better Business Bureau Foundation	Fund for Legal Aid Society	Midwest Athletes Against Childhood Cancer Fund	NALP Foundation	United Arts of Central Minnesota
Bethel University Foundation	Gilda's Club Twin Cities	Macphail Music Matters	National MS Society	United Theological Seminary
Big Brothers Big Sisters of Central Minnesota	Good Samaritan Discipleship	Marvin R. Andersen Legacy Fund	Northwest Suburban Pheasants Forever	United Way of Central Minnesota
Bohannon Group Foundation	Greater Boston Food Bank	Memorial Blood Center	Opportunity Manor	University of Minnesota Foundation
Buena Vista University	Greater Minneapolis Council of Churches	Minnesota Hispanic Bar Association	Orono Alliance for Education	University of St. Thomas
Camp Get-A-Well-A	Greater St. Cloud Development Corporation	Mid-Minnesota Legal Assistance	Owens Corning United Way Golf Outing	Volunteer Lawyers Network
Catalyst Community Partners	Greater Twin Cities United Way	Midway Training Services, Inc.	PACER Center	Walker Art Center
Centennial Area Education Foundation	Guthrie Theater	Minneapolis Foundation	Parents in Community Action	Washington Lawyers' Committee
CentraCare Health Foundation	Habitat for Humanity	Minneapolis Institute of Arts	Park Nicollet Foundation	Washington Legal Clinic for Homeless, Inc.
Central Minnesota Community Foundation	Hammer Residences, Inc.	Minneapolis Jewish Federation	Perpich Center for Arts Education Foundation	WBA Foundation Annual Dinner Fund
Central Minnesota Council, Boy Scouts of America	Hispanic Bar Association—DC Foundation	Minneapolis Musical Theatre	People Incorporated	Wellstone Action Education Fund
Children's Foundation	Hearts and Hammers	Minneapolis Rotary Foundation	Pioneer Foundation	White Bear Center for the Arts
Children's HeartLink	Helping Paws	Minnesota Association of Black Lawyers	Project for Pride in Living	Whole Learning School
Children's Law Center of Minnesota	Hennepin County Bar Foundation	Minnesota Black Music Association	Pillsbury United Communities— Full Cycle	William Mitchell College of Law
Cornerstone	Hennepin Health Foundation	Minnesota Council on Foundations	Quiet Oaks	Wingspan Life Resources
Courage Center	Hennepin Theatre Trust	Minnesota Council on Economic Education	Ramsey County Bar Foundation	Wintergreen Nature Foundation
Culver's VIP Foundation	Hope Chest for Breast Cancer	Minnesota Justice Foundation	Regions Hospital Foundation	YMCA
DARTS	IFA Educational Foundation	Minnesota Masonic Charities	Rotary Club of Plymouth	Youth Frontiers
DC Bar Pro Bono Program	Immigrant Law Center of Minnesota	Minnesota Orchestra	Sedona Conference	YWCA of Minneapolis
Dunwoody College of Technology	International Hearing Foundation		Shattuck—St. Mary's School	Zero Cancer
Ecumen	Japan America Society of Minnesota (JASM)		Southdale YMCA	
			St. John's Boys' Choir	

The image features four magnifying glasses with gold-colored frames and handles, arranged on a textured, aged map. The map shows various geographical features, including a river and some text like 'town' and '1831'. The magnifying glasses are positioned at different angles, with their lenses reflecting light and showing distorted views of the map below. The overall tone is warm and focused, symbolizing attention to detail and discovery.

Focused on Diversity

We made significant strides in 2011 to continue advancing our commitment to diversity. The firm and individual attorneys and staff remained deeply involved in projects and organizations that promote inclusiveness, and we continued to support a long list of organizations working to provide opportunity for all in our communities.

As an active participant in Gray Plant Mooty's diversity initiatives, Minneapolis attorney Henry Wang offers a unique perspective on what diversity means to the character, culture, and strategic direction of this law firm.

Henry was born in Taiwan, where he spent the first eight years of his life before moving to the U.S. and settling in the Twin Cities suburb of Eden Prairie with his family. Prior to the move, his parents prepared Henry and his brother for the relocation to this new society by instilling in them the concept that America was the world's melting pot where people of all races can come together as one.

"I had a pretty normal childhood and was warmly embraced by my friends in school," Henry said. "I played baseball, football, and hockey growing up just like the rest of my friends."

After high school, Henry attended college in Washington, DC, where he witnessed a far more diverse population than was present in the suburban area where he grew up. "This experience really opened my eyes," he said. "The melting pot concept took on a whole new meaning with the diversity of people on the East Coast."

During the job search process after law school, diversity became a key criterion for Henry's selection of where he would build a career. "I remember being impressed with Gray Plant Mooty for being one of the few firms that had a Diversity committee and its own first-year minority law student program, and Gray Plant Mooty was recognized in the legal community as a leader in diversity issues. I knew this would be a place where I would be welcomed and given the opportunity to excel."

Henry started at Gray Plant Mooty in 2003 and has been active in the firm's diversity initiatives ever since. He joined the Diversity committee upon starting at Gray Plant Mooty, and has served as a mentor for the Gray Plant Mooty 1L program for first-year law students of color. He is also active in the Twin Cities Diversity in Practice program, of which Gray Plant Mooty is a founding member, and is on the board of Merrick Community Services, a nonprofit organization that serves citizens in a richly diverse neighborhood on the east side of St. Paul.

"The business world is far more diverse than the practice of law, and Gray Plant Mooty is one of those firms that understands the intrinsic and extrinsic values of having a diverse workforce," Henry said. "There are signs everywhere that this commitment is having an impact. For example, a majority of our attorneys of color are now partners, and our women associates now outnumber the men. From speakers and training to continuous emphasis from our board of directors, it is clear that this firm's focus on diversity is more steadfast than ever."



Henry Wang

*A Commitment
to Diversity*

"The business world is far more diverse than the practice of law, and Gray Plant Mooty is one of those firms that understands the intrinsic and extrinsic values of having a diverse workforce."

Diversity Highlights

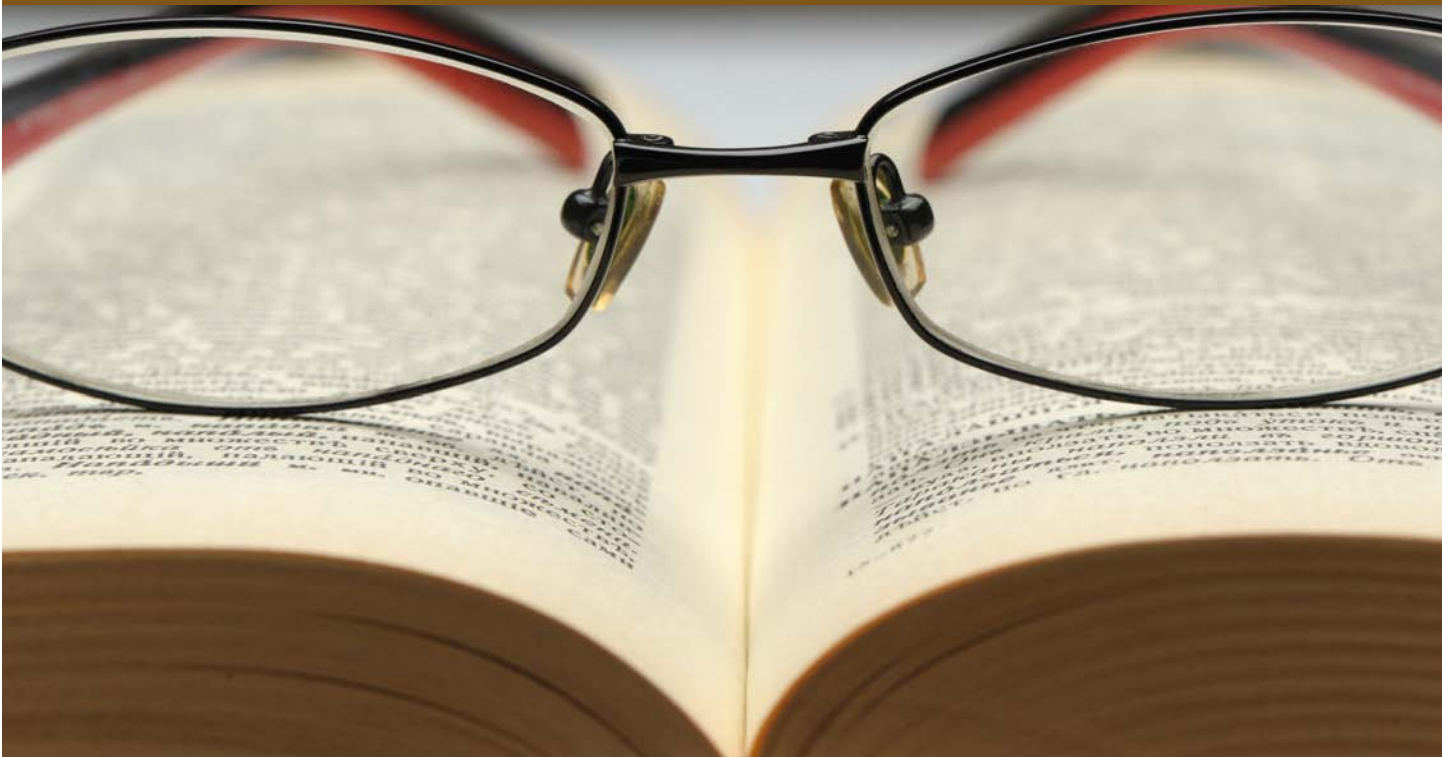
ONE MINNEAPOLIS, ONE READ Gray Plant Mooty hosted several gatherings involving the first-ever community reading event in Minnesota's largest city, where everyone was invited to read the same book and join the discussion. "One Minneapolis, One Read" sparked conversations about race, family, and neighborhood history in response to *The Grace of Silence*, a memoir written by Minneapolis native and National Public Radio host Michele Norris.

Norris is a graduate of Washburn High School and the University of Minnesota, and her book vividly describes her experience as a member of the only family of color on her south Minneapolis block. She also details her discovery of race-based family secrets.

The idea for "One Minneapolis, One Read" was inspired locally by Building Bridges, a group of south Minneapolis residents on a mission to understand how race and racism impact our neighborhoods. Sarah Duniway, a Gray Plant Mooty attorney in Minneapolis, serves on the Building Bridges steering committee and helped organize the city-wide community reading event. Nationally, the concept started in the 1990s with legendary "uber-librarian" Nancy Pearl's event, "If All of Seattle Read the Same Book." A similar event is now held in Boston, and Iowa and Utah have upped the ante by organizing same-book reading events on a statewide scale.



Sarah Duniway





CRISTO REY NETWORK Gray Plant Mooty is pleased to partner with the Cristo Rey Network, an organization that provides a faith-based college preparatory education to young people from urban families. Cristo Rey students attend school four days per week. On the fifth day, they work in a corporate setting to gain hands-on experience and offset tuition costs.

We hosted two Cristo Rey students at our Minneapolis office in 2011. “I was able to do things that I have never done before in my life,” said Jestine Dennis, one of the students. “I was given a lot of responsibility, and I could tell that the firm really trusted me.” Jestine said she gained valuable new skills at Gray Plant Mooty that will prepare her for success. “I learned how to act professionally, and that once you set your mind to learning or doing something, you can do it. All you have to do is keep trying.”

After earning her bachelor’s degree from the College of St. Scholastica in Duluth, Jestine is considering either attending law school or pursuing a career in advertising.

Our 2011 Cristo Rey Students with their Gray Plant Mooty Mentors



CRISTO REY
JESUIT HIGH SCHOOL

Diversity Giving



On behalf of the Culture & Diversity committee and the Gray Plant Mooty Foundation, the firm participated in or contributed to the following events in 2011:

- Asian American Justice Center—American Courage Award Reception
- Asian Pacific American Bar Association, Washington, DC, Annual Fundraising Dinner
- Catholic Charities Emergency Services Mardi Gras Benefit
- Cristo Rey Network
- Everybody Wins!
- Girl Scouts of Minnesota and Wisconsin Lakes and Pines Dreams to Reality Benefit
- Greater Boston Food Bank
- Habitat for Humanity, Women Build
- Hearts & Hammers
- Helping Paws, Annual Sponsorship Gala
- Hispanic Bar Association Public Interest Fellowship Program, Washington, DC
- Human Rights Campaign Twin Cities Gala Dinner
- Immigrant Law Center of Minnesota
- Japan America Society of Minnesota
- Jeremiah Program
- Kaposia
- Lifeworks Services
- Martin Luther King Jr. Holiday Breakfast
- Martin Luther King Jr. National Day of Service
- Minnesota Association of Black Lawyers Foundation Annual Dinner and Scholarship Gala
- Minnesota Black Women Lawyers Network Lena O. Smith Recognition Luncheon
- Minnesota Lavender Bar Association
- Minnesota Minority Recruitment Conference, held annually by the Twin Cities Committee on Minority Attorneys in Large Law Firms
- National Association for the Advancement of Colored People
- PACER Center
- Second Harvest Heartland, Food Fund Drive
- St. Cloud NAACP Annual Freedom Fund Dinner
- The Veterans Consortium Pro Bono Program
- Twin Cities Diversity in Practice “Mapping Your Legal Pathways”
- Twin Cities Gay Men’s Chorus—Avenues for Homeless Youth Event
- United Cerebral Palsy Foundation Heat Wave Event
- Urban Debate League
- Washington Legal Clinic for the Homeless, Inc.
- YMCA “It’s Time to Talk about Race” Luncheon

Focused on Our Clients

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Value: easy to say, hard to define. What exactly does it mean to deliver value to clients?

In 2011, we assembled a committee to answer this very question, led by Minneapolis attorney Sarah Duniway. “The goal of this work was simple: to clearly understand what our clients value and then deliver on it,” she said. “We did extensive research and conducted numerous client interviews, and our findings were fascinating.”

We learned that, for our clients, delivering “value” means that clients feel what they received was what they paid for—and what they needed. Value also means that clients work with attorneys who are experts in their field, know their business, provide wise counsel, are practical, are at the right level of seniority, ask good questions, and deeply understand each client’s unique circumstances.

“Our most significant takeaway was that every client defines and perceives value differently, and that providing value as each client defines it is essential,” she said. “Legal expertise and superior service are equally important to delivering value in this manner. Fortunately, Gray Plant Mooty shines in both areas.”

Gray Plant Mooty Client Service Standards

- We will know our clients.
- We will provide value to our clients according to their specific needs.
- We will deliver superior legal services to our clients.
- We will work with clients to determine deadlines, and we will meet or beat agreed-upon deadlines.
- We will candidly communicate with clients regarding fees, costs, risks, and outcomes.
- We will keep clients informed of the status of their matters and will respond to client communications within half a business day or sooner.

Bankruptcy Litigation: Bankruptcy Trustee Phillip L. Kunkel

In 2006, Gray Plant Mooty attorney Phillip Kunkel was appointed trustee in an involuntary Chapter 11 bankruptcy case brought against GFI America, Inc., a Minneapolis-based beef processor. After he was appointed trustee, Phil worked with several Gray Plant Mooty attorneys to successfully recover on a multi-million dollar insurance claim, resolve several preference actions, and liquidate the debtor's other assets. As a result of the Gray Plant Mooty team's efforts, unsecured creditors of GFI America received a distribution in 2011 of nearly 50 percent of their claims, which is an extraordinary recovery percentage in any bankruptcy case.

Business Litigation: NGP Software

This Washington, DC, provider of political campaign software worked with Gray Plant Mooty to win a major victory in federal court last September, when the judge issued a 43-page decision denying Aristotle International, an NGP competitor, injunctive relief under the Lanham Act. The competitor accused NGP of engaging in false and deceptive advertising, and the judge's decision was the conclusion of a six-year legal battle between the parties. The case involved 15 depositions and more than 300 exhibits and culminated in a five day trial. It was a true team effort for the Gray Plant Mooty attorneys and staff involved.

Business Mergers & Acquisitions: ABRA, Inc.

Gray Plant Mooty represented this Minneapolis-based owner and franchisor of auto body and glass repair centers in an acquisition transaction involving an East Coast private equity firm. Gray Plant Mooty's representation included advising ABRA on all aspects of the transaction, negotiating and structuring the acquisition documents, preparing disclosure documents, and responding to the buyer's due diligence investigation. Members of the existing ABRA executive team will continue to manage ABRA under the new ownership structure.

Employee Benefits Litigation: City of Minneapolis

Gray Plant Mooty attorneys assisted the Minneapolis City Attorney's Office in litigation ultimately decided by the Minnesota Court of Appeals. Mayor R.T. Rybak hailed the decision as "a strong, clear victory" for Minneapolis taxpayers. As Mayor Rybak said in a press release, the ruling "upheld critical parts of a lower court ruling" that certain city pension funds had "overpaid their benefits from 2000 through 2009, meaning that Minneapolis taxpayers were overcharged to the tune of millions of dollars." The decision validated the city's efforts to require the pension funds to recoup excess benefit payments, which was the issue Gray Plant Mooty attorneys focused their attention on.

Employment Litigation: Private Employer

Gray Plant Mooty defended this client through a successful three-day trial in Washington County, Minnesota. The case involved a former employee suing an employer pursuant to the Minnesota Human Rights Act. The employee asserted three claims for age and "regarded as" disability discrimination as well as retaliation. Gray Plant Mooty attorneys successfully obtained summary judgment on the plaintiff's age and retaliation claims. After the bench trial on the remaining disability discrimination count, the district court found for our client, giving the employer a complete victory and an award of costs. The plaintiff did not appeal the court's decision.

Health Care Compliance: Minnesota Health Care Provider

Gray Plant Mooty represented a large Minnesota health care provider on a drug diversion matter in 2011, conducting an internal investigation and coordinating with law enforcement when the provider discovered that someone had tampered with pain medication at one of its facilities. After the incident was reported to local authorities, Gray Plant Mooty attorneys helped law enforcement investigators identify a suspect—an employee of the facility—who ultimately confessed and was charged criminally. Because the facility where the incident occurred provides care to vulnerable adults, Gray Plant Mooty also managed the activities required of the provider under Minnesota's Vulnerable Adults Act. The health care provider was not charged or fined for the incident.

Health Care Mergers & Acquisitions: People Incorporated

Late in 2011, People Incorporated, which provides mental health services to adults in the Twin Cities area, acquired the mental health service division of Children's Home Society & Family Services. Gray Plant Mooty represented People Incorporated in the transaction, structuring the deal terms, managing negotiations, and handling due diligence activities, including certification and licensing issues with government regulators. The acquisition added 68 employees and \$3.8 million in revenue to People Incorporated. More importantly, it ensured that mental health services to nearly 3,000 people in the Twin Cities area continued uninterrupted.

Intellectual Property Litigation: American Dairy Queen

With the help of Gray Plant Mooty, American Dairy Queen was granted a temporary restraining order and preliminary injunction against a franchisee whose restaurant in Kansas City was poorly maintained in violation of ADQ's standards. It was an especially compelling victory for two reasons. First, claims were based on trademark law, and on the valuable good will inherent in ADQ's trademarks, rather than on the terms of the franchise agreement. Second, the judge issued his ruling on the strength of the complaint alone, which was drafted by Gray Plant Mooty attorneys. The case was settled on favorable terms within days of the court's ruling.

Nonprofit Mergers & Acquisitions: YMCAs of St. Paul and Minneapolis

Two large and longstanding local nonprofit organizations—the YMCA of Greater St. Paul and the YMCA of Metropolitan Minneapolis—that shared the same mission, but were separate entities, decided to fully integrate and legally merge in 2011, and Gray Plant Mooty represented both organizations in the transaction. The process involved substantial due diligence, requiring approval from the IRS, the YMCA of the USA, the boards and membership of the two merging organizations, and 19 banks and multiple cities. The new YMCA of the Greater Twin Cities is now one of the largest YMCA organizations in the nation, with 22 branches, 10 day camps, assets exceeding \$260 million, and more than 225,000 members and participants. Due to the superior efficiency of the 40-person YMCA and Gray Plant Mooty team, legal costs remained significantly below the typical costs for mergers of this magnitude.

Real Estate Development: The Ackerberg Group

The Ackerberg Group began construction last year on a \$45 million real estate project in the Uptown neighborhood of Minneapolis, designed to increase the daytime population in an area known for its nightlife but quiet during business hours. Scheduled for completion in 2012, the 10-story MoZaic building will feature 65,000 square feet of high-end office space, a parking ramp, two restaurants, and an art plaza. Gray Plant Mooty coordinated all legal aspects of this complex project, including acting as the developer/owner's counsel in connection with all project financing, consisting of \$9.3 million in tax-exempt stimulus bonds for the parking structure, \$10 million in commercial financing for the commercial space and plaza, and \$10 million in private financing for the office space. Gray Plant Mooty also handled agreements with city and county agencies, construction and architect contracts, environmental investigation and remediation, and a series of easement and use agreements both internal to the project and involving adjacent properties.

Trust & Estate Planning: Numerous Private Individuals

In 2011, Gray Plant Mooty attorneys worked closely with clients to achieve their estate planning goals by using some or all of the new federal gift tax exclusion amounts. At the end of 2010, Congress changed the federal gift tax and estate tax exclusion amounts to \$5 million per donor in 2011 and \$5.12 million per donor in 2012. Unless Congress changes the law, these new exclusion amounts are scheduled to drop to \$1 million per donor in 2013, and the top federal transfer tax rate is scheduled to increase from 35 percent to 55 percent. In 2011, Gray Plant Mooty helped clients make gifts using these increased exclusion amounts, including creating trusts for children and grandchildren, forgiving previous family loans, paying off children's home mortgages, equalizing previous gifts made to family members, and transferring family business interests.

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