

Return of Organization Exempt From Income Tax

2009

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Open to Public Inspection

Department of the Treasury Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2009 calendar year, or tax year beginning 07/01, 2009, and ending 06/30, 2010

Header section containing organization name (NATURAL RESOURCES DEFENSE COUNCIL, INC.), address (40 WEST 20TH STREET, NEW YORK, NY 10011), tax-exempt status (501(c)(3)), and other identifying information.

Part I Summary

Summary table with columns for Activities & Governance, Revenue, Expenses, and Net Assets or Fund Balances. Rows include mission statement, member counts, revenue breakdown, and asset/liability totals.

Part II Signature Block

Signature block containing a declaration of accuracy, a signature line for the officer (ELECTRONICALLY FILED AND ACCEPTED BY THE IRS ON 3/17/2011), and preparer information (GRANT THORNTON LLP).

May the IRS discuss this return with the preparer shown above? (see instructions) [X] Yes [] No

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.* Form 990 (2009)

Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission:

ATTACHMENT 3

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No

If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code: _____) (Expenses \$ 76,381,377. including grants of \$ 0.) (Revenue \$ 5,397,481.)

SEE SCHEDULE O FOR A DETAILED DESCRIPTION OF ALL OF NRDC'S VARIOUS ENVIRONMENTAL PROGRAMS.

4b (Code: _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

4c (Code: _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

4d Other program services. (Describe in Schedule O.)
(Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

4e Total program service expenses ▶ 76,381,377.

Part IV Checklist of Required Schedules

Table with 3 columns: Question, Yes, No. Rows 1-20 contain various questions about organizational activities and reporting requirements. Includes sub-rows 12a, 14a, 14b, 17, 18, 19, 20.

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II.</i>		X
22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III.</i>		X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J.</i>	X	
24 a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to question 25.</i>	X	
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		X
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		X
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		X
25 a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I.</i>		X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I.</i>		X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II.</i>		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III.</i>		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV.</i>		X
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV.</i>	X	
c An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV.</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M.</i>		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M.</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I.</i>		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II.</i>		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I.</i>		X
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1.</i>	X	
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2.</i>	X	
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2.</i>	X	
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI.</i>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O.	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Table with columns for question numbers (1a-12b), Yes/No checkboxes, and numerical answers. Includes questions about Form 1096, Form W-2G, Form W-3, and various tax shelter and contribution rules.

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members of the governing body (41), 1b Enter the number of voting members that are independent (38), 2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? (X), 3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? (X), 4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed? (X), 5 Did the organization become aware during the year of a material diversion of the organization's assets? (X), 6 Does the organization have members or stockholders? (X), 7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? (X), 7b Are any decisions of the governing body subject to approval by members, stockholders, or other persons? (X), 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: a The governing body? (X), b Each committee with authority to act on behalf of the governing body? (X), 9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O (X).

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

Table with 3 columns: Question, Yes, No. Rows include: 10a Does the organization have local chapters, branches, or affiliates? (X), 10b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?, 11 Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form? (X), 11A Describe in Schedule O the process, if any, used by the organization to review this Form 990., 12a Does the organization have a written conflict of interest policy? If "No," go to line 13 (X), 12b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts? (X), 12c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done (X), 13 Does the organization have a written whistleblower policy? (X), 14 Does the organization have a written document retention and destruction policy? (X), 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision? a The organization's CEO, Executive Director, or top management official (X), b Other officers or key employees of the organization (X), 16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? (X), 16b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed ATTACHMENT 4
18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply. [X] Own website [] Another's website [X] Upon request
19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.
20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: APURVA MUCHHALA, ASST COMPTR. 40 WEST 20TH STREET NEW YORK, NY 10011 212-727-4516

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year. Use Schedule J-2 if additional space is needed.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if the organization did not compensate any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
ADAM ALBRIGHT TRUSTEE/VICE CHAIRMAN	1.00	X		X				0.	0.	0.
JONATHAN F P ROSE TRUSTEE	1.00	X						0.	0.	0.
WILLIAM H SCHLESINGER TRUSTEE	1.00	X						0.	0.	0.
JOSEPHINE A MERCK TRUSTEE	1.00	X						0.	0.	0.
ALAN HORN TRUSTEE/VICE CHAIRMAN	1.00	X		X				0.	0.	0.
JOY COVEY TRUSTEE/TREASURER	1.00	X		X				0.	0.	0.
BOB EPSTEIN TRUSTEE	1.00	X						0.	0.	0.
LAURANCE ROCKEFELLER TRUSTEE	1.00	X						0.	0.	0.
ANNA SCOTT CARTER TRUSTEE	1.00	X						0.	0.	0.
LAURIE P DAVID TRUSTEE	1.00	X						0.	0.	0.
CHRISTINE H RUSSELL TRUSTEE	1.00	X						0.	0.	0.
LEONARDO DICAPRIO TRUSTEE	1.00	X						0.	0.	0.
DANIEL R TISHMAN TRUSTEE/CHAIRMAN	1.00	X		X				0.	0.	0.
MAYA LIN TRUSTEE	1.00	X						0.	0.	0.
ELIZABETH R WIATT TRUSTEE	1.00	X						0.	0.	0.
SUSAN CROWN TRUSTEE	1.00	X						0.	0.	0.

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
WENDY K NEU TRUSTEE	1.00	X						0.	0.	0.
MICHEL GELOBTER TRUSTEE	1.00	X						0.	0.	0.
FREDERICA PERERA TRUSTEE	1.00	X						0.	0.	0.
NICOLE LEDERER TRUSTEE	1.00	X						0.	0.	0.
FREDERICK AO SCHWARZ JR CHAIR EMERITUS	1.00	X						0.	0.	0.
PATRICIA BAUMAN TRUSTEE/VICE CHAIRMAN	1.00	X		X				0.	0.	0.
GEORGE M WOODWELL TRUSTEE	1.00	X						0.	0.	0.
PETER A MORTON TRUSTEE	1.00	X						0.	0.	0.
GERALD TORRES TRUSTEE	1.00	X						0.	0.	0.
PHILIP B KORSANT TRUSTEE	1.00	X						0.	0.	0.
PHILIP T RUEGGER III TRUSTEE	1.00	X						0.	0.	0.
JAMES GUSTAVE SPETH TRUSTEE	1.00	X						0.	0.	0.
RICHARD E AYRES TRUSTEE	1.00	X						0.	0.	0.
1b Total CONTINUED AT SCHEDULE J-2								2,561,530.	0.	404,208.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **90**

	Yes	No
3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization.

(A) Name and business address	(B) Description of services	(C) Compensation
ATTACHMENT 5		

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **52**

Part VIII Statement of Revenue

13-2654926

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns	1a 414,878.				
	b	Membership dues	1b				
	c	Fundraising events	1c 3,621,968.				
	d	Related organizations	1d				
	e	Government grants (contributions) . .	1e 576,466.				
	f	All other contributions, gifts, grants, and similar amounts not included above .	1f 84,485,544.				
	g	Noncash contributions included in lines 1a-1f: \$					
	h	Total. Add lines 1a-1f ▶		89,098,856.			
Program Service Revenue				Business Code			
	2a	COURT AWARDED FEES	900099	5,397,481.	5,397,481.		
	b						
	c						
	d						
	e						
	f	All other program service revenue					
	g	Total. Add lines 2a-2f ▶		5,397,481.			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) ▶		1,255,287.		-597,966.	1,853,253.
	4	Income from investment of tax-exempt bond proceeds . . . ▶		0.			
	5	Royalties ▶		98,025.			98,025.
			(i) Real (ii) Personal				
	6a	Gross Rents	828,545.				
	b	Less: rental expenses					
	c	Rental income or (loss)	828,545.				
	d	Net rental income or (loss) ▶		828,545.		763,479.	65,066.
			(i) Securities (ii) Other				
	7a	Gross amount from sales of assets other than inventory	2,209,339.				
	b	Less: cost or other basis and sales expenses	2,202,062.				
	c	Gain or (loss)	7,277.				
	d	Net gain or (loss) ▶		7,277.			7,277.
	8a	Gross income from fundraising events (not including \$ <u>3,621,968.</u> of contributions reported on line 1c). See Part IV, line 18 a	603,947.				
	b	Less: direct expenses b	742,224.				
	c	Net income or (loss) from fundraising events ▶		-138,277.			-138,277.
	9a	Gross income from gaming activities. See Part IV, line 19 a					
	b	Less: direct expenses b					
c	Net income or (loss) from gaming activities ▶		0.				
10a	Gross sales of inventory, less returns and allowances a						
b	Less: cost of goods sold b						
c	Net income or (loss) from sales of inventory ▶		0.				
Miscellaneous Revenue			Business Code				
11a	MAIL LIST RENTAL	900099	238,480.			238,480.	
b	INTERVENOR FEE (CAPUC)	900099	169,452.			169,452.	
c	BOOK INCOME - ON EARTH	900099	10,212.	10,212.			
d	All other revenue		6,614.			6,614.	
e	Total. Add lines 11a-11d ▶		424,758.				
12	Total Revenue. See instructions ▶		96,971,952.	5,407,693.	165,513.	2,299,890.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21 . . .	0.			
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	0.			
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16	0.			
4 Benefits paid to or for members	0.			
5 Compensation of current officers, directors, trustees, and key employees	1,345,943.	625,134.	383,561.	337,248.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0.			
7 Other salaries and wages	30,547,655.	25,743,603.	2,453,771.	2,350,281.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	3,143,826.	2,597,064.	281,711.	265,051.
9 Other employee benefits	3,985,306.	3,270,250.	377,697.	337,359.
10 Payroll taxes	2,133,685.	1,762,603.	191,195.	179,887.
11 Fees for services (non-employees):				
a Management	595,202.	491,687.	53,335.	50,180.
b Legal	0.			
c Accounting	219,969.	181,713.	19,711.	18,545.
d Lobbying	49,800.	45,338.	4,462.	
e Professional fundraising services. See Part IV, line 17	328,533.			328,533.
f Investment management fees	641,168.	529,658.	57,454.	54,056.
g Other	13,433,379.	12,752,387.	359,788.	321,204.
12 Advertising and promotion	1,100,682.	1,099,899.	500.	283.
13 Office expenses	14,121,257.	12,681,893.	130,169.	1,309,195.
14 Information technology	563,454.	402,174.	161,194.	86.
15 Royalties	0.			
16 Occupancy	3,212,343.	2,397,742.	484,164.	330,437.
17 Travel	2,518,284.	2,226,578.	246,429.	45,277.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0.			
19 Conferences, conventions, and meetings	711,784.	627,600.	55,709.	28,475.
20 Interest	865,771.	715,199.	77,580.	72,992.
21 Payments to affiliates	0.			
22 Depreciation, depletion, and amortization	2,417,220.	2,003,149.	212,408.	201,663.
23 Insurance	346,355.	286,118.	31,036.	29,201.
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a ENVIRONMENTAL COALITION EXP.	3,387,892.	3,263,492.	124,400.	
b ADJUSTMENT FOR UNPAID PLEDGE	680,962.	680,962.		
c LIST RENTALS	1,102,922.	1,000,469.	102,453.	
d TEMPORARY CLERICAL	235,526.	53,967.	142,384.	39,175.
e MISCELLANEOUS	1,325,809.	942,698.	136,415.	246,696.
f All other expenses				
25 Total functional expenses. Add lines 1 through 24f	89,014,727.	76,381,377.	6,087,526.	6,545,824.
26 Joint Costs. Check here <input checked="" type="checkbox"/> If following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation	10,172,740.	8,909,227.	0.	1,263,513.

Part X Balance Sheet

		(A) Beginning of year	(B) End of year
Assets	1 Cash - non-interest-bearing		1
	2 Savings and temporary cash investments	19,177,567.	2 24,544,037.
	3 Pledges and grants receivable, net	23,802,466.	3 19,190,608.
	4 Accounts receivable, net	900,693.	4 709,238.
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6
	7 Notes and loans receivable, net		7
	8 Inventories for sale or use		8
	9 Prepaid expenses and deferred charges	2,428,526.	9 2,061,180.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 51,405,053.	
	b Less: accumulated depreciation	10b 12,069,874.	10c 39,335,179.
	11 Investments - publicly traded securities	125,758,833.	11 120,584,651.
	12 Investments - other securities. See Part IV, line 11	6,276,338.	12 23,623,759.
	13 Investments - program-related. See Part IV, line 11		13
	14 Intangible assets		14
	15 Other assets. See Part IV, line 11	2,171,324.	15 2,255,540.
16 Total assets. Add lines 1 through 15 (must equal line 34)	219,860,593.	16 232,304,192.	
Liabilities	17 Accounts payable and accrued expenses	11,811,079.	17 9,094,992.
	18 Grants payable		18
	19 Deferred revenue		19
	20 Tax-exempt bond liabilities	12,421,280.	20 12,192,947.
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22
	23 Secured mortgages and notes payable to unrelated third parties	12,480,440.	23 13,137,192.
	24 Unsecured notes and loans payable to unrelated third parties		24
	25 Other liabilities. Complete Part X of Schedule D	15,159,207.	25 16,451,597.
	26 Total liabilities. Add lines 17 through 25	51,872,006.	26 50,876,728.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.		
	27 Unrestricted net assets	98,696,202.	27 113,615,987.
	28 Temporarily restricted net assets	49,470,281.	28 47,777,705.
	29 Permanently restricted net assets	19,822,104.	29 20,033,772.
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.		
	30 Capital stock or trust principal, or current funds		30
	31 Paid-in or capital surplus, or land, building, or equipment fund		31
	32 Retained earnings, endowment, accumulated income, or other funds		32
	33 Total net assets or fund balances	167,988,587.	33 181,427,464.
	34 Total liabilities and net assets/fund balances	219,860,593.	34 232,304,192.

Part XI Financial Statements and Reporting

- 1** Accounting method used to prepare the Form 990: Cash Accrual Other _____
 If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.
- 2a** Were the organization's financial statements compiled or reviewed by an independent accountant?
- b** Were the organization's financial statements audited by an independent accountant?
- c** If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?
 If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.
- d** If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both:
 Separate basis Consolidated basis Both consolidated and separate basis
- 3a** As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?
- b** If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.

	Yes	No
2a		X
2b	X	
2c	X	
3a	X	
3b	X	

Form **990** (2009)

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support

Table with 7 columns: (a) 2005, (b) 2006, (c) 2007, (d) 2008, (e) 2009, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Tax revenues levied for the organization's benefit; 3 The value of services or facilities furnished by a governmental unit; 4 Total. Add lines 1 through 3; 5 The portion of total contributions by each person; 6 Public support. Subtract line 5 from line 4.

Section B. Total Support

Table with 7 columns: (a) 2005, (b) 2006, (c) 2007, (d) 2008, (e) 2009, (f) Total. Rows include: 7 Amounts from line 4; 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 9 Net income from unrelated business activities; 10 Other income. Do not include gain or loss from the sale of capital assets; 11 Total support. Add lines 7 through 10; 12 Gross receipts from related activities, etc.; 13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here.

Section C. Computation of Public Support Percentage

Table with 2 columns: Line number, Percentage. Rows include: 14 Public support percentage for 2009 (line 6, column (f) divided by line 11, column (f)) 95.12%; 15 Public support percentage from 2008 Schedule A, Part II, line 14 96.09%; 16a 33 1/3% support test - 2009. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization [X]; 16b 33 1/3% support test - 2008. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization; 17a 10%-facts-and-circumstances test - 2009. If the organization did not check a box on line 13, 16a or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization; 17b 10%-facts-and-circumstances test - 2008. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization; 18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions.

Part III Support Schedule for Organizations Described in Section 509(a)(2)
 (Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b.						
8 Public support (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
9 Amounts from line 6.						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here**

Section C. Computation of Public Support Percentage

15 Public support percentage for 2009 (line 8, column (f) divided by line 13, column (f)).	15	%
16 Public support percentage from 2008 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2009 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2008 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2009. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ►

b 33 1/3% support tests - 2008. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ►

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ►

Part IV Supplemental Information. Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Provide any other additional information. See instructions

ATTACHMENT 1

SCHEDULE A, PART II - OTHER INCOME

DESCRIPTION	2005	2006	2007	2008	2009	TOTAL
MAILING LIST RENTALS	0.	0.	0.	0.	238,480.	238,480.
BOOK INCOME - ON EARTH	0.	0.	10,324.	61,792.	10,212.	82,328.
INTERVENOR	0.	0.	0.	0.	169,452.	169,452.
HONORARIA	0.	0.	17,512.	0.	0.	17,512.
RELATED SALES	0.	0.	1,226.	0.	0.	1,226.
MISCELLANEOUS	743,568.	793,551.	4,000.	214,908.	6,614.	1,762,641.
TOTALS	<u>743,568.</u>	<u>793,551.</u>	<u>33,062.</u>	<u>276,700.</u>	<u>424,758.</u>	<u>2,271,639.</u>

Political Campaign and Lobbying Activities
For Organizations Exempt From Income Tax Under section 501(c) and section 527

2009

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ **Complete if the organization is described below.**
▶ **Attach to Form 990 or Form 990-EZ.** ▶ **See separate instructions**

If the organization answered "Yes," to Form 990, Part IV, line 3, or Form 990-EZ, Part VI, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations: Complete Parts I-A and B. Do not complete Part I-C.
- Section 501(c) (other than section 501(c)(3)) organizations: Complete Parts I-A and C below. Do not complete Part I-B.
- Section 527 organizations: Complete Part I-A only.

If the organization answered "Yes," to Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)): Complete Part II-A. Do not complete Part II-B.
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)): Complete Part II-B. Do not complete Part II-A.

If the organization answered "Yes," to Form 990, Part IV, line 5 (Proxy Tax), then

- Section 501(c)(4), (5), or (6) organizations: Complete Part III.

Name of organization NATURAL RESOURCES DEFENSE COUNCIL, INC.	Employer identification number 13-2654926
---	--

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

1 Provide a description of the organization's direct and indirect political campaign activities in Part IV.

2 Political expenditures ▶ \$ _____

3 Volunteer hours _____

Part I-B Complete if the organization is exempt under section 501(c)(3).

1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ \$ _____

2 Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ \$ _____

3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? Yes No

4a Was a correction made? Yes No

b If "Yes," describe in Part IV.

Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).

1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ \$ _____

2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ▶ \$ _____

3 Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b ▶ \$ _____

4 Did the filing organization file **Form 1120-POL** for this year? Yes No

5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which payments were made. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds. If none, enter -0-.	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-.

Part II-A Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).

- A** Check if the filing organization belongs to an affiliated group.
B Check if the filing organization checked box A and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals												
1 a	Total lobbying expenditures to influence public opinion (grass roots lobbying)	31,202.													
b	Total lobbying expenditures to influence a legislative body (direct lobbying)	736,835.													
c	Total lobbying expenditures (add lines 1a and 1b)	768,037.													
d	Other exempt purpose expenditures	87,040,092.													
e	Total exempt purpose expenditures (add lines 1c and 1d)	87,808,129.													
f	Lobbying nontaxable amount. Enter the amount from the following table in both columns.	1,000,000.													
<table border="1"> <thead> <tr> <th>If the amount on line 1e, column (a) or (b) is:</th> <th>The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e.</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000.</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000.</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000.</td> </tr> </tbody> </table>		If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e.	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.	Over \$17,000,000	\$1,000,000.		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:														
Not over \$500,000	20% of the amount on line 1e.														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.														
Over \$17,000,000	\$1,000,000.														
g	Grassroots nontaxable amount (enter 25% of line 1f)	250,000.													
h	Subtract line 1g from line 1a. If zero or less, enter -0-														
i	Subtract line 1f from line 1c. If zero or less, enter -0-														
j	If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?		<input type="checkbox"/> Yes <input type="checkbox"/> No												

4-Year Averaging Period Under Section 501(h)
 (Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) Total
2 a Lobbying non-taxable amount	1,000,000.	1,000,000.	1,000,000.	1,000,000.	4,000,000.
b Lobbying ceiling amount (150% of line 2a, column (e))					6,000,000.
c Total lobbying expenditures	773,767.	807,528.	995,126.	768,037.	3,344,458.
d Grassroots nontaxable amount	250,000.	250,000.	250,000.	250,000.	1,000,000.
e Grassroots ceiling amount (150% of line 2d, column (e))					1,500,000.
f Grassroots lobbying expenditures	38,836.	75,035.	235,960.	31,202.	381,033.

Schedule C (Form 990 or 990-EZ) 2009

Part II-B Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

Table with 3 main columns: (a) Yes/No, (b) Amount. Rows include: 1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation...; 2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?; 2b If "Yes," enter the amount of any tax incurred under section 4912; 2c If "Yes," enter the amount of any tax incurred by organization managers under section 4912; 2d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?.

Part III-A Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

Table with 3 columns: Question, Yes, No. Rows include: 1 Were substantially all (90% or more) dues received nondeductible by members?; 2 Did the organization make only in-house lobbying expenditures of \$2,000 or less?; 3 Did the organization agree to carryover lobbying and political expenditures from the prior year?.

Part III-B Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) if BOTH Part III-A, lines 1 and 2 are answered "No" OR if Part III-A, line 3 is answered "Yes."

Table with 2 columns: Question, Amount. Rows include: 1 Dues, assessments and similar amounts from members; 2 Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid); 2a Current year; 2b Carryover from last year; 2c Total; 3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues; 4 If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?; 5 Taxable amount of lobbying and political expenditures (see instructions).

Part IV Supplemental Information

Complete this part to provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; and Part II-B, line 1i.

Also, complete this part for any additional information.

SEE PAGE 4

Series of horizontal dashed lines for providing supplemental information.

Part IV Supplemental Information (continued)

SCHEDULE C, PART II-A

ON THE FORM 990, PART IX, LINE 11(D), NRDC REPORTS \$49,800 IN LOBBYING

EXPENSES, WHICH REPRESENTS AMOUNTS PAID TO LOBBYING CONSULTANTS. THESE

FEEES REPRESENT ONLY A PORTION OF THE LOBBYING EXPENDITURES NRDC REPORTS

ON SCHEDULE C, PART II-A.

EMPLOYEE TIME THAT IS DIRECTED TOWARDS LOBBYING INITIATIVES (AND

CATEGORIZED AS LOBBYING EXPENDITURES ON SCHEDULE C) HAVE BEEN REPORTED ON

PART IX IN LINES 5, 7, 8, 9 & 10 RATHER THAN ON LINE 11(D).

Supplemental Financial Statements

2009

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12. Attach to Form 990. See separate instructions.

Name of the organization

Employer identification number

NATURAL RESOURCES DEFENSE COUNCIL, INC.

13-2654926

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include: 1 Total number at end of year, 2 Aggregate contributions to (during year), 3 Aggregate grants from (during year), 4 Aggregate value at end of year, 5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?, 6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

Table with 2 columns: Description, Held at the End of the Year. Rows include: 1 Purpose(s) of conservation easements held by the organization (check all that apply), 2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year, 3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year, 4 Number of states where property subject to conservation easement is located, 5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?, 6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year, 7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year, 8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)?, 9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

Table with 2 columns: Description, Amount. Rows include: 1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items. b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items: (i) Revenues included in Form 990, Part VIII, line 1, (ii) Assets included in Form 990, Part X, 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items: a Revenues included in Form 990, Part VIII, line 1, b Assets included in Form 990, Part X

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a Public exhibition, b Scholarly research, c Preservation for future generations, d Loan or exchange programs, e Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

Table with 2 columns: Description, Amount. Rows: 1c Beginning balance, 1d Additions during the year, 1e Distributions during the year, 1f Ending balance.

2a Did the organization include an amount on Form 990, Part X, line 21? Yes No

b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if organization answered "Yes" to Form 990, Part IV, line 10.

Table with 6 columns: (a) Current Year, (b) Prior year, (c) Two years back, (d) Three years back, (e) Four years back. Rows: 1a-1g (Beginning of year balance, Contributions, Net investment earnings, gains, and losses, Grants or scholarships, Other expenditures for facilities and programs, Administrative expenses, End of year balance).

2 Provide the estimated percentage of the year end balance held as:

- a Board designated or quasi-endowment 74.0000%
b Permanent endowment 19.0000%
c Term endowment 7.0000%

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

Table with 3 columns: Question, Yes, No. Rows: 3a(i) unrelated organizations, 3a(ii) related organizations, 3b.

- (i) unrelated organizations
(ii) related organizations
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Investments - Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Table with 5 columns: (a) Cost or other basis (investment), (b) Cost or other basis (other), (c) Accumulated depreciation, (d) Book value. Rows: 1a Land, b Buildings, c Leasehold improvements, d Equipment, e Other, Total.

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

Table with 10 rows and 3 columns: Line number, Description, and Amount. Total revenue is 96,971,952. Total expenses are 89,014,727. Excess is 7,957,225. Net unrealized gains are 8,164,841. Total adjustments are 5,481,653. Excess per audited statements is 13,438,878.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

Table with 5 main rows and sub-rows (a-e) and 3 columns: Line number, Description, and Amount. Total revenue is 107,918,113. Amounts not on Form 990 include net unrealized gains (8,164,841) and other (742,224). Total revenue after adjustments is 96,971,952.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

Table with 5 main rows and sub-rows (a-e) and 3 columns: Line number, Description, and Amount. Total expenses are 91,796,047. Amounts not on Form 990 include donated services (2,039,096) and other losses (742,224). Total expenses after adjustments is 89,014,727.

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

SEE PAGE 5

Part XIV Supplemental Information (continued)

ENDOWMENT FUNDS

FORM 990, SCHEDULE D, PART V, LINE 4

THE NRDC'S ENDOWMENT FUND IS INTENDED TO SUPPORT ITS ENVIRONMENTAL AND CONSERVATION PROGRAMS (SPECIFICALLY, THOSE DESCRIBED IN DETAIL IN PART III TO THE FORM 990). THE TRUSTEES HAVE ADOPTED A SPENDING POLICY THAT ALLOWS FOR UP TO 5% OF THE AVERAGE FAIR VALUE OF QUASI-ENDOWMENT AND PERMANENT ENDOWMENT FUNDS TO BE USED IN SUPPORT OF OPERATIONS ON AN ANNUAL BASIS.

INCOME TAXES

FORM 990, SCHEDULE D, PART X

ON JULY 1, 2007, NRDC ADOPTED THE PROVISIONS OF THE FASB'S ACCOUNTING STANDARDS CODIFICATION TOPIC 740, ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES. THIS STANDARD REQUIRES THAT A TAX POSITION BE RECOGNIZED OR DERECOGNIZED BASED ON A "MORE LIKELY THAN NOT" THRESHOLD. NRDC HAS PROCESSES PRESENTLY IN PLACE TO ENSURE THE MAINTENANCE OF ITS TAX-EXEMPT STATUS; TO IDENTIFY AND REPORT UNRELATED INCOME; DETERMINE ITS FILING AND TAX OBLIGATIONS IN JURISDICTIONS FOR WHICH IT HAS NEXUS; AND TO REVIEW OTHER MATTERS THAT MAY BE CONSIDERED A TAX POSITION. THE ADOPTION OF THIS STANDARD HAD NO IMPACT ON NRDC'S 2009 AND 2008 CONSOLIDATED FINANCIAL STATEMENTS. NRDC DOES NOT BELIEVE ITS CONSOLIDATED FINANCIAL STATEMENTS INCLUDE ANY UNCERTAIN TAX POSITIONS.

Part XIV Supplemental Information (continued)

RECONCILIATION OF NET ASSETS

FORM 990, SCHEDULE D, PART XI, LINE 8

CHANGE IN VALUE OF INTEREST RATE SWAP AGREEMENTS: \$1,219,915

PENSION RELATED COSTS OTHER THAN NET PERIODIC

PENSION EXPENSE: 773,797

CHANGE IN VALUE OF SPLIT-INTEREST AGREEMENT: 689,476

\$2,683,188

REVENUE ON BOOKS NOT ON RETURN

FORM 990, SCHEDULE D, PART XII, LINE 2

SPECIAL EVENT EXPENSES ALLOCATED AGAINST SPECIAL EVENT REVENUE -

\$742,224

EXPENSE ON BOOKS NOT ON RETURN

FORM 990, SCHEDULE D, PART XIII, LINE 2

SPECIAL EVENT EXPENSES ALLOCATED AGAINST SPECIAL EVENT REVENUE

\$742,224

**Schedule F
(Form 990)**

Statement of Activities Outside the United States

OMB No. 1545-0047

2009

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

- ▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 14b line 15, or line 16.
- ▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization

NATURAL RESOURCES DEFENSE COUNCIL, INC.

Employer identification number

13-2654926

Part I **General Information on Activities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

1 For grantmakers. Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No

2 For grantmakers. Describe in Part IV the organization's procedures for monitoring the use of grant funds outside the United States.

3 Activities per Region. (Use Schedule F-1 (Form 990) if additional space is needed.)

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i.e., fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures in region
EAST ASIA AND THE PACIFIC	1	23	PROGRAM SERVICES	CHINA ENERGY POLICY	3,334,854.
SOUTH ASIA	0	0	PROGRAM SERVICES	CLEAN ENERGY ADVOCACY	38,480.
Totals ▶	1	23			3,373,334.

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990. Schedule F (Form 990) 2009

Part IV Supplemental Information

Complete this part to provide the information required in Part I, line 2, and any additional information.

ACTIVITIES OUTSIDE THE UNITED STATES

SCHEDULE F, PART I, LINE 3

NRDC MONITORS ALL EXPENDITURES TO ENSURE THAT AMOUNTS ARE USED PROPERLY.

OUTSIDE OF SALARIES, BENEFITS (U.S. HEADQUARTERS PROCESSES DIRECTLY) NRDC

USED THE BELOW PROCESS TO REVIEW AND MONITOR DISCRETIONARY EXPENDITURES

SUCH AS TRAVEL AND CONSULTING.

PROGRAM ASSISTANTS IN CHINA VERIFY ALL INVOICES TO ENSURE ACCURACY.

ALL INVOICES ARE THEN REVIEWED AND SIGNED OFF BY DIRECT SUPERVISOR OF THE

REQUESTOR (EITHER PROJECT LEADER/ PROJECT MANAGER).

NEXT, THE DIRECTOR AND DEPUTY DIRECTOR OF CHINA PROGRAM REVIEW AND

APPROVE LARGE ITEMS OF EXPENDITURE. FINALLY, ALL INVOICES AND APPROVAL

FORMS ARE FORWARDED TO THE U.S. HEADQUARTERS' ACCOUNTING DEPARTMENT FOR

FINAL REVIEW.

SCHEDULE G
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

**Supplemental Information Regarding
Fundraising or Gaming Activities**

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

2009

**Open To Public
Inspection**

Name of the organization
NATURAL RESOURCES DEFENSE COUNCIL, INC.

Employer identification number
13-2654926

Part I Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part.

- 1** Indicate whether the organization raised funds through any of the following activities. Check all that apply.
- | | | | | | |
|----------|-------------------------------------|----------------------------------|----------|-------------------------------------|---------------------------------------|
| a | <input checked="" type="checkbox"/> | Mail solicitations | e | <input checked="" type="checkbox"/> | Solicitation of non-government grants |
| b | <input checked="" type="checkbox"/> | Internet and email solicitations | f | <input checked="" type="checkbox"/> | Solicitation of government grants |
| c | <input checked="" type="checkbox"/> | Phone solicitations | g | <input checked="" type="checkbox"/> | Special fundraising events |
| d | <input type="checkbox"/> | In-person solicitations | | | |
- 2a** Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? **Yes** **No**
- b** If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization.

(i) Name of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col. (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
DONOR SERVICES	TELEMRKTNG		X	669,102.	163,026.	506,076.
TELEFUND, INC.	TELEMRKTNG		X	271,670.	89,195.	182,475.
SHARE GROUP	TELEMRKTNG		X	242,841.	65,480.	177,361.
GRASSROOTS CAMPAIGN	TELEMRKTNG		X	19,143.	10,831.	8,312.
Total				1,202,756.	328,532.	874,224.

3 List all states in which the organization is registered or licensed to solicit funds or has been notified it is exempt from registration or licensing.

AL, AK, AZ, AR, CA, CO, CT, DC, FL, GA, HI, IL, IN,
 KS, KY, LA, ME, MD, MA, MI, MN, MS, MO, NH, NJ, NM, NY, NC, ND, OH,
 OK, OR, PA, RI, SC, TN, TX, UT, VT, VA, WA, WV, WI,

Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 on Form 990-EZ, line 6a. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other Events	(d) Total events	
		FORCES/NATURE (event type)	GROWING GREEN (event type)	24 (total number)	(add col. (a) through col. (c))	
Revenue	1	Gross receipts	2,238,241.	293,827.	1,693,847.	4,225,915.
	2	Less: Charitable contributions	2,065,831.	257,736.	1,298,401.	3,621,968.
	3	Gross income (line 1 minus line 2)	172,410.	36,091.	395,446.	603,947.
Direct Expenses	4	Cash prizes				
	5	Noncash prizes				
	6	Rent/facility costs	238,914.	74,992.	175,785.	489,691.
	7	Food and beverages				
	8	Entertainment				
	9	Other direct expenses	270,327.	15,117.	-32,911.	252,533.
	10	Direct expense summary. Add lines 4 through 9 in column (d)				
11	Net income summary. Combine line 3, column (d), and line 10					-138,277.

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo		(b) Pull tabs/Instant bingo/progressive bingo		(c) Other gaming		(d) Total gaming (add col. (a) through col. (c))
		Yes	No	Yes	No	Yes	No	
Revenue	1	Gross revenue						
Direct Expenses	2	Cash prizes						
	3	Noncash prizes						
	4	Rent/facility costs						
	5	Other direct expenses						
	6	Volunteer labor	Yes _____ % No	Yes _____ % No	Yes _____ % No			
7	Direct expense summary. Add lines 2 through 5 in column (d)							()
8	Net gaming income summary. Combine line 1, column d, and line 7							

	Yes	No
9 Enter the state(s) in which the organization operates gaming activities: _____		
a Is the organization licensed to operate gaming activities in each of these states?	9a	
b If "No," explain: _____		
10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?	10a	
b If "Yes," explain: _____		
11 Does the organization operate gaming activities with nonmembers?	11	
12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?	12	

13 Indicate the percentage of gaming activity operated in:

- a** The organization's facility

13a		%
------------	--	---
- b** An outside facility

13b		%
------------	--	---

14 Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ▶ _____
 Address ▶ _____

15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? **15a**

- b** If "Yes," enter the amount of gaming revenue received by the organization ▶ \$ _____ and the amount of gaming revenue retained by the third party ▶ \$ _____.
- c** If "Yes," enter name and address of the third party:

Name ▶ _____
 Address ▶ _____

16 Gaming manager information:

Name ▶ _____
 Gaming manager compensation ▶ \$ _____
 Description of services provided ▶ _____
 Director/officer Employee Independent contractor

17 Mandatory distributions:

- a** Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? **17a**
- b** Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ _____

	Yes	No

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization

NATURAL RESOURCES DEFENSE COUNCIL, INC.

Employer identification number

13-2654926

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|--|---|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input checked="" type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input checked="" type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

b If any of the boxes on line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.

- | | |
|---|---|
| <input checked="" type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study |
| <input type="checkbox"/> Form 990 of other organizations | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment?
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?
- c** Participate in, or receive payment from, an equity-based compensation arrangement?
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization?
- b** Any related organization?
- If "Yes" to line 5a or 5b, describe in Part III.

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization?
- b** Any related organization?
- If "Yes" to line 6a or 6b, describe in Part III.

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

	Yes	No
1b	X	
2	X	
4a		X
4b		X
4c		X
5a		X
5b		X
6a		X
6b		X
7		X
8		X
9		

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2009

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use Schedule J-1 if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
FRANCES BEINECKE	(i)	373,168.	11,250.	0.	34,300.	14,024.	432,742.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
PETER LEHNER	(i)	234,122.	7,650.	0.	22,050.	14,024.	277,846.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
PATRICIA SULLIVAN	(i)	169,865.	5,550.	0.	25,900.	7,004.	208,319.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
JUDITH KEEFER	(i)	215,685.	6,489.	0.	30,282.	7,004.	259,460.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
JACK MURRAY	(i)	223,630.	6,900.	0.	32,200.	2,281.	265,011.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
DAVID HAWKINS	(i)	197,766.	5,987.	0.	27,939.	13,959.	245,651.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
WESLEY WARREN	(i)	191,762.	6,300.	0.	18,900.	2,216.	219,178.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
PHILIP GUTIS	(i)	187,733.	5,700.	0.	13,300.	7,004.	213,737.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
JOHN H ADAMS (SEE SCHED O	(i)	158,500.	0.	0.	0.	58,334.	216,834.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
FELICIA MARCUS	(i)	186,837.	5,700.	0.	1,663.	6,939.	201,139.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
MARGARET BAROL	(i)	188,450.	0.	0.	11,721.	4,840.	205,011.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
LINDA LOPEZ	(i)	167,182.	5,304.	0.	34,300.	14,024.	220,810.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

COMPENSATION INFORMATION

SCHEDULE J

PART I, LINE 1 NRDC'S POLICY IS TO REIMBURSE ITS EMPLOYEES, OFFICERS AND TRUSTEES FOR ALL BUSINESS-RELATED EXPENSES, SUCH AS TELEPHONE, FAX AND TRAVEL RELATED EXPENSES.

PART II, COMPENSATION REPORTING OF TRUSTEE, MR. JOHN H ADAMS

COLUMN B(I): BASE COMPENSATION

AFTER THIRTY-FIVE YEARS OF COMMITTED SERVICE AS NRDC'S FOUNDER AND PRESIDENT, MR. JOHN ADAMS RETIRED ON APRIL 1, 2006 AND BECAME A PART-TIME CONSULTANT FOR NRDC. THIS FISCAL YEAR, MR. ADAMS RECEIVED \$158,500 FOR THESE SERVICES.

COLUMN D: NONTAXABLE BENEFITS

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

AS PART OF A RETIREMENT AGREEMENT, NRDC PROVIDED MR. JOHN ADAMS WITH
MEDICAL AND DENTAL BENEFITS AND A LONG TERM CARE PLAN. THE VALUES OF
THESE BENEFITS ARE:

MEDICAL \$15,349 PER YEAR
LTC \$42,985 PER YEAR

FORM 990, SCHEDULE J, LINE 7

NRDC PROVIDED ALL EMPLOYEES OF THE ORGANIZATION, IRRESPECTIVE OF TITLE, A
"BONUS" OR COMPENSATION ADJUSTMENT OF 3% BECAUSE ALL SALARIES WERE FROZEN
IN THE PREVIOUS FISCAL YEAR. SINCE THE INDIVIDUALS ON PART VII OF THE
990 ARE REPORTING AN AMOUNT RECEIVED AS A BONUS, NRDC OPTED TO INCLUDE
THIS DISCLOSURE TO HIGHLIGHT THAT ALL EMPLOYEES SYSTEM-WIDE RECEIVED A
NON-DISCRETIONARY BONUS.

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

FORM 990, SCHEDULE J COMPENSATION

SOME OF THE OFFICERS REPORTED ON THE NRDC FORM 990, FRANCES BEINECKE, PATRICIA SULLIVAN AND PETER LEHNER, ALLOCATE A PORTION OF THEIR COMPENSATION TO AN AFFILIATED ORGANIZATION, THE NRDC ACTION FUND. ON PART VII AND SCHEDULE J, ALL COMPENSATION IS BEING REPORTED AS HAVING BEEN PAID BY NRDC; HOWEVER, A PORTION OF EACH OFFICER'S COMPENSATION IS ALLOCATED TO THE ACTION FUND BASED ON SERVICES RENDERED TO THAT ORGANIZATION.

IN THE INTERESTS OF CLARITY, NRDC IS DISCLOSING THE FOLLOWING SALARY AND BENEFITS AMOUNTS AS HAVING BEEN ALLOCATED TO THE NRDC ACTION FUND:

	SALARY	BENEFITS
PRESIDENT BEINECKE	\$1,494	\$424
TREASURER SULLIVAN	\$1,703	\$419

Continuation Sheet for Form 990

2009

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990 to list additional information for Form 990, Part VII, Section A, line 1a.

▶ See the Instructions for Form 990.

Name of the Organization

NATURAL RESOURCES DEFENSE COUNCIL, INC.

Employer identification number

13-2654926

Part I Continuation of Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name and title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MSC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
JAMES TAYLOR TRUSTEE	1.00	X						0.	0.	0.
ROBERT J FISHER TRUSTEE/VICE CHAIRMAN	1.00	X						0.	0.	0.
ROBERT REDFORD TRUSTEE	1.00	X						0.	0.	0.
JOHN E ECHOHAWK TRUSTEE	1.00	X						0.	0.	0.
JOHN H ADAMS (SEE SCHED O) TRUSTEE	1.00	X						158,500.	0.	58,334.
SHELLY B MALKIN TRUSTEE	1.00	X						0.	0.	0.
THOMAS W ROUSH TRUSTEE	1.00	X						0.	0.	0.
WENDY SCHMIDT TRUSTEE	1.00	X						0.	0.	0.
MAX STONE TRUSTEE	1.00	X						0.	0.	0.
ARJUN GUPTA TRUSTEE	1.00	X						0.	0.	0.
MARY MORAN TRUSTEE	1.00	X						0.	0.	0.
MICHAEL LYNTON TRUSTEE	1.00	X						0.	0.	0.
FRANCES BEINECKE PRESIDENT	40.00			X				384,418.	0.	48,324.
PETER LEHNER EXECUTIVE DIRECTOR	40.00			X				241,772.	0.	36,074.
PATRICIA SULLIVAN DEPUTY DIRECTOR	40.00			X				175,415.	0.	32,904.
JUDITH KEEFER FINANCE DIRECTOR	40.00			X				222,174.	0.	37,286.
JACK MURRAY DEVELOPMENT DIRECTOR	40.00			X				230,530.	0.	34,481.
LINDA LOPEZ DIRECTOR OF MEMBERSHIP	40.00				X			172,486.	0.	48,324.
DAVID HAWKINS DIRECTOR OF CLIMATE CENTER	40.00					X		203,753.	0.	41,898.
WESLEY WARREN DIRECTOR OF PROGRAMS	40.00					X		198,062.	0.	21,116.
PHILIP GUTIS COMMUNICATION DIRECTOR	40.00					X		193,433.	0.	20,304.

**SCHEDULE K
(Form 990)**

Supplemental Information on Tax-Exempt Bonds

OMB No. 1545-0047

2009

**Open to Public
Inspection**

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information on Schedule O (Form 990).**

▶ **Attach to Form 990. See separate instructions.**

Department of the Treasury
Internal Revenue Service

Name of the organization
NATURAL RESOURCES DEFENSE COUNCIL, INC.

Employer identification number
13-2654926

Part I Bond Issues

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer	
						Yes	No	Yes	No
A NEW YORK CITY CAPITAL RESOURCE CORPORATION	20-4099098	649437AD2	01/24/2008	12,730,000.	REFINANCING AND RENOVATION		X		X
B									
C									
D									
E									

Part II Proceeds

	A		B		C		D		E	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1 Total proceeds of issue										
2 Gross proceeds in reserve funds										
3 Proceeds in refunding or defeasance escrows										
4 Other unspent proceeds										
5 Issuance costs from proceeds										
6 Working capital expenditures from proceeds										
7 Capital expenditures from proceeds										
8 Year of substantial completion										
9 Were the bonds issued as part of a current refunding issue?		X								
10 Were the bonds issued as part of an advance refunding issue?		X								
11 Has the final allocation of proceeds been made?		X								
12 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X									

Part III Private Business Use

	A		B		C		D		E	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1 Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		X								
2 Are there any lease arrangements with respect to the financed property which may result in private business use?	X									

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule K (Form 990) 2009

JSA

Part III Private Business Use (Continued)

	A		B		C		D		E	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
3a Are there any management or service contracts with respect to the financed property which may result in private business use?		X								
b Are there any research agreements with respect to the financed property which may result in private business use?		X								
c Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?	X									
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶		.0100%		%		%		%		%
5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶		.0100%		%		%		%		%
6 Total of lines 4 and 50200%		%		%		%		%
7 Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X									

Part IV Arbitrage

	A		B		C		D		E	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1 Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		X								
2 Is the bond issue a variable rate issue?	X									
3a Has the organization or the governmental issuer identified a hedge with respect to the bond issue on its books and records?		X								
b Name of provider										
c Term of hedge										
4a Were gross proceeds invested in a GIC?		X								
b Name of provider										
c Term of GIC										
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?										
5 Were any gross proceeds invested beyond an available temporary period?		X								
6 Did the bond issue qualify for an exception to rebate?		X								

SCHEDULE L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions With Interested Persons

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.**
▶ **Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.**

OMB No. 1545-0047

2009

Open To Public Inspection

Name of the organization

NATURAL RESOURCES DEFENSE COUNCIL, INC.

Employer identification number

13-2654926

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only).

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1	(a) Name of disqualified person	(b) Description of transaction	(c) Corrected?	
			Yes	No

- 2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 ▶ \$ _____
- 3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ▶ \$ _____

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a.

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c) Original principal amount	(d) Balance due	(e) In default?		(f) Approved by board or committee?		(g) Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
Total ▶ \$ _____										

Part III Grants or Assistance Benefitting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount and type of assistance

Part IV Business Transactions Involving Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
CHRIS PERERA	SON OF TRUSTEE	12,062.	SEE SCHEDULE O		X
WENDY GORDON	SPOUSE OF TRUSTEE	52,083.	SEE SCHEDULE O		X

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule L (Form 990 or 990-EZ) 2009

**SCHEDULE O
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

**Complete to provide information for responses to specific questions on
Form 990 or to provide any additional information.
▶ Attach to Form 990.**

OMB No. 1545-0047

2009

**Open to Public
Inspection**

Name of the organization

NATURAL RESOURCES DEFENSE COUNCIL, INC.

Employer identification number

13-2654926

ATTACHMENT 2

GOVERNING BODY AND MANAGEMENT

FORM 990, PART VI, SECTION A

LINE 2 - BOARD OF TRUSTEES MEMBERS, FREDERICK A.O. SCHWARZ, JR AND
FREDERICA PERERA, HAVE A FAMILY RELATIONSHIP.

LINE 7A - NRDC'S MEMBERS ARE ENTITLED, AS PART OF THEIR MEMBERSHIP, TO
VOTE INDIVIDUALS TO THE NRDC BOARD OF TRUSTEES.

LINE 7B - THE NRDC BOARD OF DIRECTORS ACTS AUTONOMOUSLY. NEVERTHELESS,
NRDC'S MEMBERS HAVE CERTAIN APPROVAL RIGHTS PURSUANT TO THE NEW YORK
NOT-FOR-PROFIT CORPORATION LAW, INCLUDING, APPROVAL OVER ANY AMENDMENTS
TO NRDC'S CERTIFICATE OF INCORPORATION.

FORM 990, PART VI, SECTION B

LINE 11 - THE FORM 990 WAS PREPARED BY A NATIONALLY RECOGNIZED ACCOUNTING
FIRM IN CONJUNCTION WITH THE ORGANIZATION'S SENIOR MANAGEMENT AND AUDIT
COMMITTEE OF THE BOARD OF TRUSTEES. A COPY OF THE DRAFT FORM 990 WAS
CIRCULATED TO THE FULL BOARD OF TRUSTEES FOR DISCUSSION AND COMMENT. EACH
BOARD MEMBER WAS PROVIDED AMPLE OPPORTUNITY TO COMMENT ON THE INFORMATION
CONTAINED IN THE FORM 990 PRIOR TO ITS FILING WITH THE INTERNAL REVENUE
SERVICE.

LINE 12 - EACH OFFICER, DIRECTOR, TRUSTEE AND KEY EMPLOYEE OF THE
ORGANIZATION IS REQUIRED TO ANNUALLY DISCLOSE ANY CONFLICTS OF INTEREST

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ATTACHMENT 2 (CONT'D)

THAT ARISE BY VIRTUE OF EMPLOYMENT, BOARD SERVICE, OR POSITION WITH THE ORGANIZATION. THE ORGANIZATION MONITORS COMPLIANCE WITH ITS CONFLICT OF INTEREST POLICY THROUGH AN ANNUAL QUESTIONNAIRE/DISCLOSURE STATEMENT THAT IS DISTRIBUTED TO THESE INDIVIDUALS. POTENTIAL CONFLICTS ARE INVESTIGATED IMMEDIATELY.

LINE 15 - THE ORGANIZATION UNDERTAKES A THOROUGH PROCESS TO ENSURE THAT THE EXECUTIVE COMPENSATION IT PAYS TO ITS TOP MANAGEMENT OFFICIAL AND ALL OF ITS OFFICERS AND KEY EMPLOYEES IS REASONABLE GIVEN THE MARKET IN WHICH THE ORGANIZATION OPERATES. IN RELEVANT PART, THE BOARD OF DIRECTORS HAS ESTABLISHED A COMPENSATION COMMITTEE OF INDEPENDENT PERSONS THAT HAVE NO PERSONAL INTEREST IN THE PROPOSED COMPENSATION AGREEMENT. THE COMPENSATION COMMITTEE CONTRACTS WITH A COMPENSATION CONSULTANT TO COMPLETE A MARKET ASSESSMENT AND COMPETITIVE POSITION ANALYSIS FOR THE ORGANIZATION'S TOP EXECUTIVES. THE COMPENSATION CONSULTANT UTILIZES COMPARABILITY AND BENCHMARKING SURVEYS TO ENSURE THAT THE ORGANIZATION COMPENSATES ITS EXECUTIVES COMMENSURATE WITH THE MARKET.

DISCLOSURE

FORM 990, PART VI, SECTION C

LINE 19 - THE ORGANIZATION MAKES ITS FORM 990 AVAILABLE TO THE PUBLIC BY RETAINING A COPY AT ITS PLACE OF BUSINESS. THE FORM 990 IS LIKEWISE PUBLISHED ON NRDC'S WEBSITE AT WWW.NRDC.ORG. THE ORGANIZATION'S FINANCIAL STATEMENTS, GOVERNING DOCUMENTS AND CONFLICT OF INTEREST POLICY ARE NOT ORDINARILY MADE AVAILABLE TO THE PUBLIC, BUT, IF REQUESTED, WILL BE PROVIDED AT MANAGEMENT'S DISCRETION.

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ATTACHMENT 2 (CONT'D)

PROGRAM SERVICE ACCOMPLISHMENTS

PART III, LINE 4

THE NATURAL RESOURCES DEFENSE COUNCIL (NRDC) IS ONE OF THE MOST INFLUENTIAL ENVIRONMENTAL GROUPS IN THE NATION WITH A SINGLE PURPOSE:

TO SAFEGUARD THE EARTH, ITS PEOPLE, ITS PLANTS AND ANIMALS, AND THE NATURAL SYSTEMS ON WHICH ALL LIFE DEPENDS.

IN 2010, NRDC MARKED ITS 40TH ANNIVERSARY. FOUR DECADES IS A POWERFUL TESTAMENT TO NRDC'S STAYING POWER, BUT WHAT IS MORE EXTRAORDINARY IS WHAT WE HAVE ACCOMPLISHED IN THAT TIME. WE BELIEVE THAT OUR WORK HAS MADE THE AIR SAFER, WATER CLEANER, AND LANDSCAPES BETTER PROTECTED.

WHETHER AT THE LOCAL, REGIONAL, NATIONAL, OR INTERNATIONAL LEVELS, NRDC PLACES SPECIAL EMPHASIS ON PUBLIC EDUCATION, WITH THE GOAL OF KEEPING OUR MORE THAN 1.3 MILLION MEMBERS AND ONLINE ACTIVISTS-AS WELL AS THE GENERAL PUBLIC-UP-TO-DATE ON ENVIRONMENTAL ISSUES AND DEVELOPMENTS. IN ADDITION, OUR LEGISLATIVE TEAM TARGETS ALL OF THESE AREAS TO KEEP ENVIRONMENTAL PROTECTION AT THE FOREFRONT OF POLICY MAKING.

IN THE COMING YEARS, OUR FIRST PRIORITY IS TO ENSURE THAT WE DEFEND THE LAWS ALREADY ON THE BOOKS. WE ARE DETERMINED, FOR INSTANCE, TO PRESERVE THE INTEGRITY OF THE CLEAN AIR ACT AND THE ENVIRONMENTAL PROTECTION AGENCY'S (EPA) AUTHORITY TO PROTECT OUR HEALTH AND REDUCE CLIMATE-CHANGING POLLUTION. OUR SECOND PRIORITY IS TO WORK WITH WILLING PARTNERS WHO ARE MOVING AHEAD WITH ENVIRONMENTAL SOLUTIONS RIGHT NOW. WE ARE ADVISING THE OBAMA ADMINISTRATION ON EFFICIENCY STANDARDS,

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ATTACHMENT 2 (CONT'D)

TRANSPORTATION IMPROVEMENTS, WILDLIFE PROTECTIONS, AND CLEAN WATER

GUIDELINES, AND WORKING IN STATES WHERE LEADERS ARE HELPING AMERICA

WELCOME A CLEAN ENERGY FUTURE.

AS WE PURSUE THESE OPPORTUNITIES, NRDC WILL BE GUIDED BY A CLEAR AND

COMPELLING ROAD MAP. IN 2010, WE UPDATED OUR STRATEGIC PLAN. WE

IDENTIFIED THE SIX ISSUES WE WILL FOCUS ON IN THE NEXT FIVE YEARS AND THE

CAPACITIES WE WILL USE TO ACHIEVE OUR GOALS. THE PLAN ALLOWS NRDC TO

REMAIN NIMBLE AND RESPONSIVE TO THE ECONOMIC AND POLITICAL LANDSCAPE, BUT

IT ALSO ENABLES US TO BUILD TOWARD OUR LONG-TERM AIM: CREATING A CLEANER,

MORE SUSTAINABLE FUTURE.

ESTABLISHING A CLEAN ENERGY FUTURE THAT CURBS CLIMATE CHANGE

ADVANCED EFFORTS TO CURB CLIMATE CHANGE: ALTHOUGH CONGRESS DID NOT ENACT

THE COMPREHENSIVE LAW TO REDUCE CARBON POLLUTION THAT WE URGED, NRDC AND

OUR ALLIES MADE IMPORTANT PROGRESS ON OTHER FRONTS. IN CALIFORNIA, WE

HELPED TO BEAT BACK A WELL-FUNDED ATTACK FROM OIL COMPANIES TO ROLL BACK

A LANDMARK LAW NRDC HELPED PASS IN 2006 TO REDUCE THE STATE'S CARBON

EMISSIONS BY 25 PERCENT BY 2020: THE GLOBAL WARMING SOLUTIONS ACT (AB32).

NRDC TAPPED OUR PARTNERS IN CALIFORNIA'S BUSINESS, CLEAN TECH, AND PUBLIC

HEALTH COMMUNITIES TO SHOW THAT FIGHTING GLOBAL WARMING IS GOOD FOR THE

STATE'S ECONOMY. CALIFORNIAN VOTERS UPHELD THE STATE'S GROUNDBREAKING

CLIMATE LAW BY MORE THAN 20 PERCENT, HELPING SEAL THE LARGEST PUBLIC

REFERENDUM IN HISTORY ON CLIMATE AND CLEAN ENERGY AND AFFIRMING SUPPORT

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ATTACHMENT 2 (CONT'D)

FOR SIMILAR POLICIES ACROSS THE COUNTRY. DURING 2010, WE ALSO WORKED WITH CALIFORNIA'S AGENCIES TO DEVELOP STRONG IMPLEMENTATION RULES FOR AB32. AT THE NATIONAL LEVEL, NRDC FORGED IMPORTANT NEW ALLIANCES, PARTICULARLY WITH A BROAD RANGE OF BUSINESSES AND WITH WORKERS IN THE BLUEGREEN ALLIANCE, WHICH WILL SERVE AS THE BACKBONE OF CONTINUING EFFORTS TO ENACT COMPREHENSIVE FEDERAL CARBON POLLUTION LIMITS. INTERNATIONALLY, NRDC PLAYED AN IMPORTANT ROLE IN EFFORTS TO GET CHINA, INDIA AND OTHER DEVELOPING COUNTRIES TO AGREE TO MORE TRANSPARENCY IN REPORTING THEIR GLOBAL WARMING EMISSIONS, REMOVING A KEY STUMBLING BLOCK TO INTERNATIONAL CLIMATE NEGOTIATIONS. THE CANCUN AGREEMENTS REACHED IN DECEMBER 2010 PUT IN PLACE AN INNOVATIVE FRAMEWORK FOR STRENGTHENING REPORTING IN THESE AREAS, A KEY ELEMENT OF GLOBAL EFFORTS TO CUT CLIMATE CHANGING EMISSIONS.

PIONEERED NEW ENERGY EFFICIENCY STANDARDS: FOR MORE THAN 35 YEARS, WE'VE BEEN A LEADER IN DESIGNING EFFICIENCY STANDARDS. WE HAVE DEMONSTRATED TIME AND AGAIN THAT MORE EFFICIENT PRODUCTS SAVE MONEY AND CUT POLLUTION AT THE SAME TIME AND THAT GETTING THE RULES RIGHT IS THE KEY TO UNLEASHING INVESTMENT IN THIS TREMENDOUS RESOURCE. IN 2006, ONLY 8 STATES HAD EMBARKED ON THE REGULATORY REFORM NEEDED TO PUT EFFICIENCY ON A LEVEL PLAYING FIELD WITH POWER PLANTS; TODAY WE HAVE HELPED PERSUADE HALF THE STATES TO GO DOWN THIS ROAD. AS A RESULT, UTILITY INVESTMENTS IN EFFICIENCY HAVE ALMOST TRIPLED FROM \$1.9 BILLION TO \$5.4 BILLION. IN 2010 WE HELPED NEGOTIATE EFFICIENCY AGREEMENTS THAT ARE EXPECTED TO SAVE CUSTOMERS IN ILLINOIS ALMOST \$500 MILLION WHILE AVOIDING THE NEED FOR 9

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ATTACHMENT 2 (CONT'D)

COAL-FIRED POWER PLANTS. IN ARIZONA, WE WORKED WITH LOCAL PARTNERS TO HELP PERSUADE A BIPARTISAN COMMISSION TO ADOPT AN EFFICIENCY PLAN THAT IS EXPECTED TO SAVE CONSUMERS \$9 BILLION, TRANSFORMING THE STATE INTO A NATIONAL LEADER ON EFFICIENCY.

NRDC IS ESPECIALLY ADEPT AT ILLUSTRATING THE CUMULATIVE POWER OF MAKING EVERYDAY APPLIANCES MORE EFFICIENT. MANY PRODUCTS ARE SURPRISING ENERGY HOGS. FLAT-SCREEN TVS FOR INSTANCE, CAN CONSUME MORE ELECTRICITY THAN A NEW REFRIGERATOR. NRDC HELPED CALIFORNIA PUT IN PLACE NEW STANDARDS THAT ARE ESTIMATED TO CUT THE POWER USE OF NEW FLAT-SCREEN TVS BY AS MUCH AS 50 PERCENT AND SAVE CALIFORNIANS ALMOST A \$1 BILLION A YEAR IN THE FORM OF LOWER ELECTRICITY BILLS. NRDC IS ALSO HELPING TO DEVELOP THE NEXT GENERATION OF THOUGHT LEADERS IN THE FIELD; WE WERE INSTRUMENTAL IN THE ESTABLISHMENT OF THE FIRST UNIVERSITY-BASED ENERGY EFFICIENCY CENTER AT UC DAVIS, AND THE FIRST OUTSIDE OF CALIFORNIA, AT THE UNIVERSITY OF IDAHO AND BOISE STATE UNIVERSITY.

AS A RESULT OF SOUND RESEARCH AND STRONG POLICYADVOCACY BY NRDC, THE U.S. DEPARTMENT OF ENERGY (DOE) HAS ISSUED MORE NEW ENERGY EFFICIENCY STANDARDS IN THE LAST TWO YEARS THAN ANY OTHER ADMINISTRATION IN HISTORY. IN 2010, FOR INSTANCE, WITH BACKING FROM NRDC AND OUR ALLIES, DOE ISSUED A NEW FEDERAL STANDARD FOR RESIDENTIAL WATER HEATERS AND OTHER HEATING EQUIPMENT THAT IS EXPECTED TO CUT WATER HEATER ENERGY USE IN HALF, REDUCE CARBON EMISSIONS BY 160 MILLION TONS AND SAVE CONSUMERS \$10 BILLION OVER THE NEXT 30 YEARS. ALSO IN 2010, NRDC AND OTHER ENERGY EFFICIENCY

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ATTACHMENT 2 (CONT'D)

ADVOCATES AND THE ASSOCIATION OF HOME APPLIANCE MANUFACTURERS ANNOUNCED AN AGREEMENT ON ENERGY AND WATER EFFICIENCY STANDARDS FOR "WHITE GOODS" APPLIANCES SUCH AS DISHWASHERS, WASHING MACHINES AND REFRIGERATORS THAT IS ESTIMATED TO SAVE 5 TRILLION GALLONS OF WATER, AND BILLIONS OF CONSUMER DOLLARS OVER THE NEXT 30 YEARS. THAT'S ENOUGH ENERGY TO MEET THE TOTAL ENERGY NEEDS OF 40 PERCENT OF AMERICAN HOMES FOR ONE YEAR AND THE AMOUNT OF WATER NECESSARY TO MEET THE CURRENT WATER NEEDS OF EVERY CUSTOMER IN THE CITY OF LOS ANGELES FOR 25 YEARS. IT IS ALSO ESTIMATED THAT THERE WILL ALSO BE 550 MILLION METRIC TONS OF CO2 POLLUTION SAVED OVER THE SAME PERIOD.

DEMONSTRATED CLEANER ENERGY IS BETTER AND WORKABLE: OUR ENERGY EXPERTS UNDERSTAND THE INDUSTRY'S CHALLENGES AND LIMITATIONS AS WELL AS ITS PROMISE, AND WE ARE UNPARALLELED IN OUR ADVOCACY BEFORE THE NATION'S POLICY MAKERS. IN THE WANING HOURS OF THE LAST CONGRESS, NRDC HELPED PUSH THROUGH AN EXTENSION OF CRITICAL INCENTIVES FOR WIND AND SOLAR POWER. WHILE MANY, INCLUDING NRDC, WORKED HARD TO PASS A FEDERAL RENEWABLE ELECTRIC STANDARD, THIS WAS BLOCKED BY THE SAME OBSTRUCTIONISM THAT KILLED A CLIMATE BILL. WITHOUT THESE STANDARDS, THE WIND AND SOLAR POWER INCENTIVES, KNOWN AS TREASURY GRANTS, WERE EVEN MORE CRITICAL. NRDC IS ALSO MATCHING ITS AGGRESSIVE PUSH TO SPEED THE DEPLOYMENT OF RENEWABLES WITH WORK TO MAKE SURE THAT RENEWABLES ARE CAREFULLY SITED.

NRDC LED THE WESTERN LAND AND WILDLIFE COMMUNITY IN A VERY PRODUCTIVE ENGAGEMENT WITH THE SIX SO CALLED "FAST TRACK" LARGE SCALE SOLAR PROJECTS

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ATTACHMENT 2 (CONT'D)

PROPOSED ON FEDERAL LANDS AND WORKED WITH THE INDUSTRY ON DEVELOPING SITING PRINCIPLES AND MITIGATION MEASURES. IN THE END, NRDC WAS ABLE TO SUPPORT FOUR OF THE SIX PROJECTS AND WIN SUPPORT OR NEUTRALITY ON THESE PROJECTS FROM THE REST OF COMMUNITY. THIS WAS TRULY A GROUNDBREAKING LEVEL OF COLLABORATION BETWEEN THE COMMUNITY AND THE SOLAR INDUSTRY AND NRDC IS PUSHING FORWARD TO EXTEND AND EXPAND THIS TYPE OF COLLABORATION TO INCLUDE FUTURE SOLAR PROJECTS, WIND ON FEDERAL LANDS AND ALL RENEWABLES ON OR NEAR DEPARTMENT OF DEFENSE LANDS.

NRDC'S STRONG ADVOCACY, WORKING WITH NATIONAL, STATE AND LOCAL ALLIES, CONTRIBUTED TO TWO CRUCIAL VICTORIES IN 2010 FOR THE CAPE WIND OFFSHORE WIND PROJECT. THE PROJECT, WHICH IS PROPOSED FOR FEDERAL WATERS IN NANTUCKET SOUND, IS EXPECTED TO PRODUCE ENOUGH CLEAN RENEWABLE POWER TO MEET 75 PERCENT OF CAPE COD'S ELECTRICITY DEMAND. IN APRIL 2010, THE FEDERAL GOVERNMENT APPROVED THE 130 TURBINE PROJECT AFTER A NEARLY TEN YEAR REVIEW PROCESS, MAKING CAPE WIND THE FIRST OFFSHORE WIND PROJECT TO BE APPROVED IN THE UNITED STATES. NRDC SUPPORTED THE PROJECT AFTER CAREFULLY REVIEWING TWO LENGTHY ENVIRONMENTAL REVIEW DOCUMENTS, AND WAS A VOCAL ADVOCATE FOR THE PROJECT. NEXT, NRDC'S LAWYERS ENGAGED IN A LENGTHY LEGAL PROCEEDING IN MASSACHUSETTS TO FIGHT FOR APPROVAL OF A MUCH-NEEDED FINANCING PIECE FOR THE PROJECT, A LONG-TERM CONTRACT WITH THE ELECTRIC UTILITY NATIONAL GRID. IN NOVEMBER 2010, MASSACHUSETTS APPROVED THE CONTRACT, FINDING THAT THE ECONOMIC BENEFITS OF THE PROJECT CLEARLY OUTWEIGHED ITS COSTS.

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ATTACHMENT 2 (CONT'D)

MADE SURE STRONG REGULATIONS WERE KEPT OR PUT INTO PLACE: THANKS IN LARGE PART TO NRDC'S ADVOCACY, THE EPA ISSUED RULES TO REDUCE HARMFUL POLLUTION FROM POWER PLANTS AND INDUSTRIAL FACILITIES. THE COAL INDUSTRY AND ITS ALLIES IN CONGRESS ARE TRYING TO BLOCK THIS EFFORT-A MOVE THAT WOULD BENEFIT POLLUTERS, BUT NOT AMERICAN FAMILIES. STOPPING THE EPA WOULD UNDERMINE THE CLEAN AIR ACT-A LAW THAT HAS SAVED HUNDREDS OF THOUSANDS OF LIVES. NRDC IS RUNNING A FULL-THROTTLE CAMPAIGN WITH ADVOCACY, CITIZEN ACTION, MEDIA OUTREACH IN HOME DISTRICTS, LITIGATION-TO PRESERVE THIS TOOL AND PROTECT THE INTEGRITY OF THE CLEAN AIR ACT.

MEANWHILE, AS POTENTIALLY HAZARDOUS NATURAL GAS DRILLING SPREADS ACROSS THE NATION, NRDC IS HELPING PUT STRONGER REGULATIONS IN PLACE. WE ARE CALLING ON CONGRESS TO CLOSE THE "HALLIBURTON LOOPHOLE" THAT EXEMPTS CHEMICAL-INTENSIVE FRACKING FROM THE SAFE DRINKING WATER ACT. AND WE ARE HELPING STATES LIKE NEW YORK PUT PROTECTIONS IN PLACE BEFORE NATURAL GAS DRILLING BEGINS, INSTEAD OF AFTER, WHEN IT IS OFTEN TOO LATE.

STOPPED DIRTY FUELS, INCLUDING COAL-FIRED POWER PLANTS AND TAR SANDS DEVELOPMENT: NRDC WON A SIGNIFICANT VICTORY IN THE HEART OF COAL COUNTRY WHEN AMERICAN MUNICIPAL POWER-OHIO (AMP) DECIDED TO CANCEL ITS PROPOSED \$4 BILLION COAL PLANT IN SOUTHEAST OHIO. THE PLANT WOULD HAVE EMITTED 7 MILLION TONS OF GREENHOUSE GASES AND MORE THAN 10,000 TONS OF OTHER HARMFUL AIR POLLUTANTS, AND WOULD HAVE REQUIRED THE MINING OF MILLIONS OF TONS OF COAL EVERY YEAR FOR THE NEXT 40 YEARS. OVER A TWO-AND-A-HALF YEAR EFFORT, NRDC BROUGHT LITIGATION TO CHALLENGE PERMITS FOR THE

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ATTACHMENT 2 (CONT'D)

PROPOSAL, AND PRESENTED THE ECONOMIC CASE AGAINST THE PLANT AND IN FAVOR OF CLEANER ENERGY ALTERNATIVES TO AMP'S MUNICIPAL MEMBERS THROUGHOUT OHIO. INSTEAD OF THE COAL PLANT, AMP ANNOUNCED PLANS TO PURSUE ENERGY EFFICIENCY, SOLAR, AND OTHER CLEANER ALTERNATIVES.

IN OUR FIGHT AGAINST AN 830-MEGAWATT, COAL-FIRED POWER PLANT ON SAGINAW BAY IN MICHIGAN, OUR MIDWEST ENERGY SPECIALISTS EXAMINED THE STATE'S ENERGY MIX AND CONCLUDED THAT MICHIGAN DIDN'T NEED MORE DIRTY COAL PLANTS. IT COULD MEET ITS ENERGY NEEDS BY LAUNCHING AGGRESSIVE EFFICIENCY PROGRAMS AND GENERATING ALMOST 30,000 GIGAWATTS OF ELECTRICITY USING CLEANER TECHNOLOGIES.

WE ARE ALSO FIGHTING THE DESTRUCTION OF THE BOREAL FOREST BY TAR SANDS STRIP-MINING AND DEVELOPMENT, BECAUSE THE FUTURE OF CANADIAN TAR SANDS WILL BE DECIDED IN AMERICA-THE LARGEST CUSTOMER FOR THIS DIRTY FUEL. WE ARE PUSHING THE STATE DEPARTMENT TO REJECT PIPELINES- FOCUSING NOW ON THE KEYSTONE XL PIPELINE THAT WOULD TRANSPORT TAR SANDS FROM ALBERTA THROUGH SENSITIVE LANDS AND MAJOR AQUIFERS TO REFINERIES IN ALREADY-POLLUTED COMMUNITIES OF THE U.S. GULF COAST -AND WORKING TO BLOCK U.S. ENERGY BILLS THAT PROMOTE TAR SANDS. WE ALSO ARE REMINDING LAWMAKERS THAT AMERICA DOESN'T NEED A FUEL THAT GENERATES THREE TIMES AS MUCH GLOBAL WARMING POLLUTION TO PRODUCE AS CONVENTIONAL OIL.

SHARED OUR SUCCESSFUL MODELS ON THE INTERNATIONAL STAGE: IN THE CHINESE PROVINCE OF JIANGSU, NRDC HELPED DESIGN ENERGY EFFICIENCY

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ATTACHMENT 2 (CONT'D)

PLANTS-EFFICIENCY MEASURES THAT ARE SAVING 3.5 MILLION MWH EACH YEAR AND ARE NOW BEING SCALED UP NATIONWIDE. ANOTHER PROGRAM NRDC HELPED DESIGN IN CALIFORNIA TO REDUCE ELECTRICITY DEMAND HAS NOW BEEN ADOPTED BY CHINA NATIONWIDE; A PROGRAM WE LAUNCHED TO ACCELERATIVE BUILDING EFFICIENCY IN CALIFORNIA AND NEW YORK WAS EXPANDED TO HYDERABAD, INDIA. OUR INTERNATIONAL EXPERTS ALSO CONTINUE TO ENGAGE IN THE INTERNATIONAL CLIMATE NEGOTIATIONS.

REVIVING OUR OCEANS

HELPED ESTABLISH AMERICA'S FIRST NATIONAL OCEAN POLICY BY PRESIDENTIAL EXECUTIVE ORDER:

WHILE THE GULF OIL SPILL GAVE THE PRESIDENT'S HISTORIC MOVE A FRESH SENSE OF URGENCY, NRDC AND OUR PARTNERS HAD LONG BEEN PROMOTING THE ADOPTION OF A SEMINAL ENVIRONMENTAL POLICY FOR PROTECTING, MAINTAINING, AND RESTORING OCEAN HEALTH. AFTER THE PRESIDENT ASSEMBLED AN INTERAGENCY TASK FORCE IN 2009 TO DEVELOP AN OCEANS POLICY AND A PLAN TO IMPLEMENT IT, WE HELPED LEAD THE EFFORT AMONG NATIONAL, REGIONAL, AND LOCAL CONSERVATION GROUPS TO PRODUCE STRONG, SCIENCE-BASED RECOMMENDATIONS. IN JULY 2010, PRESIDENT OBAMA PROVIDED NEW HOPE FOR OUR OCEAN REALM BY ISSUING AN EXECUTIVE ORDER ESTABLISHING A COMPREHENSIVE NATIONAL POLICY FOR OUR OCEANS, COASTS, AND GREAT LAKES. AMERICA'S FIRST-EVER OCEANS POLICY PROVIDES A COHERENT NATIONAL VISION FOR COMBATING DAY-TO-DAY THREATS TO OUR OCEAN ECOSYSTEMS AND PROTECTING SENSITIVE AREAS FROM AN ENVIRONMENTAL AND ECONOMIC CATASTROPHE LIKE THE GULF OIL SPILL.

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<u>ATTACHMENT 2 (CONT'D)</u>	

SECURED ADDITIONAL MARINE PROTECTED AREAS IN CALIFORNIA: IN 1999, NRDC SPONSORED AND HELPED WIN ENACTMENT OF CALIFORNIA'S LANDMARK MARINE LIFE PROTECTION ACT, A LAW THAT CALLS FOR A STATEWIDE NETWORK OF SAFE HAVENS DESIGNED TO PROTECT AND RESTORE BELEAGUERED OCEAN WILDLIFE. ON DECEMBER 15, 2010, THE STATE CAME CLOSE TO THAT VISIONARY GOAL WHEN IT ADOPTED A NECKLACE OF PROTECTED BIOLOGICAL GEMS ALONG THE STATE'S SOUTH COAST-THE THIRD REGION TO BE COMPLETED OUR OF FOUR. THE NEW NETWORK IS THE NATION'S FIRST SCIENCE-BASED NETWORK OF MARINE PROTECTED AREAS ADJACENT TO A MAJOR URBAN CENTER. NRDC HELPED DESIGN A SIMILAR NETWORK THAT TOOK EFFECT IN THE NORTH CENTRAL REGION EARLIER THIS YEAR. IN THE COMING YEAR WE WILL BE WORKING TO WIN APPROVAL OF A PROTECTED AREA PLAN FOR THE NORTH COAST, COMPLETING THE STATEWIDE NETWORK.

RESPONDED TO THE GULF SPILL IN FAST, NIMBLE AND MEANINGFUL WAYS: WHEN BP'S DEEPWATER HORIZON OIL RIG EXPLODED ON APRIL 20, 2010, UNLEASHING ONE OF THE WORST ENVIRONMENTAL DISASTERS IN OUR NATION'S HISTORY, NRDC STOOD READY TO CHANNEL ALL OF OUR AVAILABLE RESOURCES INTO ACTION. WE RAPIDLY ASSEMBLED A SWAT TEAM OF TOP NRDC EXPERTS ON OCEANS, HUMAN HEALTH, COMMUNICATIONS, GOVERNMENT AFFAIRS, AND MARINE MAMMALS TO ENSURE A WELL-COORDINATED AND EFFECTIVE RESPONSE. THROUGHOUT THE SPRING AND SUMMER, OUR TEAM WORKED ON EVERY MAJOR FRONT OF THE GULF CRISIS, FROM THE MISSISSIPPI DELTA TO CAPITOL HILL.

ONLY DAYS AFTER THE DISASTER, WE DISPATCHED SCIENTISTS AND COMMUNICATIONS

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ATTACHMENT 2 (CONT'D)

EXPERTS TO THE GULF TO HELP PROTECT LOCAL COMMUNITIES FROM IMMEDIATE HARM. OUR HEALTH TEAM WORKED CLOSELY WITH THE ENVIRONMENTAL PROTECTION AGENCY TO IMPROVE THE MONITORING OF AIR QUALITY IN THE AREA AND PROVIDED REAL-TIME INFORMATION TO LOCAL COMMUNITIES ON THE POTENTIAL HEALTH EFFECTS OF THE SPILL AND OF THE CHEMICAL DISPERSANTS THAT BP WAS USING TO TRY TO FIGHT IT. LATER OUR TEAM WORKED WITH LOCAL LEADERS TO STRENGTHEN THE VALIDITY OF THE FOOD AND DRUG ADMINISTRATION'S SEAFOOD RISK ASSESSMENTS-WHICH DETERMINE WHEN TO REOPEN FISHERIES CLOSED DUE TO THE OIL DISASTER AND HELP TO PROTECT THE HEALTH OF VULNERABLE COMMUNITIES FROM TOXIC OIL CONTAMINANTS. MEANWHILE, OUR COMMUNICATIONS TEAM GATHERED IMAGES AND STORIES OF PEOPLE FROM THE REGION TO DOCUMENT THE MOUNTING TOLL OF THE DISASTER, AND WE MADE SURE THAT THESE LOCAL VOICES WERE HEARD IN NATIONAL PRESS.

IN JULY 2010, OUR MEDIA TEAM ESTABLISHED THE NRDC GULF RESOURCE CENTER IN BURAS, LOUISIANA, TO FACILITATE COMMUNICATION AMONG GULF RESIDENTS, LOCAL GROUPS, AND THE MEDIA AND PROVIDE THEM WITH ACCESS TO NRDC'S SCIENCE, HEALTH, POLICY, ADVOCACY, AND COMMUNICATIONS EXPERTISE. THROUGH OUR GULF COAST RECOVERY FUND, NRDC MEMBERS DONATED MORE THAN \$125,000 DIRECTLY TO LOCAL NONPROFIT GROUPS THAT WERE HELPING TO RESTORE THE HARDEST-HIT COMMUNITIES, WILDLIFE, AND ECOSYSTEMS.

AS WE WORKED TO SUPPORT THOUSANDS OF GULF RESIDENTS FACING THE DAUNTING CHALLENGE OF RECOVERY, WE LEVERAGED NRDC'S LEGAL EXPERTISE AND POLICY TO HELP GUARD AGAINST SUCH A DISASTER IN THE FUTURE. WHEN THE OIL INDUSTRY

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ATTACHMENT 2 (CONT'D)

ARGUED THAT IT COULD STILL SAFELY DRILL IN THE DEEP WATERS OF THE GULF, WE JOINED THE OBAMA ADMINISTRATION IN DEFENDING A MORATORIUM ON DEEPWATER DRILLING IN COURT. WE ALSO FILED SUIT OVER THE MISUSE OF SONIC EXPLORATION IN THE GULF AND PREPARED FOR ADDITIONAL LEGAL ACTION TO ENSURE THAT ENDANGERED SPECIES RECEIVE ADEQUATE CONSIDERATION IN OIL COMPANIES' PLANS FOR NEW DRILLING OPERATIONS. OUR OCEANS TEAM HELPED COMPEL THE WHITE HOUSE TO ISSUE STRICTER REQUIREMENTS FOR DRILLING PROCEDURES, AS WE URGED CONGRESS TO PASS NEW LEGISLATION GOVERNING WHERE AND WHEN DRILLING CAN OCCUR. WE ALSO PRESSED GOVERNMENT TO ALLOW FOR GREATER SCIENTIFIC INPUT IN DETERMINING THE FULL ENVIRONMENTAL IMPACT OF THE SPILL, AND FOUGHT TO ENSURE THAT THE \$500 MILLION BP PROMISED FOR SCIENTIFIC RESEARCH WOULD BE PROPERLY SPENT.

OVER THE SUMMER OUR MULTIMEDIA TEAM PRODUCED MORE THAN 40 SHORT VIDEOS FEATURING GULF RESIDENTS, NRDC EXPERTS, AND HIGH-PROFILE SUPPORTERS THAT WERE VIEWED BY MILLIONS OF PEOPLE. OUR ONGOING COMMUNICATION EFFORT ALSO INCLUDED THE PUBLICATION OF THE FIRST BOOK ON THE GULF OIL SPILL, "IN DEEP WATER: THE ANATOMY OF A DISASTER, THE FATE OF THE GULF, AND HOW TO END OUR OIL ADDICTION."

DEFENDING WILDLIFE AND WILD PLACES:

RESTORED FEDERAL PROTECTION TO THE WOLVES. ON AUGUST 5, 2010, U.S. DISTRICT JUDGE DONALD MOLLOY SIDED WITH NRDC, EARTHJUSTICE, AND 13 OTHER CONSERVATION GROUPS AND RESTORED ENDANGERED SPECIES ACT PROTECTION TO

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ATTACHMENT 2 (CONT'D)

WOLVES ACROSS THE NORTHERN ROCKIES. FOLLOWING THE OBAMA ADMINISTRATION'S DECISION TO STRIP MONTANA AND IDAHO WOLVES OF FEDERAL PROTECTION IN 2009, MORE THAN 500 WOLVES WERE GUNNED DOWN BY HUNTERS OR GOVERNMENT AGENTS. AS WE BATTLED IN COURT TO TURN BACK THE ADMINISTRATION'S RECKLESS DECISION, WE MOBILIZED OUR MEMBERS AND ONLINE ACTIVISTS TO DEMAND THAT ALL 1,700 NORTHERN ROCKIES WOLVES BE PROTECTED UNTIL THEIR POPULATION CAN FULLY RECOVER. MEANWHILE, OUR TEAM OF WOLF EXPERTS, LED BY VETERAN WILDLIFE ADVOCATE LOUISA WILLCOX IN OUR LIVINGSTON, MONTANA, OFFICE, WORKED TIRELESSLY TO ESTABLISH NRDC AS A CREDIBLE, SCIENCE-BASED VOICE ON EVERY FRONT WHERE THE BATTLE OVER THE WOLF'S FUTURE WAS PLAYING OUT- FROM RANCHER MEETINGS TO REGIONAL NEWS OUTLETS TO THE OFFICES OF WILDLIFE AGENCIES. THANKS TO ONLINE COMMUNICATION TOOLS, INCLUDING NRDC'S SWITCHBOARD BLOG AND SOCIAL MEDIA NETWORKS SUCH AS TWITTER, OUR EXPERTS FROM THE FIELDS OF ADVOCACY, LAW, SCIENCE, AND COMMUNICATIONS WERE ABLE TO RESPOND INSTANTLY TO DEVELOPMENTS AS THEY UNFOLDED AND BUILD STRONG SUPPORT FOR WOLVES IN A TONE THAT WAS BOTH AUTHORITATIVE AND PERSONAL.

PREVENTED OIL AND GAS DRILLING IN AN ARCTIC "POLAR BEAR SEA": MELTING ICE DUE TO GLOBAL WARMING HAS CLEARED A PATH TO THE HEART OF FORMERLY REMOTE AREAS-AND OIL AND GAS COMPANIES ARE CLAMORING TO STAKE THEIR CLAIM. IN RESPONSE, NRDC HAS RACED TO COURT REPEATEDLY TO BLOCK PROPOSED DRILLING IN THE SENSITIVE HABITATS FOR POLAR BEARS, WHALES, AND OTHER IMPERILED WILDLIFE. WE HAVE WAGED A LONG-TERM CAMPAIGN TO BLOCK THE SHELL OIL COMPANY FROM DRILLING OFF THE SENSITIVE COASTLINE OF THE ARCTIC NATIONAL WILDLIFE REFUGE. AND, IN A MAJOR NRDC COURT VICTORY IN JULY

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ATTACHMENT 2 (CONT'D)

2010, A FEDERAL COURT HALTED OIL AND GAS COMPANIES FROM MOVING AHEAD WITH DRILLING OPERATIONS IN MILLIONS OF ACRES SPANNING ALASKA'S CHUKCHI SEA-ONE OF OUR NATION'S TWO "POLAR BEAR SEAS"-UNTIL MORE STUDIES ARE COMPLETED ON THE IMPACTS AND RISKS OF DRILLING. AS WE CONTINUE TO FIGHT IN COURT ON BEHALF OF ARCTIC WILDLIFE, WE ARE CALLING FOR A SEVEN YEAR MORATORIUM ON DRILLING IN ARCTIC WATERS. INTERNATIONALLY, WE ARE WORKING TO PROMOTE PROTECTED AREAS AND STRONG INTERNATIONAL RULES ON FISHING, OFFSHORE OIL DEVELOPMENT AND OTHER INDUSTRIAL DEVELOPMENT.

LAUNCHED A WORLDWIDE CAMPAIGN TO SAVE BRISTOL BAY: IN SOUTHWESTERN ALASKA LIES ONE OF NORTH AMERICA'S MOST SPECTACULAR WILDLANDS: THE BRISTOL BAY WATERSHED. YET THE BRITISH MINING GIANT ANGLO AMERICAN AND ITS CANADIAN PARTNER, NORTHERN DYNASTY MINERALS, IS MOVING FORWARD WITH A SCHEME TO DIG A 2,000-FOOT-DEEP, TWO-MILE-LONG GOLD AND COPPER MINE AT THE HEADWATERS OF THE BAY. IT IS ESTIMATED THAT THE PROJECT WOULD GENERATE SOME 10 BILLION TONS OF MINING WASTE, LACED WITH TOXIC CHEMICALS THAT WOULD BE STORED FOREVER IN AN ACTIVE EARTHQUAKE ZONE. A QUAKE OR INDUSTRIAL ACCIDENT WOULD SPELL DISASTER FOR BRISTOL BAY, ITS WILDLIFE, AND THE NATIVE COMMUNITIES THAT HAVE SUBSISTED THERE FOR THOUSANDS OF YEARS. NRDC HAS STOOD BEHIND THOSE COMMUNITIES AND LOCAL FISHERMEN BY TAKING THEIR FIGHT TO THE NATIONAL AND INTERNATIONAL STAGE. WE LAUNCHED THIS NEWEST BIOGEMS CAMPAIGN BY RUNNING A FULL-PAGE NRDC AD IN THE NEW YORK TIMES, HELPING TO SPARK NATIONWIDE OPPOSITION TO THE PEBBLE MINE, AND A FULL-PAGE AD IN LONDON'S FINANCIAL TIMES ON EARTH DAY DIRECTED TO ANGLO AMERICAN, AND PETITIONS OF MORE THAN 100,000 SIGNATURES EACH AT AN

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ATTACHMENT 2 (CONT'D)

ANNUAL SHAREHOLDERS' MEETING AND AT A CLOSED-DOOR MEETING WITH HIGH-LEVEL OFFICIALS AT MITSUBISHI-ONE OF THE MULTINATIONAL COMPANIES BACKING THE MINE.

PROTECTED MORE THAN 90 MILLION ACRES OF SOUTHERN FORESTS FROM DESTRUCTIVE LOGGING: THE RESULT OF SIX YEARS OF ENGAGEMENT BETWEEN ATLANTA-BASED GEORGIA-PACIFIC (GP) AND ENVIRONMENTAL GROUPS, LED BY NRDC, WAS GP'S ANNOUNCEMENT IN NOVEMBER 2010 THAT IT WILL NOT PURCHASE TREES FROM ENDANGERED FORESTS AND SPECIAL AREAS, OR FROM NEW PINE PLANTATIONS ESTABLISHED AT THE EXPENSE OF NATURAL HARDWOOD FORESTS. THE POLICY STATEMENT WAS DEVELOPED IN CONSULTATION WITH ENVIRONMENTAL GROUPS DOGWOOD ALLIANCE, NRDC AND RAINFOREST ACTION NETWORK. WHILE GP'S NEW FOREST POLICY APPLIES TO ALL OF ITS OPERATIONS, AS A FIRST STEP IN IMPLEMENTING ITS COMMITMENT ON ENDANGERED FORESTS AND SPECIAL AREAS, GP WORKED WITH THE ENVIRONMENTAL GROUPS AND SCIENTISTS TO IDENTIFY 11 ENDANGERED FORESTS AND SPECIAL AREAS TOTALING 600,000 ACRES IN THE MID-ATLANTIC COASTAL ECO-REGION, AS WELL AS 90 MILLION ACRES OF NATURAL HARDWOOD FORESTS IN THE SOUTHERN REGION. ENDANGERED FORESTS AND SPECIAL AREAS IN OTHER REGIONS WILL BE MAPPED IN A SIMILAR PROCESS, OVER THE COMING YEARS. THE SOUTH'S NATURAL FORESTS ARE HOME TO MORE PLANT AND ANIMAL SPECIES THAN ANYWHERE ELSE IN NORTH AMERICA. THEY ALSO HELP PROTECT THE DRINKING WATER FOR MILLIONS OF PEOPLE AND NATURALLY ELIMINATE CARBON DIOXIDE FROM THE ATMOSPHERE. YET LESS THAN TWO PERCENT OF THE REGION'S FORESTS ARE PROTECTED, AND THE SOUTH PRODUCES MORE WOOD AND PAPER THAN ANY OTHER PLACE IN THE WORLD.

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ATTACHMENT 2 (CONT'D)

PROTECTING OUR HEALTH BY PREVENTING POLLUTION

PIONEERED GREEN STRATEGIES IN THE GLOBAL TEXTILE INDUSTRY: THANKS TO NRDC'S CLEAN BY DESIGN INITIATIVE, MULTINATIONAL RETAIL GIANTS PLEDGED TO BEGIN WORK WITH THEIR CHINESE TEXTILE SUPPLIERS TO DRAMATICALLY REDUCE THEIR WATER, ENERGY, AND CHEMICAL USE. AS PART OF NRDC'S LONGSTANDING CAMPAIGN TO REDUCE THE ENVIRONMENTAL AND HEALTH IMPACTS OF RUNAWAY POLLUTION AND ENERGY USE IN CHINA, NRDC SCIENTISTS TEAMED UP WITH OUR PROVINCIAL PARTNERS TO CONDUCT A STUDY OF THE COUNTRY'S MOST POLLUTING INDUSTRIES. WE DISCOVERED THAT CHINA'S TEXTILE SECTOR IS ONE OF THE TWO LEADING WATER POLLUTERS. AFTER CONDUCTING FACT-FINDING MISSIONS TO MORE THAN A DOZEN CHINESE FABRIC MILLS AND DYE HOUSES, WE IDENTIFIED OPPORTUNITIES FOR LOW-COST, MONEY-SAVING IMPROVEMENTS THAT WILL DRAMATICALLY REDUCE POLLUTION AND IMPROVE EFFICIENCY. MEANWHILE, WE TEAMED UP WITH THE COUNCIL OF FASHION DESIGNERS OF AMERICA AND ASSEMBLED AN ADVISORY COUNCIL OF WORLD-CLASS DESIGNERS AND INDUSTRY LEADERS. USING HANDS-ON STUDIES OF FIVE MILLS, WE CREATED A 10 BEST PRACTICES GUIDE TO PROMOTE IMPROVEMENTS IN TEXTILE FACTORY PERFORMANCE THAT WILL REDUCE THE ENVIRONMENTAL FOOTPRINT OF THE INDUSTRY'S GLOBAL SUPPLY CHAIN WITHOUT SACRIFICING THE BOTTOM LINE.

ACHIEVED THE COMPLETE BAN OF ENDOSULFAN AND BAN OF CARBARYL FROM PET COLLARS: FOR YEARS, NRDC HAS BEEN DEMANDING AND SUING THE EPA TO ELIMINATE PRIORITY TOXIC PESTICIDES FROM THE MARKET. IN 2010, IN RESPONSE

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ATTACHMENT 2 (CONT'D)

TO NRDC ADVOCACY AND LITIGATION, THE AGENCY ANNOUNCED THE COMPLETE WITHDRAWAL OF ENDOSULFAN - A NOTORIOUS AND LONG-LASTING NEUROLOGICAL AND REPRODUCTIVE TOXIN THAT IS FOUND IN BODY FAT, EVEN IN THE ARCTIC WHERE THE PESTICIDE HAS NEVER BEEN USED. THE EPA ALSO ANNOUNCED THE REMOVAL OF CARBARYL FROM PET COLLARS, A USE WHICH IS PARTICULARLY DANGEROUS TO CHILDREN. THESE VICTORIES WILL BE ADDED TO THE MORE THAN 30 MILLION POUNDS OF DANGEROUS AND ANTIQUATED PESTICIDES THAT NRDC HAS ALREADY SUCCESSFULLY HAD REMOVED FROM THE MARKET, SUCH AS CARBOFURAN, VINCLOZOLIN, AND DIAZINON.

REDUCED TWO SOURCES OF MERCURY POLLUTION IN THE UNITED STATES AND CHINA: THE EPA FINALIZED STRINGENT LIMITS ON MERCURY POLLUTION FROM CEMENT PLANTS, REDUCING EMISSIONS FROM THIS SOURCE BY MORE THAN 90 PERCENT WHILE ALSO LIMITING EMISSIONS OF OTHER TOXIC AIR POLLUTANTS FROM THIS DIRTY SOURCE. THIS WORK IS THE CULMINATION OF YEARS OF EFFORT INVESTIGATING POLLUTION FROM CEMENT KILNS, WORKING WITH A COALITION OF PUBLIC HEALTH AND ENVIRONMENTAL JUSTICE ORGANIZATIONS, AND SUBMITTING DETAILED LEGAL AND TECHNICAL COMMENTS. AS PART OF CHINA'S HEAVY METAL REGULATORY REFORM INITIATIVE, THE CHINESE MINISTRY OF INDUSTRY AND INFORMATION TECHNOLOGY PROPOSED TO REFORM CHINA'S BATTERY MANUFACTURING SECTOR AND PHASE OUT MERCURY USE IN ALKALINE MANGANESE BUTTON CELL BATTERIES BY 2013. THIS TYPE OF BUTTON CELL IS BY FAR THE LARGEST CONSUMER OF MERCURY IN CHINA'S BATTERY PRODUCTION SECTOR AND BIG NEWS GLOBALLY, GIVEN CHINA'S PROMINENCE IN BUTTON CELL MANUFACTURING AROUND THE WORLD, AND IT WILL IMPROVE THE CHANCES OF OBTAINING A PHASE-OUT OF MERCURY USE FOR BATTERIES IN THE

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ATTACHMENT 2 (CONT'D)

UPCOMING TREATY NEGOTIATIONS. FOR NRDC, THIS PROPOSAL CULMINATES SIX YEARS OF WORK, SINCE WE FIRST COLLABORATED WITH THE CHINA GOVERNMENT TO UNDERTAKE THE INVENTORY OF MERCURY USE FOR THIS SECTOR.

EXPANDED MONITORING TO IDENTIFY LEAD POLLUTION HOT SPOTS ACROSS THE NATION: IN RESPONSE TO A D.C. CIRCUIT LAWSUIT AND ADMINISTRATIVE RECONSIDERATION PETITION FILED BY NRDC AND OUR PARTNERS, THE EPA ISSUED A FINAL RULE ESTABLISHING MORE STRINGENT AIR MONITORING REQUIREMENTS FOR LEAD, A POTENT NEUROTOXIN, UNDER THE CLEAN AIR ACT. THE RULE MANDATES MONITORING NEAR INDUSTRIAL SOURCES ESTIMATED TO EMIT A HALF TON OR MORE OF LEAD PER YEAR, AS WELL AS ADDITIONAL MONITORING IN LARGE URBAN AREAS. THE VICTORY IS KEY TO IMPLEMENTATION AND ENFORCEMENT OF THE RECENTLY REVISED AMBIENT AIR QUALITY STANDARD FOR LEAD WHICH NRDC WORKED SUCCESSFULLY TO IMPROVE IN 2009.

DEVELOPED A FLAGSHIP TRANSPARENCY INDEX FOR EVALUATING CHINA'S POLLUTION INFORMATION: THE CHINESE GOVERNMENT TOOK A CRITICAL STEP TOWARD FURTHERING ENVIRONMENTAL TRANSPARENCY IN MAY 2008 BY ADOPTING A PAIR OF SWEEPING POLLUTION DISCLOSURE MEASURES THAT FOR THE FIRST TIME REQUIRED GOVERNMENT BODIES AT ALL LEVELS TO MAKE CERTAIN POLLUTION INFORMATION PUBLICLY AVAILABLE. NRDC AND THE INSTITUTE OF PUBLIC & ENVIRONMENTAL AFFAIRS DEVELOPED A POLLUTION INFORMATION TRANSPARENCY INDEX (PITI) TO CARRY OUT A SYSTEMATIC ASSESSMENT OF THE FIRST YEAR OF IMPLEMENTATION FOR THESE REGULATIONS. THE RESULTS OF THIS FIRST-YEAR ASSESSMENT SHOW THAT, ALTHOUGH THERE IS STILL MUCH WORK TO BE DONE, MANY CITY GOVERNMENTS HAVE

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ATTACHMENT 2 (CONT'D)

BEGUN TO IMPROVE THE TRANSPARENCY OF THEIR ENVIRONMENTAL INFORMATION AND ARE LAYING THE GROUNDWORK FOR FURTHER IMPROVEMENTS IN THE FUTURE. PITI RESULTS INDICATE THAT CHINA HAS MADE MORE PROGRESS ON ENVIRONMENTAL TRANSPARENCY THAN MANY IN THE INTERNATIONAL COMMUNITY REALIZE.

ENSURING SAFE AND SUFFICIENT WATER

PURSUED TRANSFORMATIVE GREEN INFRASTRUCTURE SOLUTIONS: URBAN RUNOFF IS THE LEADING CAUSE OF WATER POLLUTION IN THE UNITED STATES. TO STEM THIS THREAT, NRDC IS WORKING CLOSELY WITH CITIES AND STATES FROM COAST TO COAST TO EXPAND THEIR USE OF GREEN INFRASTRUCTURE. THESE LOW-IMPACT, INEXPENSIVE SOLUTIONS-INCLUDING POCKET PARKS, GREEN ROOFS, CISTERNS, PERMEABLE PAVEMENT, AND OTHER TECHNIQUES SUCH AS VEGETATED DRAINAGE DITCHES AND TREE BOXES -RETAIN AND FILTER RAINWATER WHERE IT FALLS, RATHER THAN DUMPING IT INTO WATERWAYS OR SEWAGE TREATMENT SYSTEMS. EVERY FIVE YEARS, STATES, COUNTIES, AND LARGE CITIES ARE REQUIRED TO UPDATE A CLEAN WATER ACT PERMIT FOR OPERATING THEIR MUNICIPAL STORM-SEWER SYSTEMS. AS THESE RUNOFF CONTROL PLANS ARE REISSUED, NRDC IS WORKING TO ESTABLISH ENFORCEABLE GREEN INFRASTRUCTURE REQUIREMENTS IN EVERY STORMWATER PERMIT FOR DEVELOPMENT AND REDEVELOPMENT (INCLUDING ROAD RETROFIT AND RENOVATION PROJECTS) IN AMERICA'S 10 LARGEST URBAN AREAS.

PROGRAM SERVICE ACCOMPLISHMENTS

PART III, LINE 4

ON THE WEST COAST, WE SCORED TWO MAJOR VICTORIES IN 2010 WHEN WE PERSUADED CITY OFFICIALS IN THE SAN FRANCISCO BAY AREA AND GREATER SOUTHERN CALIFORNIA-TWO OF OUR NATION'S MOST POPULATED REGIONS-TO ADOPT

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ATTACHMENT 2 (CONT'D)

STRICT PLANS FOR CONTROLLING URBAN RUNOFF. ACROSS THE COUNTRY IN WEST VIRGINIA, WE WORKED WITH THE ENVIRONMENTAL PROTECTION AGENCY TO CRAFT A SIMILAR PLAN FOR THE ENTIRE STATE AND DEFENDED IT IN COURT. MEANWHILE, WE ARE RECONSTRUCTING GREEN INFRASTRUCTURE AS A COST-EFFECTIVE SOLUTION TO SEWER OVERFLOW PROBLEMS IN CITIES SUCH AS PHILADELPHIA, WHICH HAS PROPOSED A GROUNDBREAKING 20-YEAR PLAN FOR MORE THAN \$1 BILLION IN GREEN INFRASTRUCTURE INVESTMENTS. IN NEW YORK CITY, WE ARE PROMOTING A SIMILAR APPROACH TO ADDRESS THE CITY'S 27-BILLION-GALLON-PER YEAR SEWAGE OVERFLOW PROBLEM.

AT THE FEDERAL LEVEL, WE ARE BUILDING SUPPORT IN CONGRESS FOR A BILL THAT WOULD MAKE GREEN INFRASTRUCTURE AND LOW-IMPACT DEVELOPMENT TECHNIQUES A NATIONAL PRIORITY. IF ADOPTED, THE LEGISLATION WILL ESTABLISH INSTITUTIONAL RESEARCH CENTERS FOR GREEN INFRASTRUCTURE, AS WELL AS REQUIRE THE ENVIRONMENTAL PROTECTION AGENCY TO INCORPORATE GREEN INFRASTRUCTURE PRINCIPLES MORE BROADLY INTO ITS PERMITTING AND OTHER PROGRAMS. MOST IMPORTANT, THE BILL WILL PROVIDE COMMUNITIES WITH THE FINANCIAL AND TECHNICAL RESOURCES THEY NEED TO IMPLEMENT GREEN INFRASTRUCTURE PROJECTS ON THE GROUND. WE ARE ALSO ADVANCING SEPARATE LEGISLATION THAT WOULD AUTHORIZE BILLIONS OF DOLLARS' WORTH OF CRITICAL ASSISTANCE FOR VARIOUS WATER-QUALITY IMPROVEMENT PROJECTS, INCLUDING THE USE OF GREEN INFRASTRUCTURE.

MARKED 20 YEARS OF NRDC'S SEMINAL BEACH WATER QUALITY REPORT, "TESTING THE WATERS": WHEN WE SET OUT TO COMPILE OUR FIRST "TESTING THE WATERS"

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ATTACHMENT 2 (CONT'D)

SURVEY TWO DECADES AGO, U.S. STATES AND COUNTIES KEPT FEW RECORDS OF POLLUTION-RELATED BEACH CLOSURES AND THE FEDERAL GOVERNMENT KEPT NONE. THERE WAS NO FEDERAL OR REGIONAL COORDINATION OF WATER-TESTING PROTOCOLS, DATA GATHERING, OR BEACH CLOSURE PRACTICES. THIS YEAR'S REPORT, WHICH INCLUDED AN ONLINE FEATURE OFFERING UP-TO-DATE COVERAGE OF GULF OF MEXICO BEACH CLOSINGS, ADVISORIES, AND NOTICES IN THE WAKE OF THE OIL DISASTER, GENERATED UNPRECEDENTED COVERAGE IN NATIONAL AND LOCAL NEWS OUTLETS.

LAND ACQUISITION SAFEGUARDS THE NYC WATER SUPPLY: FOR TWO DECADES, NRDC HAS BEEN THE CHIEF PUBLIC WATCHDOG OF NEW YORK CITY'S UPSTATE WATERSHED, WHICH SUPPLIES 9 MILLION PEOPLE A DAY WITH DRINKING WATER. IN 2010, AFTER TWO AND HALF YEARS OF NEGOTIATIONS, NRDC HELPED SECURE A NEW 15-YEAR LAND ACQUISITION PERMIT FROM THE STATE THAT AUTHORIZES THE CITY TO ACQUIRE 100,000 ACRES OF FORESTS, FARMS, WETLANDS AND OTHER SENSITIVE WATERSHED PARCELS. THIS IS ON TOP OF AN ADDITIONAL 100,000 ACRES THAT NRDC HELPED THE CITY TO SECURE SINCE 1997. THIS NEW PERMIT IS CRITICAL TO THE CITY'S OVERALL WATERSHED PROTECTION PROGRAM AND WILL HELP ALLOW THE CITY TO AVOID SPENDING BILLIONS OF DOLLARS ON AN AFTER-THE-FACT WATER FILTRATION SYSTEM.

FOSTERING SUSTAINABLE COMMUNITIES

HELPED INCREASE FEDERAL FUEL EFFICIENCY STANDARDS: PRESIDENT OBAMA MADE AN ANNOUNCEMENT IN MAY 2010 THAT HIS ADMINISTRATION WOULD SET THE NEXT STAGE OF FUEL EFFICIENCY AND GREENHOUSE GAS STANDARDS

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ATTACHMENT 2 (CONT'D)

FOR CARS AND TRUCKS FOR MODEL YEARS 2017 - 2025 AND SET THE FIRST-EVER STANDARDS FOR HEAVY TRUCKS THAT WOULD SAVE CONSUMERS BILLIONS OF DOLLARS AT THE GAS PUMP, THE GROCERY SHELVES, AND THE SHOPPING CENTER. OVER THE PAST THREE YEARS, NRDC MEMBERS AND ONLINE ACTIVISTS HELPED WIN THIS LONG-OVERDUE INCREASE IN FEDERAL FUEL EFFICIENCY STANDARDS FOR CARS TO 35 MILES PER GALLON BY 2016. NOW, A RECENTLY LAUNCHED GO60MPG CAMPAIGN IS BUILDING PUBLIC PRESSURE ON THE OBAMA ADMINISTRATION TO ADOPT A STRICT FUEL-EFFICIENCY STANDARD OF AT LEAST 60 MILES PER GALLON, AS WELL AS A TOUGH NEW TAILPIPE STANDARD FOR GLOBAL WARMING POLLUTION FOR NEW VEHICLES BY MODEL YEAR 2025. THESE IMPROVEMENTS WOULD REDUCE AMERICA'S OIL DEPENDENCE BY AT LEAST 44 BILLION GALLONS PER YEAR BY 2030, CUTTING CONSUMPTION BY 37 PERCENT, AND SLASH CARBON POLLUTION BY AT LEAST 465 MILLION METRIC TONS PER YEAR IN THE SAME TIME FRAME, THE EQUIVALENT OF TAKING 80 MILLION CARS OFF THE ROAD FOR A YEAR.

ALSO, NRDC PARTNERED WITH A DIVERSE GROUP OF STAKEHOLDERS, INCLUDING TRANSPORTATION EXPERTS, INDUSTRY LEADERS, FEDERAL AGENCIES, AND ENVIRONMENTAL GROUPS, TO ANALYZE THE EFFECTIVENESS AND COSTS OF IMPLEMENTING NEARLY 50 DIFFERENT TRANSPORTATION STRATEGIES. OUR GROUNDBREAKING MOVING COOLER STUDY FOUND THAT A COMPREHENSIVE SET OF MEASURES-INCLUDING MASS TRANSIT, TOLLING OF ROADS AND MORE COMPACT COMMUNITY DEVELOPMENT-COULD REDUCE CARBON EMISSIONS FROM THE TRANSPORTATION SECTOR BY AS MUCH AS 24 PERCENT BY 2050 AND SAVE ABOUT 1.5 MILLION BARRELS OF OIL PER YEAR BY 2030-MORE THAN THE U.S. CURRENTLY IMPORTS FROM SAUDI ARABIA. AS CONGRESS PREPARES TO REAUTHORIZE THE

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ATTACHMENT 2 (CONT'D)

FEDERAL TRANSPORTATION BILL FOR THE FIRST TIME IN SIX YEARS, THE MOVING COOLER REPORT IS HELPING TO INFORM THE DEBATE.

HELPED LAUNCH LEED NEIGHBORHOOD DEVELOPMENT: WORKING CLOSELY WITH THE PRIVATE SECTOR-ARCHITECTS, PLANNERS, AND DEVELOPERS-TO INCORPORATE SMART-GROWTH PRINCIPLES IN A LARGE-SCALE WAY LED TO THE LAUNCH OF LEED-NEIGHBORHOOD DEVELOPMENT (LEEDND) IN APRIL 2010 AND ITS ACCEPTANCE AS FEDERAL POLICY-ARGUABLY THE BIGGEST DEVELOPMENT IN SMART GROWTH IN A DECADE. THE INITIATIVE IS THE OUTCOME OF YEARS OF INTENSE WORK ON SEVERAL FRONTS: SMART-GROWTH PLANNING IN CALIFORNIA, THE RECENTLY LAUNCHED LEED CERTIFICATION PROGRAM FOR NEIGHBORHOOD DEVELOPMENT, TRANSPORTATION REFORM, ENVIRONMENTAL JUSTICE, AND COMMUNITY REVITALIZATION. MEANWHILE, WE HAVE A WINDOW OF OPPORTUNITY RIGHT NOW TO MAKE SIGNIFICANT PROGRESS: PRESIDENT OBAMA HAS CREATED THE PARTNERSHIP FOR SUSTAINABLE COMMUNITIES, A VERY ACTIVE INTERAGENCY EFFORT TO PROVIDE FEDERAL SUPPORT FOR LOCALITIES THAT WANT TO OFFER WALKABLE NEIGHBORHOODS AND CLEANER TRANSPORTATION OPTIONS.

PASSED LANDMARK NYS E-WASTE BILL: NRDC WAS THE CHIEF AUTHOR OF, AND LEADING PUBLIC ADVOCATE FOR, NEW YORK'S NEW 2010 ELECTRONICS RECYCLING LAW. THIS LAW, WHICH IS ARGUABLY THE MOST PROGRESSIVE IN THE NATION, MANDATES THAT ELECTRONICS MANUFACTURERS BEAR THE RESPONSIBILITY FOR TAKING BACK THEIR TOXIC-CONTAINING PRODUCTS FROM CONSUMERS FOR RESPONSIBLE RECYCLING. AND BY SHIFTING THE COSTS OF END-OF-LIFE WASTE MANAGEMENT TO THE MANUFACTURERS, THE NEW LAW CREATES INCENTIVES FOR

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ATTACHMENT 2 (CONT'D)

PRODUCTS THAT ARE EASIER AND CHEAPER TO RECYCLING.

FORM 990, PART III PROGRAM SERVICE CLASSIFICATION

IN ITS AUDITED FINANCIAL STATEMENTS, NRDC CATEGORIZES ITS PROGRAM SERVICE EXPENDITURES BY PROGRAM SERVICE ACTIVITY. THAT CLASSIFICATION IS AS FOLLOWS:

CLEAN ENERGY FUTURE -	\$35,805,591
REVIVE OUR OCEAN-	\$5,227,114
PROTECT OUR HEALTH-	\$5,471,254
WILD PLACES & WILDLIFE -	\$18,700,417
SAFE & SUFFICIENT WATER -	\$5,267,350
SUSTAINABLE COMMUNITIES -	\$3,993,228
MEMBERSHIP SERVICES -	\$4,072,596
TOTAL PROGRAM SERVICES -	\$78,537,549

NRDC HAS RECEIVED SIGNIFICANT DONATED LEGAL, CONSULTING AND OTHER SERVICES THROUGHOUT THE YEARS. THOSE EXPENDITURES ARE INCLUDED IN THE PROGRAM NUMBERS ABOVE. TOTAL DONATED SERVICES ALLOCATED TO PROGRAM SERVICE ACTIVITIES FOR THE YEAR ENDING JUNE 30, 2010 IS \$2,156,172.

ACCORDINGLY, NET PROGRAM SERVICE ACTIVITIES FOR THE YEAR ENDING JUNE 30, 2010 (AS REPORTED ON PART III AND PART IX OF THE FORM 990) IS \$76,381,377.

INTERESTED PERSONS

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ATTACHMENT 2 (CONT'D)

FORM 990, SCHEDULE L, PART IV

BOARD OF TRUSTEES MEMBERS FREDERICA PERERA AND FREDERICK SCHWARZ HAVE A FAMILY RELATIONSHIP. MS. PERERA'S SON (MR. SCHWARZ' STEPSON) PERFORMED SERVICES FOR NRDC ON A CONTRACTUAL BASIS. FOR THE YEAR ENDING 06/30/2010, NRDC PAID CHRIS PERERA \$12,062 FOR SERVICES RENDERED.

BOARD OF TRUSTEES MEMBER LARRY ROCKEFELLER IS MARRIED TO WENDY GORDON. MS. GORDON PROVIDED SERVICES TO NRDC IN THE CURRENT YEAR AND WAS PAID \$52,083.

COMPENSATION

SCHEDULE J, PART II

FORM 990, PART VII & SCHEDULE J, PART I

SOME OF THE OFFICERS REPORTED ON THE NRDC FORM 990, FRANCES BEINECKE, PATRICIA SULLIVAN AND PETER LEHNER, ALLOCATE A PORTION OF THEIR COMPENSATION TO AN AFFILIATED ORGANIZATION, THE NRDC ACTION FUND. ON PART VII AND SCHEDULE J, ALL COMPENSATION IS BEING REPORTED AS HAVING BEEN PAID BY NRDC; HOWEVER, A PORTION OF EACH OFFICER'S COMPENSATION IS ALLOCATED TO THE ACTION FUND BASED ON SERVICES RENDERED TO THAT ORGANIZATION.

IN THE INTERESTS OF CLARITY, NRDC IS DISCLOSING THE FOLLOWING SALARY AND BENEFITS AMOUNTS AS HAVING BEEN ALLOCATED TO THE NRDC ACTION FUND:

	SALARY	BENEFITS
PRESIDENT BEINECKE	\$1,494	\$424

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ATTACHMENT 3 (CONT'D)

FORM 990, PART III, LINE 1 - ORGANIZATION'S MISSION

WE SEEK TO ESTABLISH SUSTAINABILITY AND GOOD STEWARDSHIP OF THE EARTH AS CENTRAL ETHICAL IMPERATIVES OF HUMAN SOCIETY. NRDC AFFIRMS THE INTEGRAL PLACE OF HUMAN BEINGS IN THE ENVIRONMENT.

WE STRIVE TO PROTECT NATURE IN WAYS THAT ADVANCE THE LONG-TERM WELFARE OF PRESENT AND FUTURE GENERATIONS.

WE WORK TO FOSTER THE FUNDAMENTAL RIGHT OF ALL PEOPLE TO HAVE A VOICE IN DECISIONS THAT AFFECT THEIR ENVIRONMENT. WE SEEK TO BREAK DOWN THE PATTERN OF DISPROPORTIONATE ENVIRONMENTAL BURDENS BORNE BY PEOPLE OF COLOR AND OTHERS WHO FACE SOCIAL OR ECONOMIC INEQUITIES. ULTIMATELY, NRDC STRIVES TO HELP CREATE A NEW WAY OF LIFE FOR HUMANKIND, ONE THAT CAN BE SUSTAINED INDEFINITELY WITHOUT FOULING OR DEPLETING THE RESOURCES THAT SUPPORT ALL LIFE ON EARTH.

ATTACHMENT 4

FORM 990, PART VI, LINE 17 - STATES

AL, AK, AZ, AR, CA, CO, CT,
DC, FL, GA, HI, IL, IN, KS, KY, LA, ME, MD, MA, MI,
MN, MS, MO, NH, NJ, NM, NY, NC, ND, OH, OK, OR, PA,
RI, SC, TN, TX, UT, VT, VA, WA, WV, WI,

ATTACHMENT 5

990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

<u>NAME AND ADDRESS</u>	<u>DESCRIPTION OF SERVICES</u>	<u>COMPENSATION</u>
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Name of the organization NATURAL RESOURCES DEFENSE COUNCIL, INC.	Employer identification number 13-2654926
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ATTACHMENT 5 (CONT'D)

990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

<u>NAME AND ADDRESS</u>	<u>DESCRIPTION OF SERVICES</u>	<u>COMPENSATION</u>
THOMPSON MAILING 21 NAUS WAY BLOOMSBURG, PA 17815	MAILING SERVICE	4,300,000.
MARCO ADVERTISING & LOGISTICS PO BOX 294 PRINCETON, NJ 08542	MAILING SERVICE	1,659,244.
CP DIRECT 4600 BOSTON WAY LANHAM, MD 20706	PRINTING SERVICE	1,309,097.
CELCO 9663 C MAIN STREET FAIRFAX, VA 22032	DIGITAL IMAGING SVCS	1,177,260.
ICS BUILDERS, INC. 8 WEST 36TH STREET NEW YORK, NY 10018	CONSTRUCTION SERVICE	967,687.
TOTAL COMPENSATION		<u>9,413,288.</u>

**SCHEDULE R
(Form 990)**

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36 or 37.**
▶ **Attach to Form 990.** ▶ **See separate instructions.**

OMB No. 1545-0047

2009

**Open to Public
Inspection**

Name of the organization

NATURAL RESOURCES DEFENSE COUNCIL, INC.

Employer identification number

13-2654926

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" on Form 990, Part IV, line 33.)

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity
NRDC ACTION FUND INC 13-3976062 40 WEST 20TH STREET NEW YORK, NY 10011	ENVIRONMENTAL	NY	501 (C) (4)	N/A	N/A
NRDC ENVIRONMENTAL ACCOUNTABILITY FUND 20-0363210 40 WEST 20TH STREET NEW YORK, NY 10011	ENVIRONMENTAL	NY	527	N/A	N/A

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule R (Form 990) 2009

Part III Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?	
							Yes	No		Yes	No

Part IV Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

	Yes	No
1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity		X
b Gift, grant, or capital contribution to other organization(s)		X
c Gift, grant, or capital contribution from other organization(s)		X
d Loans or loan guarantees to or for other organization(s)		X
e Loans or loan guarantees by other organization(s)		X
f Sale of assets to other organization(s)		X
g Purchase of assets from other organization(s)		X
h Exchange of assets		X
i Lease of facilities, equipment, or other assets to other organization(s)		X
j Lease of facilities, equipment, or other assets from other organization(s)		X
k Performance of services or membership or fundraising solicitations for other organization(s)		X
l Performance of services or membership or fundraising solicitations by other organization(s)		X
m Sharing of facilities, equipment, mailing lists, or other assets		X
n Sharing of paid employees	X	
o Reimbursement paid to other organization for expenses		X
p Reimbursement paid by other organization for expenses	X	
q Other transfer of cash or property to other organization(s)		X
r Other transfer of cash or property from other organization(s)		X

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved
(1) NRDC ACTION FUND	P, N	457,511.
(2)		
(3)		
(4)		
(5)		
(6)		

