

**COMMONWEALTH OF PENNSYLVANIA STATE EMPLOYEES'
RETIREMENT SYSTEM**

Amendment to the Funds Management Agreement

SERS # 08-001.1

THIS AMENDMENT (the "**Amendment**") to that certain Funds Management Agreement (the "**Agreement**") dated as of January 7, 2008 by and between the Commonwealth of Pennsylvania State Employees' Retirement System ("**SERS**") and DLJ MB Advisors, Inc. (the "**Manager**", and together with SERS, the "**Parties**") is entered into effective as of February 5, 2010 by and between the Parties.

WITNESSETH:

WHEREAS, the Parties desire to amend the Agreement in the manner and as more fully set forth herein; and

WHEREAS, the Parties have consented to this Amendment.

NOW THEREFORE, the Parties, in consideration of the premises and the agreements herein contained and intending to be legally bound hereby, agree as follows:

1. Defined Terms. Capitalized terms used but not defined herein shall have the meanings given to such terms in the Agreement.
2. Engagement. Section 1 of the Agreement shall be amended and restated in its entirety as follows (bold and underlined language indicates new language):

"1. Engagement. SERS hereby engages MANAGER and MANAGER hereby accepts SERS' engagement to provide back office, accounting, reporting, and portfolio management services to SERS with respect to existing investments as well as future investments in certain Alternative Investment funds (each, a "Fund" and collectively the "Funds") listed in Exhibit A, as amended from time to time, attached hereto and incorporated herein by reference. SERS acknowledges that it was provided a copy of Part II of the Form ADV of the Manager."

3. Services to be Furnished. Section 2 of the Agreement shall be deleted in its entirety and replaced with the following:

"2. Services to be Furnished. MANAGER agrees to perform professional services as set forth below:

- (a) Subject to its receipt from SERS of a list of contacts for each Fund, MANAGER will provide a letter to SERS to be emailed by SERS to each Fund introducing MANAGER and adding MANAGER to the Fund's contact list;
- (b) Subject to applicable confidentiality, regulatory and internal compliance limitations, MANAGER will scan and post documents received from the Funds or SERS to the system in a timely manner; provided that, MANAGER shall promptly notify SERS of any Funds' unwillingness or reluctance to provide such documents to MANAGER;
- (c) To the extent it has received the requisite information from the Funds or SERS to perform such services¹, MANAGER will provide to SERS the following services with respect to each Fund on an ongoing basis throughout the term of this Agreement:
 - i. To the extent provided by the Funds, MANAGER will review and reconcile all capital calls, including verification of wiring instructions in SERS' database, and distributions made by the Funds, and any unfunded commitments, in accordance with the relevant partnership agreements;
 - ii. MANAGER will input all cashflow activity for the Funds into SERS' database and will work with SERS to develop appropriate categorizations for all activity with respect to the Funds;
 - iii. Promptly upon receipt, MANAGER will prepare documentation, including but not limited to: CFGI email declaration page; journal entry; and original Fund notice, for SERS to process capital call and distribution requests;
 - iv. MANAGER will report to and coordinate stock distributions with SERS' stock distribution manager; provided, that MANAGER is not expected to, and shall not be authorized to, give any buy/hold/sell instructions

¹ Please note that MANAGER is not required to perform any services with respect to information it has not actually received from either SERS or any Fund, but will undertake commercially reasonable efforts to obtain said information from SERS or any Fund as is necessary.

or any similar activities to SERS' stock distribution manager.

- v. Within fifteen (15) days following receipt from the relevant Fund, MANAGER will use commercially reasonable efforts to review and reconcile (to the extent provided by the Funds) the quarterly capital account statement, including unfunded commitment, and input adjustments with respect to the Funds into SERS' database; MANAGER will provide file of processed statements to SERS.
 - vi. Within seventy-five (75) days following receipt from the relevant Fund, MANAGER will review the quarterly report received from the general partners of the Fund and, if determined to be appropriate by MANAGER, notify SERS of any items deemed as material in the MANAGER's sole discretion;
 - vii. Within a reasonable time after receipt, MANAGER will review the audited financial statements of the relevant Funds. MANAGER will alert SERS of any items deemed as material in the MANAGER's sole discretion, including, but not limited to: opinion other than a clean opinion; significant change in auditing firm; unreasonable cash balances; clawback issues; and fee issues;
 - viii. Within a reasonable time after receipt, MANAGER will review Schedule K-1 for the relevant Funds. MANAGER will a) verify partner name, id number, and entity type; b) identify foreign taxes paid that could be recoverable by SERS; provided that, MANAGER's opinion as to the recoverability of such foreign taxes shall not be construed as tax advice;
 - ix. Upon request, MANAGER will provide to SERS the most recent policies and procedures as they relate to services provided to SERS.
- (d) Throughout the term of this Agreement, MANAGER will provide to SERS on an ongoing basis the following services with respect to each Fund:
- i. As agreed with SERS, MANAGER will attend and participate in limited partner advisory board and annual meetings of the Funds. For those meetings that

MANAGER attends, MANAGER will prepare reports summarizing such meetings and provide them to SERS within thirty (30) days after each such meeting;

- ii. MANAGER will conduct periodic update calls and meetings with the Funds to monitor the investment performance of each underlying fund. MANAGER will provide SERS with a summary of the findings of such calls and meetings within thirty (30) days;
- iii. Within 75 days after the end of the quarter, MANAGER will provide a quarterly report to SERS in a format mutually agreed to by both parties. Said quarterly report will include, but not be limited to: a) market summary; b) executive summary; c) performance summary; and d) portfolio highlights;
- iv. MANAGER will conduct with SERS, semi-annual in-depth portfolio reviews regarding the Funds, at least one of which will be an in-person review at SERS' or MANAGER's offices as agreed to by both parties;
- v. For the purpose of facilitating MANAGER's performance of the services listed in clause (c) of Section 2 of the Agreement, MANAGER may communicate with the general partners/managers of the Funds in order to request additional information. MANAGER will also negotiate with such general partners/managers on particular matters (i) as and when such matters may arise, (ii) to the extent such matters relate to the Funds and (iii) only if determined to be appropriate and pursuant to such terms as are agreed to by SERS and MANAGER;
- vi. MANAGER will recommend a course of action to SERS with regard to limited partnership amendments; and
- vii. MANAGER will comply with all other duties assigned to it by SERS from time to time and mutually agreed upon by MANAGER and SERS.

4. Approval of Documents. Section 4 of the Agreement shall be amended and restated in its entirety as follows (bold and underlined language indicates new language, struck out language indicates deleted language):

“4. Approval of Documents. Any document requiring SERS’ signature must be approved by SERS.”

5. Compensation. Section 5 of the Agreement shall be amended and restated in its entirety as follows (bold and underlined language indicates new language):

“5. Compensation. MANAGER shall be compensated for its services and reimbursed for its reasonable out of pocket expenses as more completely described in Exhibit C, **as amended from time to time, attached hereto and incorporated herein by reference.**”

6. Indemnification of SERS. Section 11 of the Agreement shall be amended and restated in its entirety as follows (bold and underlined language indicates new language):

“11. Indemnification. MANAGER shall indemnify and forever hold harmless the Commonwealth of Pennsylvania, SERS and its fund, Board members, officers and employees (**the “Indemnified Parties”**), from and against any and all losses, claims, demands, actions, or liability of any nature, including, but not limited to, attorneys’ fees, expenses and court costs, based upon, arising out of or in connection with the negligent, reckless, willfully improper or illegal performance of services or failure to perform services under this Agreement, actions outside the scope of authority **pursuant to this Agreement**, or other breach of this Agreement, by MANAGER, an Affiliate, or their respective partners, directors, officers, employees and agents (**collectively, the “Manager Parties”**). Notwithstanding the preceding, MANAGER will not be liable for acts and omissions performed or omitted in good faith pursuant to the Agreement, where the act or omission is undertaken at SERS’ direction. ¹ At SERS’ option, and its sole discretion, MANAGER shall defend at its expense actions brought against **the Indemnified Parties** arising out of or in connection with any services performed or the failure to perform services, or other breach of this Agreement, by **the Manager Parties** performing services for or on behalf of SERS, and the costs of such defense shall be borne by MANAGER and shall not constitute an expense of, and shall not be paid out of, the Account; except that legal fees for litigation involving SERS assets will be paid by the Account unless it has been determined that MANAGER has acted in a grossly negligent, reckless, or willfully improper manner, or has acted outside the scope of its authority. To the extent permitted under applicable law, each Manager Party shall be held harmless and shall be fully indemnified by SERS for (i) any and all reasonable fees, costs and expenses, including legal fees, paid in connection with or resulting from any claim, action, proceeding or demand against any of the Manager Parties that arises out of or in any way relates to this Agreement, including without limitation, any such claim, action, proceeding or demand arising as a result of a breach of SERS’ representations, warranties or covenants in this Agreement, (ii) such claims, actions, proceedings and demands and any losses or damages resulting from such claims, actions, proceedings and demands, including amounts paid in settlement or compromise of any such claim, action,

proceeding or demand; *provided, however*, that this indemnity shall not extend to any conduct which constitutes fraud, willful misconduct or gross negligence by a Manager Party; and (iii) any action or omission (including, without limitation, any mistake, negligence, dishonesty or bad faith) of any broker or other agent of the Manager, so long as such broker or other agent was selected with reasonable care. Each Manager Party shall be held harmless and fully indemnified by SERS for any and all claims, losses, liabilities, expenses, and costs arising out of, or incurred as a result of, actions taken with respect to the Fund prior to this Agreement.

7. Conflict of Interest. Section 13 of the Agreement shall be deleted in its entirety and replaced with the following:

“13. Conflict of Interest.

(a) Nothing in this Agreement will be construed to restrict the right of MANAGER to act as fund manager or advisor for others or to perform fund management or other services for any person or entity.

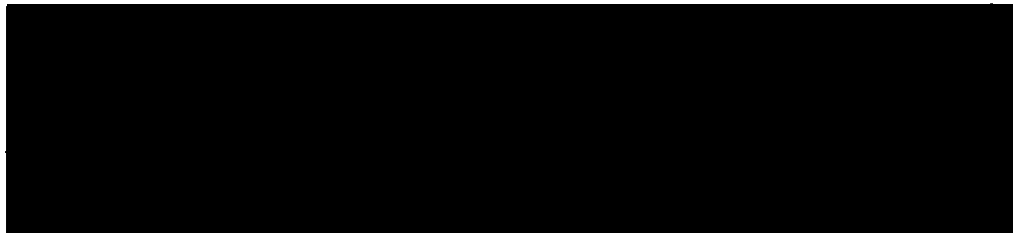
(b) MANAGER, its affiliates (including its indirect parent company, Credit Suisse Group (collectively, “CSG”)), the affiliates of CSG and the officers, directors, members, partners, employees and agents of the foregoing (collectively, the “CSG Affiliates”) may provide investment and financial advice to investors and investment entities that invest in private equity funds, and such CSG Affiliates may receive compensation therefor. CSG Affiliates may serve as general partner of investment entities that invest in partnerships, and receive compensation therefor. CSG Affiliates may invest in partnerships in which SERS has invested, or could invest in.

(c) It is understood that MANAGER shall not have any responsibility to make investment recommendations or provide investment advice to SERS, but may provide investment recommendations and advice to any person without restriction of any kind. MANAGER may give advice and take action with respect to any of its other clients that may differ from advice given to SERS or the timing or nature of action taken with respect to SERS or the Funds. SERS acknowledges and understands that MANAGER and its affiliates perform back office, accounting, reporting, advisory and management services for various clients and that the back office, accounting and reporting services to be provided by MANAGER under this Agreement are not exclusive.

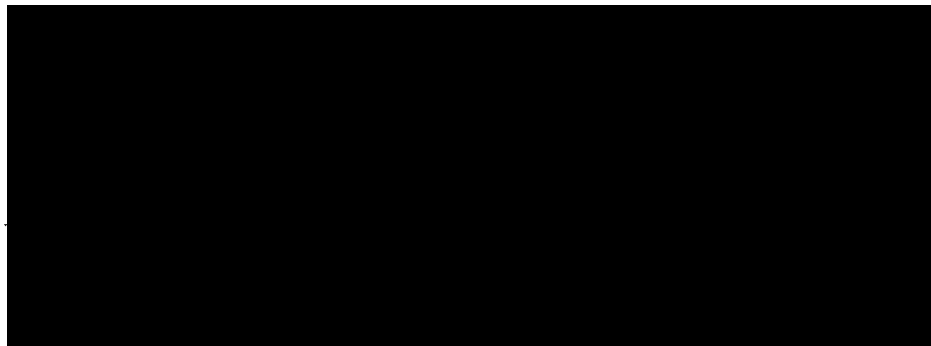
(d) SERS acknowledges that MANAGER, in the performance of services for any person other than MANAGER, may (i) use different methods, timing, resources or means to perform the services for such other person as those used in connection with MANAGER’s performance under this Agreement and (ii) there may, at times, be a conflict of interest between the services MANAGER is performing for a person other than SERS and the services MANAGER is to

perform hereunder. SERS acknowledges that MANAGER shall resolve any such conflict of interest in a manner MANAGER in its sole discretion deems appropriate under the circumstances and, unless MANAGER acts in bad faith, MANAGER shall have no liability for any losses, claims or demands of any nature resulting from such conflicts of interest. SERS acknowledges that MANAGER and the CSG Affiliates are part of a large diversified financial services firm and SERS acknowledges the existence of potential or actual conflicts of interest, acknowledges that MANAGER and the CSG Affiliates have no obligation to provide disclosure to SERS of such potential or actual conflicts of interest and waives any claim with respect to the existence of any such conflicts of interest. Notwithstanding anything in this Agreement to the contrary, any material conflicts of interest that are reasonably likely to have a material adverse impact on the ability of MANAGER to perform its services hereunder involving Jonathan Jacoby, Jennifer Strauss, Thomas Rest, Elaine Filliter or Luzmarina Lalii (or such replacements for such persons as MANAGER may in its sole discretion elect) shall be brought to SERS' attention in a prompt manner.

8. Exhibit A. Exhibit A to the Agreement shall be deleted in its entirety and replaced with Exhibit A attached hereto.
9. Exhibit C. The first sentence of the first paragraph of Exhibit C to the Agreement shall be amended and restated in its entirety as follows (bold and underlined language indicates new language):



10. The first sentence of the second paragraph of Exhibit C to the Agreement shall be amended and restated in its entirety as follows (bold and underlined language indicates new language):



11. Limitation of Liability. A new Section 30 shall be added to the Agreement to read as follows:

“30. Limitation of Liability. SERS acknowledges and agrees that, in order to perform the services in accordance with this Agreement, MANAGER and the Manager Parties shall be entitled to rely upon values, valuation methods and information provided by SERS, third party funds and other sources at SERS’ request (collectively “Third Party Sources”). Values may be reported by Third Party Sources using different assumptions under local generally accepted accounting principles (GAAP) and other valuation methods that may not prove to be reliable or accurate. Accordingly, the interim values reported by Third Party Sources for any assets may differ materially from actual values of such assets upon liquidation or disposition. None of the Manager or Manager Parties shall be responsible or required to make an independent valuation to verify the accuracy or reliability of such valuation data at any time. Notwithstanding anything in this Agreement to the contrary, Manager and the Manager Parties shall not be liable, responsible or accountable for any loss, claim, demand or action, or liability of any nature, which the Indemnified Parties may sustain or suffer arising from the Manager Parties’ use or reliance on such values and/or information.”

12. Expiration and Termination. Section 19 of the Agreement shall be deleted in its entirety and replaced with the following:

Expiration and Termination. This Agreement shall be effective from the date hereof through the fifth anniversary of such date (the “Initial Term”). Prior to the termination of the Initial Term and each five-year anniversary thereof thereafter, SERS may elect to renew the term of this Agreement for an additional five-year period from the last day of the Initial Term and each anniversary thereof thereafter by providing written notice to MANAGER at least 90 days prior to the end of the Initial Term or any such anniversary unless MANAGER provides written notice to SERS of a) its desire to terminate this Agreement, or b) its desire to have a good-faith renegotiation of Exhibit C, at least 90 days prior to the end of the Initial Term or any such anniversary. SERS may terminate this Agreement at any time upon at least 90 days prior written notice to MANAGER of SERS’ desire to terminate this Agreement.

13. Manager’s website. Section 10 of the Agreement shall be deleted in its entirety and replaced with the following:

MANAGER’s website. MANAGER agrees that any provisions pertaining or related to indemnification, governing law or jurisdiction, payment of money (whether as a fine, liquidated damage, levy, access fee or other similar imposition) contained in any current or future website or similar electronic forum/data transfer maintained or made available by or on behalf of MANAGER shall not apply to or have any force or effect on SERS and that this Agreement shall instead control the rights, obligations and duties of the parties hereto.

14. Exhibit D. Exhibit D is deleted in its entirety and replaced with the attached Exhibit D. Section 16 of the Agreement shall be deleted in its entirety and replaced with the following:

Commonwealth Contract Provisions. In performing services hereunder, MANAGER shall comply with the Commonwealth contract provisions attached hereto and incorporated herein as Exhibit D. For purposes of Exhibit D, MANAGER shall be the "Contractor."

15. Ratification and Confirmation of the Agreement. Except as so modified pursuant to this Amendment, the Agreement is hereby ratified and confirmed in all respects.

16. Governing Law. This Amendment shall be governed by and interpreted and enforced in accordance with the laws of the Commonwealth of Pennsylvania, without regard to any conflict of laws provisions.

17. Counterparts. This Amendments may be signed in any number of counterparts, each of which shall be an original, but all of which taken together shall constitute one and the same documents.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Parties to this Amendment to Funds Management Agreement have executed it by their respective duly authorized officers, to be effective as of the date first above written. This Agreement will not legally bind SERS unless and until all Commonwealth signatures are affixed hereto.

WITNESS:

BY: Joseph Turley
Name: Joseph Turley
Title: Paralegal
Date: February 4, 2010

DLJ MB ADVISORS, INC.
Federal Tax Identification No.: [REDACTED]

BY: William L. Spiro
Name: William Spiro
Title: Vice President
Date: February 4, 2010

COMMONWEALTH OF PENNSYLVANIA
STATE EMPLOYEES' RETIREMENT
SYSTEM

Federal Tax Identification Number: [REDACTED]

BY: _____
Name:
Title:
Date:

Approved for form and legality:

Chief Deputy Attorney General
Office of Attorney General

Deputy General Counsel
Office of Attorney General

IN WITNESS WHEREOF, the Parties to this Amendment to Funds Management Agreement have executed it by their respective duly authorized officers, to be effective as of the date first above written. This Agreement will not legally bind SERS unless and until all Commonwealth signatures are affixed hereto.

WITNESS:

DLJ MB ADVISORS, INC.
Federal Tax Identification No.: [REDACTED]

BY: _____
Name:
Title:
Date:

BY: _____
Name:
Title:
Date:

COMMONWEALTH OF PENNSYLVANIA
STATE EMPLOYEES' RETIREMENT
SYSTEM
Federal Tax Identification Number: [REDACTED]

BY: Laurann H. Stepp
Name: Laurann H. Stepp
Title: Co Director Alternative Investments
Date: 2/5/10

Approved for form and legality:

[Signature] 02/05/10
Chief Deputy Attorney General
~~Office of Attorney General~~ per Delegation

[Signature] 02/05/10
Deputy General Counsel
~~Office of General Counsel~~ per Delegation

EXHIBIT A

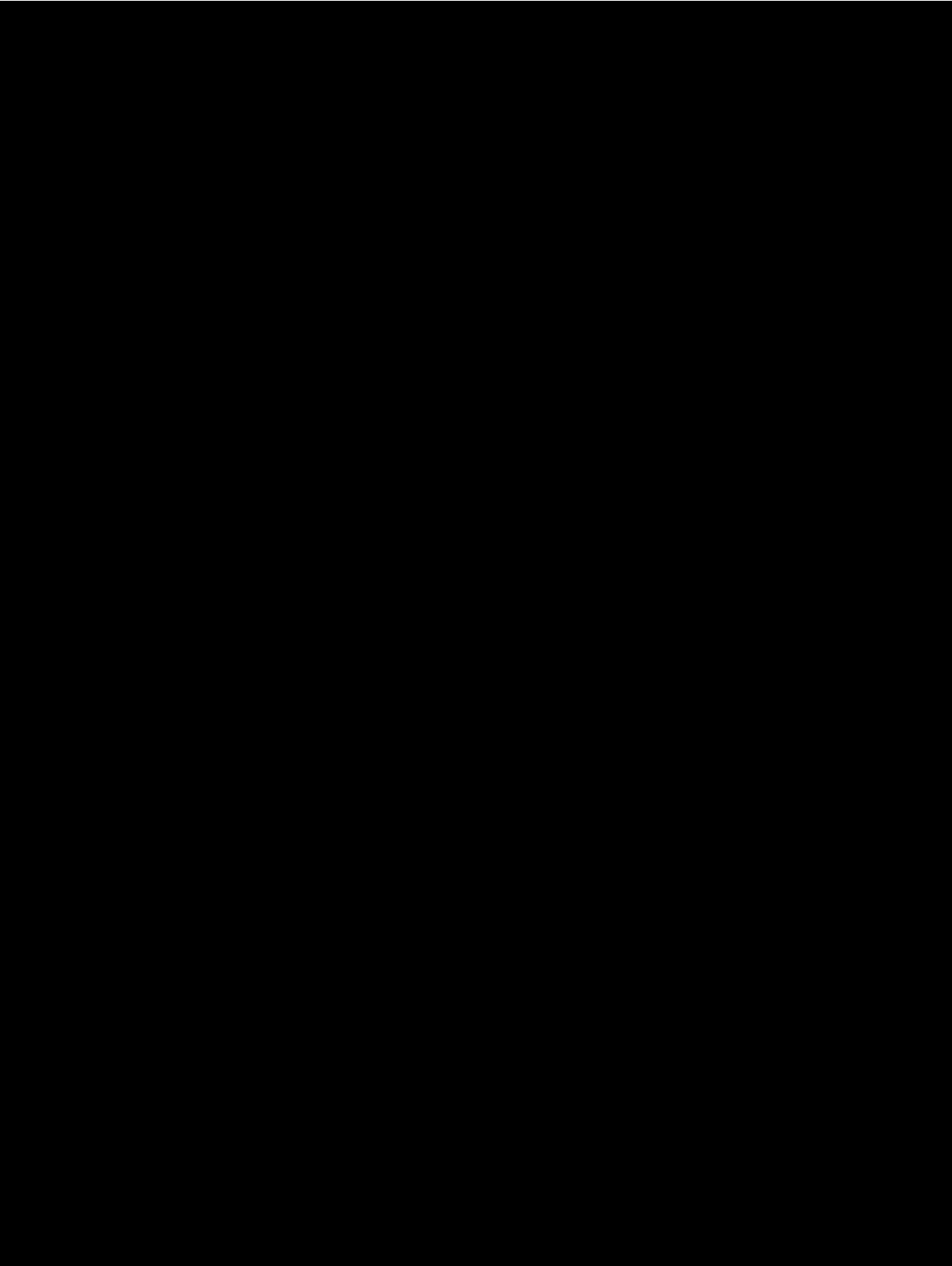


Exhibit D

**COMMONWEALTH OF PENNSYLVANIA
CONTRACT PROVISIONS**

- I. Term of Contract**
- II. Contractor Integrity Provisions**
- III. Non-Discrimination/Sexual Harassment Clause**
- IV. Contractor Responsibility Provisions**
- V. Assignment of Anti-Trust Claims**
- VI. Offset Provision**
- VII. Certification of Taxpayer Identification Number**
- VIII. The Americans With Disabilities Act**
- IX. Minority and Women Business Utilization**
- X. Recycled Content Products Provision**
- XI. Reporting of Political Contributions**
- XII. Hold Harmless Provision**

COMMONWEALTH CONTRACT PROVISIONS

I. TERM OF CONTRACT

The term of the Contract shall commence on the Effective Date (as defined below) and shall end on the Expiration Date identified in the Contract, subject to the other provisions of the Contract.

The Effective Date shall be fixed by the Contracting Officer after the Contract has been fully executed by the Contractor and by the Commonwealth and all approvals required by Commonwealth contracting procedures have been obtained. The Contract shall not be a legally binding contract until after the Effective Date is affixed and the fully executed Contract has been sent to the Contractor.

The Commonwealth reserves the right, upon notice to the Contractor, to extend the term of the Contract for up to three (3) months upon the same terms and conditions. This will be utilized to prevent a lapse in Contract coverage and only for the time necessary, up to three (3) months, to enter into a new contract.

II. CONTRACTOR INTEGRITY PROVISIONS

1. Definitions.

a. Confidential information means information that is not public knowledge, or available to the public on request, disclosure of which would give an unfair, unethical, or illegal advantage to another desiring to contract with the Commonwealth.

b. Consent means written permission signed by a duly authorized officer or employee of the Commonwealth, provided that where the material facts have been disclosed, in writing, by prequalification, bid, proposal, or contractual terms, the Commonwealth shall be deemed to have consented by virtue of execution of this contract.

c. Contractor means the individual or entity that has entered into this contract with the Commonwealth, including directors, officers, partners, managers, key employees, and owners of more than a 5% interest.

d. Financial interest means:

(1) ownership of more than a 5% interest in any business; or

(2) holding a position as an officer, director, trustee, partner, employee, or the like, or holding any position of management.

e. Gratuity means any payment of more than nominal monetary value in the form of cash, travel, entertainment, gifts, meals, lodging, loans, subscriptions, advances, deposits of money, services, employment, or contracts of any kind.

2. The contractor shall maintain the highest standards of integrity in the performance of this contract and shall take no action in violation of state or federal laws, regulations, or other requirements that govern contracting with the Commonwealth.

3. The contractor shall not disclose to others any confidential information gained by virtue of this contract.

4. The contractor shall not, in connection with this or any other contract with the Commonwealth, directly or indirectly, offer, confer, or agree to confer any pecuniary benefit on anyone as consideration for the decision, opinion, recommendation, vote, other exercise of discretion, or violation of a known legal duty by any officer or employee of the Commonwealth.

5. The contractor shall not, in connection with this or any other contract with the Commonwealth, directly or indirectly, offer, give or agree or promise to give to anyone any gratuity for the benefit of or at the direction or request of any officer or employee of the Commonwealth.

6. Except with the consent of the Commonwealth, neither the contractor nor anyone in privity with him or her shall accept or agree to accept from, or give or agree to give to, any person, any gratuity from any person in connection with the performance of work under this contract except as provided therein.

7. Except with the consent of the Commonwealth, the contractor, shall not have a financial interest in any other contractor, subcontractor, or supplier providing services, labor, or material on this project.

8. The contractor, upon being informed that any violation of these provisions has occurred or may occur, shall immediately notify the Commonwealth in writing.

9. The contractor, by execution of this contract and by the submission of any bills or invoices for payment pursuant thereto, certifies and represents that he has not violated any of these provisions.

10. The contractor, upon the inquiry or request of the Inspector General of the Commonwealth or any of that official's agents or representatives, shall provide, or if appropriate, make promptly available for inspection or copying, any information of any type or form deemed relevant by the Inspector General to the contractor's integrity or responsibility, as those terms are defined by the Commonwealth's statutes, regulations, or management directives. Such information may include, but shall not be limited to, the contractor's business or financial records, documents or files of any type or form which refer to or concern this contract. Such information shall be retained by the contractor for a period of three years beyond the termination of the contract unless otherwise provided by law.

11. For violation of any of the above provisions, the Commonwealth may terminate this and any other contract with the contractor, claim liquidated damages in any amount equal to the value of anything received in breach of these provisions, claim damages for all expenses incurred in obtaining another contractor to complete performance hereunder, and debar and suspend the contractor from doing business with the Commonwealth. These rights and remedies are cumulative, and the use or nonuse of any one shall not preclude the use of all or any other. These rights and remedies are in addition to those the Commonwealth may have under law, statute, regulation, or otherwise.

III. NONDISCRIMINATION/SEXUAL HARASSMENT CLAUSE

Each contract entered into by a governmental agency shall contain the following provisions by which the contractor agrees:

a. In the hiring of any employee(s) for the manufacture of supplies, performance of work, or any other activity required under the Contract or any subcontract, the Contractor, subcontractor or any person acting on behalf of the Contractor or subcontractor shall not, by reason of gender, race, creed, or color discriminate against any citizen of this Commonwealth who is qualified and available to perform the work to which the employment relates.

b. Neither the Contractor nor any subcontractor nor any person on their behalf shall in any manner discriminate against or intimidate any employee involved in the manufacture of supplies, the performance of work, or any other activity required under the Contract on account of gender, race, creed, or color.

c. Contractors and subcontractors shall establish and maintain a written sexual harassment policy and shall inform their employees of the policy. The policy must contain a notice that sexual harassment will not be tolerated and employees who practice it will be disciplined.

d. Contractors shall not discriminate by reason of gender, race, creed, or color against any subcontractor or supplier who is qualified to perform the work to which the contract relates.

e. The Contractor and each subcontractor shall furnish all necessary employment documents and records to and permit access to its books, records, and accounts by the contracting officer and the Bureau of Contract Administration and Business

Development, for purposes of investigation, to ascertain compliance with the provisions of this Nondiscrimination/Sexual Harassment Clause. If the Contractor or any subcontractor does not possess documents or records reflecting the necessary information requested, the Contractor or subcontractor shall furnish such information on reporting forms supplied by the contracting agency or the Bureau of Contract Administration and Business Development.

f. The Contractor shall include the provisions of this Nondiscrimination/Sexual Harassment Clause in every subcontract so that such provisions will be binding upon each subcontractor.

g. The Commonwealth may cancel or terminate the Contract, and all money due or to become due under the Contract may be forfeited for a violation of the terms and conditions of this Nondiscrimination/Sexual Harassment Clause. In addition, the agency may proceed with debarment or suspension and may place the Contractor in the Contractor Responsibility File.

IV. CONTRACTOR RESPONSIBILITY PROVISIONS

For purposes of these provisions, the term Contractor is defined as any person, including, but not limited to, a bidder, offerer, loan recipient, grantee, or subgrantee, who has furnished or seeks to furnish goods, supplies, services or leased space, or who has performed or seeks to perform construction activity under contract, subcontract, grant, or subgrant with the Commonwealth, or with a person under contract, subcontract, grant, or subgrant with the Commonwealth or its state-affiliated entities, and state-related institutions. The term Contractor may include a permittee, licensee, or any agency, political subdivision, instrumentality, public authority, or other entity of the Commonwealth.

The Contractor must certify, in writing, for itself and all its subcontractors, that as of the date of its execution of any Commonwealth contract, that neither the Contractor, nor any subcontractors, nor any suppliers are under suspension or debarment by the Commonwealth or any governmental entity, instrumentality, or authority and, if the Contractor cannot so certify, then it agrees to submit, along with the bid/proposal, a written explanation of why such certification cannot be made.

The Contractor must also certify, in writing that, as of the date of its execution of any Commonwealth contract it has no tax liabilities or other Commonwealth obligations.

The Contractor's obligations pursuant to these provisions are ongoing from and after the effective date of the contract through the termination date thereof. Accordingly, the Contractor shall have an obligation to inform the Commonwealth if, at any time during the term of the Contract, it becomes delinquent in the payment of taxes, or other Commonwealth obligations, or if it or any of its subcontractors are suspended or debarred by the Commonwealth, the federal government, or any other state or governmental entity. Such notification shall be made within 15 days of the date of suspension or debarment.

The failure of the Contractor to notify the Contracting agency of its suspension or debarment by the Commonwealth, any other state, or the federal government shall constitute an event of default of the Contract with the Commonwealth.

The Contractor agrees to reimburse the Commonwealth for the reasonable costs of investigation incurred by the Office of State Inspector General for investigations of the Contractor's compliance with the terms of this or any other agreement between the Contractor and the Commonwealth, which results in the suspension or debarment of the Contractor. Such costs shall include, but shall not be limited to, salaries of investigators, including overtime; travel and lodging expenses; and expert witness and documentary fees. The Contractor shall not be responsible for investigative costs for investigations that do not result in the Contractor's suspension or debarment.

The Contractor may obtain a current list of suspended and debarred Commonwealth contractors by either searching the Internet at <http://www.dgs.state.pa.us/debarment.htm> or contacting the:

Department of General Services
Office of Chief Counsel
603 North Office Building
Harrisburg, PA 17125
Telephone No. (717) 783-6472
Facsimile No. (717) 787-9138

V. ASSIGNMENT OF ANTITRUST CLAIMS

Contractor and the Commonwealth recognize that in actual economic practice, overcharges by Contractor's suppliers resulting from violations of state or federal antitrust laws are in fact borne by the Commonwealth. As part of the consideration for the award of this contract, and intending to be legally bound, Contractor assigns to the Commonwealth all right, title and interest in and to any claims Contractor now has or may hereafter acquire under state or federal antitrust laws relating to the goods or services which are the subject of the contract.

VI. OFFSET PROVISION

The Contractor agrees that the Commonwealth may set off the amount of any state tax liability or other obligation of the Contractor or its subsidiaries to the Commonwealth against any payments due the Contractor under any contract with the Commonwealth.

VII. CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER

Execution of this Contract constitutes certification by the Contractor that:

- A. The number appearing on the Contract is the Contractor's correct taxpayer identification number (if no number is present, Contractor is waiting for a number to be issued) and,
- B. Contractor is not subject to backup withholding because: (i) Contractor is exempt from backup withholding, or (ii) Contractor has not been notified by the I.R.S. that it is subject to backup withholding as result of a failure to report all interest or dividends, or (iii) the I.R.S. has notified Contractor that it is no longer subject to backup withholding.

VIII. THE AMERICANS WITH DISABILITIES ACT

During the term of this contract, the Contractor agrees as follows:

1. Pursuant to federal regulations promulgated under the authority of The Americans With Disabilities Act, 28 C.F.R. §35.101 et seq., the Contractor understands and agrees that no individual with a disability shall, on the basis of the disability, be excluded from participation in this Contract or from activities provided for under this Contract. As a condition of accepting and executing this Contract, the Contractor agrees to comply with the "General Prohibitions Against Discrimination," 28 C.F.R. §35.130, and all other regulations promulgated under Title II of The Americans With Disabilities Act which are applicable to the benefits, services, programs, and activities provided by the Commonwealth of Pennsylvania through contracts with outside Contractors.

2. The Contractor shall be responsible for and agrees to indemnify and hold harmless the Commonwealth of Pennsylvania from all losses, damages, expenses, claims, demands, suits and actions brought by any party against the Commonwealth of Pennsylvania as a result of the Contractor's failure to comply with the provisions of paragraph 1 above.

IX. MINORITY AND WOMEN BUSINESS UTILIZATION

Contractor acknowledges the Commonwealth of Pennsylvania encourages the participation of certified Minority Business Enterprises and Women Business Enterprises for the performance of services or the provision of materials and supplies under the Contract. To the extent that Contractor can do so in accordance with the terms and conditions of the Contract, Contractor is also encouraged to utilize certified minority and women businesses in the performance of services or the provision of materials

and supplies under this Contract. For information and assistance on certified minority and women businesses, including a current list of the same, Contractor should contact:

Department of General Services
Bureau of Contract Administration and Business Development
Room 502, North Office Building
Harrisburg, Pennsylvania 17125
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X. RECYCLED CONTENT PRODUCTS PROVISION

The Commonwealth of Pennsylvania State Employees' Retirement System has determined that the recycled content products provision is not applicable to this Contract for the type of service being provided by this Contractor. This determination was based on the fact that no material type products included on the Department of General Services "List of Products and Procurement Guidelines" are being requested under this Contract.

XI. REPORTING OF POLITICAL CONTRIBUTIONS

Pennsylvania law provides, at 25 P.S. §3260a:

(a) Any business entity including but not limited to a corporation, company, association, partnership or sole proprietorship, which has been awarded non-bid contracts from the Commonwealth or its political subdivisions during the preceding calendar year, shall report by February 15 of each year to the Secretary of the Commonwealth an itemized list of all political contributions known to the business entity by virtue of the knowledge possessed every officer, director, associate, partner, limited partner or individual owner that has been made by:

(1) any officer, director, associate, partner, limited partner, individual owner or members of their immediate family when the contributions exceed an aggregate of one thousand dollars (\$1,000) by any individual during the preceding year; or

(2) any employe or members of his immediate family whose political contribution exceeded one thousand dollars (\$1,000) during the preceding year.

For the purposes of this subsection, "immediate family" means a person's spouse and any unemancipated child.

(b) It shall be the duty of the Secretary of the Commonwealth to publish sixty (60) days after February 15 of each year a complete itemized list of all contributions given under the provisions of subsection (a). This list shall be a matter of public record open to public inspection and copies made available at cost to any individual who requests them.

XII. HOLD HARMLESS PROVISION

The Contractor shall hold the Commonwealth harmless from and indemnify the Commonwealth against any and all claims, demands and actions based upon or arising out of any activities performed by the Contractor and its employees and agents pursuant to the Contract and shall, at the request of the Commonwealth, defend any and all actions brought against the Commonwealth based upon any such claims or demands.