

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

SERS # 08-001.3

THIRD AMENDMENT TO FUNDS MANAGEMENT AGREEMENT

This Third Amendment of the Funds Management Agreement (the "Third Amendment") between the **COMMONWEALTH OF PENNSYLVANIA STATE EMPLOYEES' RETIREMENT SYSTEM** (herein "SERS") and **CREDIT SUISSE ASSET MANAGEMENT LLC**, with its principal office and place of business at One Madison Avenue, New York, New York 10010 (herein "MANAGER") is effective as of December 1, 2012.

WITNESSETH:

WHEREAS, SERS and MANAGER have previously entered into a Fund Management Agreement, SERS # 08-001, dated January 7, 2008 (the "Agreement") and have subsequently amended it on February 5, 2010 (the "First Amendment") and on July 1, 2012 (the "Second Amendment"); and

WHEREAS, SERS and MANAGER wish to further amend the Agreement by amending Section 19 of the Agreement for the second time;

NOW, THEREFORE, in consideration of the foregoing recitals that are incorporated herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. The above recitals are incorporated into this Third Amendment as if fully set forth herein.
2. Section 19 of the Agreement, as amended by subsequent amendments, is hereby deleted in its entirety and replaced with the following:
 19. Expiration and Termination.
 - (a) *Expiration.* This Agreement's initial term shall be five (5) years from the date first written above and this Agreement shall continue automatically for

subsequent five (5) year terms for each extension at SERS' option unless terminated earlier as provided herein.

(b) *Termination.* MANAGER may terminate this Agreement by furnishing written notice to SERS not less than one hundred twenty (120) days prior to the effective date of termination, and SERS reserves the right to terminate this Agreement at any time, for any reason, by furnishing written notice to MANAGER not less than thirty (30) days prior to the effective date of termination. In either of such events MANAGER's fees for services under this Agreement shall be prorated and paid, provided that notwithstanding any other provision of this Agreement, SERS may withhold such payment of fees until MANAGER has fully complied, in SERS' sole discretion, with subsection (d) below.

(c) *Liability.* The termination or expiration of this Agreement shall not relieve MANAGER of any liability that may be incurred in connection with its performance or failure to perform its obligations under this Agreement which liability shall survive termination or expiration.

(d) *Final Report.* MANAGER shall furnish to SERS, within thirty (30) days of the effective date of termination or expiration of this Agreement or the voidance of this Agreement pursuant to Section 20, a final report on its investment activities and the status of the Fund's assets allocated to MANAGER in such form and format as requested by SERS' staff. Any and all of the Fund's assets in MANAGER's possession at the effective date of termination, expiration or voidance shall be returned to SERS, or transferred as directed by SERS, immediately upon termination, expiration or voidance or as soon thereafter as is practicable considering MANAGER's obligations to preserve and enhance the financial integrity of the Fund.

3. Capitalized terms used in this Third Amendment and not otherwise defined herein shall have the meanings specified for such terms in the Agreement.
4. Except as expressly provided otherwise herein, all other provisions and terms of the Agreement remain in full force and effect.

5. This Third Amendment may be executed and delivered in counterparts (including by facsimile transmission), each of which will be deemed an original.

IN WITNESS WHEREOF, the parties hereto, each intending to be legally bound hereby, have caused this Third Amendment to be executed as of the date first written above.

ATTEST:

CREDIT SUISSE ASSET MANAGEMENT, LLC

Federal Tax Identification Number: [REDACTED]

BY: Whitney Wilson
TITLE: legal assistant

BY: [Signature]
TITLE: Kenneth Lohsen
Managing Director Date November 9, 2012

COMMONWEALTH OF PENNSYLVANIA
STATE EMPLOYEES' RETIREMENT SYSTEM

Federal Tax Identification Number: [REDACTED]

BY: [Signature]
TITLE: _____ Date _____

Approved for form and legality:

BY: [Signature] per delegation of authority
NAME: Elizabeth L. Pettis
TITLE: Counsel
Office of Attorney General, State Employees' Retirement System

BY: [Signature] per delegation of authority
NAME: Elizabeth L. Pettis Date _____
TITLE: Counsel
Office of General Counsel, State Employees' Retirement System