



OFFICE OF THE ILLINOIS STATE TREASURER
MICHAEL W. FRERICHS

Request for Proposals

370-500-16-002

Corporate Governance Services

May 20, 2016

Proposals due by 12:00 p.m. CT on June 30, 2016

Mr. Jim Underwood
Chief Procurement Officer
400 West Monroe Street, Suite 401
Springfield, IL 62704

**Office of the Illinois State Treasurer
Request for Proposals
370-500-16-002
Corporate Governance Services**

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I. OVERVIEW

The Office of the Illinois State Treasurer (“Treasurer” or “Treasurer’s Office”) is issuing this Request for Proposals (“RFP”) for a Corporate Governance Services Provider (“Respondent”). The Respondent shall advise and assist the Treasurer’s Office and associated investment boards in the development, execution, and administration of corporate governance responsibilities. Respondents must submit their Proposals by 12:00 p.m. CT on June 30, 2016.

The Treasurer’s Office intends to select the Respondent with a strong track record providing corporate governance services to government entities; demonstrated policy development skills; and expertise in corporate engagement, proxy voting, fund monitoring, and corporate governance advocacy. The successful Respondent (“Contractor”) shall enter into a contract with the Treasurer (“Agreement”) for an initial term of three (3) years. Upon expiration of this term, the Treasurer may elect to extend the Agreement for a period of time agreed upon by the parties, not to exceed a total of ten (10) years.

II. BACKGROUND

The Treasurer serves as the Chief Investment Officer and Chief Banking Officer for the State of Illinois. The Treasurer’s Office currently manages approximately \$25 billion spread across several investment portfolios, including \$12 billion in the State Investment Portfolio, \$8 billion in two Illinois 529 college savings plans (“Bright Start” and “Bright Directions”), and \$4.5 billion in an internally managed local government investment pool (“The Illinois Funds”). The Treasurer’s Office also serves as the administrative agency for two new investment pools, the Achieving a Better Life Experience (“ABLE”) savings vehicle and the Illinois Secure Choice Savings Program (“Secure Choice”). ABLE provides tax-preferred savings vehicles for qualified expenses under Section 529A of the Internal Revenue Code, and Secure Choice creates an automatic enrollment deduction IRA with the intent of promoting greater retirement savings for private-sector employees in a convenient, low-cost manner.

Regarding its underlying investment and fiduciary duties, the Treasurer’s Office is responsible for ensuring the safety and security of public investment pools, while striving for strong performance, transparency, and preservation of public trust. To fulfill these responsibilities, the Treasurer’s Office believes an essential part of effective portfolio management is fostering and maintaining an attention to good corporate governance. The Treasurer’s Office not only sees good corporate governance practices as a way to add value but also to mitigate risk in investment portfolios. As a large and long-term investor to funds and corporations around the nation, the Treasurer’s Office has a vested interest and civic responsibility to ensure and pursue good governance and operational accountability.

The Respondent will be expected to work closely with the Treasurer’s Office and its contractors to assist in the development, execution, and administration of its corporate

governance responsibilities. This includes the development of robust principles, policies and standards for fair and open governance of corporations, conducting proxy voting activities on behalf of the Treasurer's Office, engaging fund managers and companies to actively promote environmental, social and governance best practices, and working collaboratively with other institutional investors to build broader support for best governance practices, among other key responsibilities.

SCOPE OF WORK

The Respondent will be required to provide the following services for the Treasurer's Office:

1. Assist the Treasurer's Office and associated investment boards in developing, composing, and effectuating a Corporate Governance Policy Statement that outlines the principles, objectives, and roles and responsibilities pertinent to the Treasurer's corporate governance priorities.
2. Review the Treasurer's Office Investment Policy Statement on an annual basis in order to assist the Treasurer's Office in ensuring that the policy reflects best practices in environmental, social, and governance policy standards.
3. Develop a framework and provide direct support for engagement efforts, working closely with the Treasurer's Office and associated investment boards to conduct corporate engagements in order to realize the Treasurer's corporate governance priorities and move the marketplace toward best governance practices.
4. Advise the Treasurer's Office in proxy voting matters, providing guidance and recommended courses of action that support corporate board members and resolutions that align with the interests, fiduciary duties and corporate governance principles of the Treasurer's Office.
5. Monitor the investments in the Treasurer's investment portfolios for strategic, governance, and sustainability risks and opportunities, alerting the Treasurer's staff as to cases of poor governance and also to opportunities to improve the investment landscape to align with the interests, fiduciary duties and corporate governance principles of the Treasurer's Office.
6. Develop, maintain and execute a process to identify and engage fund managers and portfolio companies that are deviating or are at risk of deviating from best corporate governance practices and/or the corporate governance priorities of the Treasurer's Office and associated investment boards. The process should establish criteria used to identify entities held "on watch" and establish trigger points for actions to be taken (e.g. meetings with managing partners, consider termination from the investment programs, etc.).

7. Conduct an annual review of recipient funds within all pertinent investment portfolios of the Treasurer's Office and associated investment boards to identify fund managers and portfolio companies deviating from best governance practices and provide observations and recommendations as to potential courses of action.
8. Identify and facilitate collaborative opportunities whereby the Treasurer's Office can build partnerships with other institutional investors and corporate governance advocates similarly interested in promoting best governance practices.
9. Identify and facilitate communication between the Treasurer's Office and associated investment boards and select corporate governance activist managers that maintain an investment strategy that relies on active intervention in a company's long-term strategy, capital structure, capital allocation plan, shareholder engagement, executive compensation and corporate governance.
10. Assist the Treasurer's Office in developing, composing, and distributing an Annual Corporate Governance Report that communicates the policies, priorities, and achievements of the Treasurer's corporate governance activities. The report shall include a summary of proxy votes, engagements with corporations, collaborative partnerships, as well as other priority content areas identified by the Treasurer's Office.
11. Provide constant monitoring and timely review and analysis of key events that could potentially affect the corporate governance priorities of the Treasurer's Office, including significant market events, mergers and acquisitions, public offerings, changes in fund senior management, and new and proposed federal and state legislation and regulation.
12. Review the approved counterparties of the Treasurer's Office to identify those with poor corporate governance practices and provide observations and recommendations for potential courses of action.
13. Prepare presentations for the Treasurer's Office and associated investment boards relating to environmental, social and governance (ESG) best practices, engagement efforts, policy recommendations, collaborative opportunities, or other activities deemed relevant by the Treasurer's Office.
14. Meet with representatives from the Treasurer's Office to answer questions regarding policy development, proxy voting activities, engagements with corporations and fund managers, and other relevant activities on an as needed basis, but no less than four (4) times per year.
15. Be available to discuss any corporate governance issues with the Treasurer's staff and the Treasurer's relevant contractors on an as needed basis.

16. Serve as a general resource to the Treasurer’s staff for information, advice and training regarding, but not limited to: corporate governance services, environmental, social and governance (ESG) practices, diversity strategies, investment and operational policies, and proxy activities.
17. Attend meetings at the discretion of the Treasurer’s Office, as needed, to present research, reports and analyses and to respond to questions.
18. Provide or recommend education sessions for Treasurer’s staff as requested, as requested.
19. Prepare presentations to Treasurer’s staff on various general informational topics, as needed.

III. RFP PROCESS AND SCHEDULE

This Section outlines the process and schedule associated with this RFP.

A. Schedule

The following is the schedule for this RFP:

| Date | Event |
|-----------------------|--|
| May 20, 2016 | RFP published on the Treasurer’s website. |
| June 6, 2016 | Notice of intent to participate in the Bidder’s Conference due by 12:00 pm CT. |
| June 9, 2016 | Mandatory Bidder’s Conference at 11:00 a.m. CT. |
| June 16, 2016 | All Respondent questions due by 12:00 p.m. CT. |
| June 24, 2016 | Responses to all questions posted on the Treasurer’s website by 4:00 p.m. CT. |
| June 30, 2016 | Responses to RFP due at 12:00 p.m. CT. |
| Week of July 5, 2016 | Selection of potentially acceptable candidates. |
| Week of July 11, 2016 | Notification of award and begin negotiation of Agreement. |

These dates are subject to change at the discretion of the Treasurer’s Office.

B. Contact information

The Treasurer's Chief Procurement Officer ("CPO") is the sole point of contact concerning this RFP.

Respondents should submit questions about the intent or content of this RFP and request clarification of any and all procedures used for this procurement prior to the submission of a Proposal. Respondents must submit their questions in writing by e-mail to the CPO by 12:00 p.m. CT on June 16, 2016.

Jim Underwood
Chief Procurement Officer
Office of the Illinois State Treasurer
400 W. Monroe St., Suite 401
Springfield, IL 62704
junderwood@illinoistreasurer.gov

C. Mandatory Bidder's Conference

Each Respondent must e-mail notice of intent to attend the Bidder's Conference to Jim Underwood at junderwood@illinoistreasurer.gov prior to 12:00 p.m. CT on June 6, 2016. Attendance at the Bidder's Conference is mandatory, but it may be attended via teleconference. The Bidder's Conference shall be on June 9, 2016, at 11:00 a.m. CT at the following address:

James R. Thompson Center
100 West Randolph Street, 15-600
Treasurer's Conference Room
Chicago, IL 60601

D. Proposal Submittal

All Proposals must be submitted by mail or messenger to the following address, no later than 12:00 p.m. CT on June 30, 2016:

Mr. Jim Underwood
Chief Procurement Officer
400 West Monroe Street, Suite 401
Springfield, IL 62704

E. RFP Process

1. Questions about this RFP

Respondents should submit questions about the intent or content of this RFP and request clarification of any and all procedures used for this procurement prior to the submission of a response. Respondents must prepare their questions in writing and send them by e-mail to the above contact person.

2. Internet/E-mail Communications

The Treasurer may also communicate with Respondents via e-mail. Each Respondent should provide an e-mail address with its response for ease of communication throughout this RFP process.

3. Verbal Communications

Any verbal communication from the Treasurer's employees or its contractors concerning this RFP is not binding on the Treasurer, and shall in no way alter a specification, term or condition of this RFP.

4. Amendment

If it is necessary to amend this RFP, the Treasurer will post amendments on the Treasurer's website.

5. Respondent's Costs

The cost of developing a response to this RFP is each Respondent's responsibility and may not be charged to the Treasurer.

6. Withdrawal of Proposal

Respondent may withdraw its Proposal at any time prior to the deadline for receipt of Proposals. The Respondent must submit a written withdrawal request, addressed to the CPO and signed by the Respondent's duly authorized representative.

7. Modification of Proposal

A Respondent may submit an amended Proposal before the deadline for receipt of Proposal. Such amended Proposal must be a complete replacement for the previously submitted Proposal and must be clearly identified as such in the transmittal letter to the CPO.

8. Proposal is an Offer

A Proposal submitted response to this RFP is a binding offer valid for 180 days after the due date for Proposals or the due date for the receipt of a best and final offer, whichever falls later.

9. Response to RFP is State Property

On the response due date all responses and related material submitted in response to this RFP become the property of the State of Illinois.

10. CPO May Cancel the RFP

If the CPO determines it is in the Treasurer's best interest, he reserves the right to do any of the following:

- a. Cancel this RFP;
- b. Modify this RFP in writing as needed; or
- c. Reject any or all responses received for this RFP.

IV. **PROPOSAL**

This Section provides the required elements for Respondent's Proposal.

A. **Proposal Format**

All Proposals must be submitted within the prescribed format to facilitate objective review. Any Proposal that materially deviates from this format will be rejected without further consideration of its content. Proposals that contain false or misleading statements or that provide references that do not support an attribute or condition claimed by the Respondent may also be rejected.

Narratives should provide a concise description of capabilities to satisfy the requirements of this RFP. Emphasis should be on clarity, brevity and completeness of response.

1. Cover Letter - The Proposal must be accompanied by a transmittal letter that designates the name, physical address, e-mail address, and the telephone number of the person or persons available for contact concerning the response and who is authorized to make representations on behalf of the Respondent's organization.
2. Table of Contents - Include a listing of the main chapters and paragraph headings contained in the response, including page numbers.
3. Introduction - Include any introductory remarks, not to exceed three (3) pages, deemed appropriate. Briefly discuss such topics as the Respondent's background, management, facilities, staffing, related experience and financial stability.
4. Scope of Work - Provide a narrative, not to exceed five (5) pages, describing the general conceptual approach to the delivery of specific services and any other information Respondent believes is relevant.

5. Answers to Questions - Respondent must respond to all of the questions. Respondent's answers must include the headings (e.g. "Background and Experience") and be numbered in the order provided in Section V.B of this Proposal.
6. Service Team - Provide an organization chart and resumes for the proposed service team, including analytical investment and research staff and support staff. Please identify the primary contact person and describe the role of each key person.
7. Unique Capabilities - Provide a summary not to exceed five (5) pages of any unique expertise, products or services that distinguish your institution.
8. State Certifications and Disclosures - Respondent and any subcontractor(s) must submit the following three (3) fully executed documents: Illinois State Treasurer Certifications, Disclosures Financial Interest and Potential Conflicts of Interest (Disclosure Form A), and the Disclosures Other Contract and Procurement Related Information (Disclosure Form B).
9. Proposal - Proposals must be submitted in a sealed envelope or package bearing the title "Office of the Illinois State Treasurer Request for Proposals Corporate Governance Services 370-500-16-002" and the Respondent's name and address. The package must include one (1) original and four (4) copies of the Proposal. A separate envelope must contain one (1) original and four (4) copies of the Cost Proposal. In addition, please provide three (3) electronic copies of the Proposal and three (3) separate electronic copies of the Cost Proposal. Each electronic Proposal copy and each electronic Cost Proposal copy shall be on a separate electronic storage device, such as a CD or thumb drive.

B. Questions to be Addressed in the Proposal

Background and Experience

1. Please provide the year your firm was established and give a brief history of your firm.
2. Please provide the organization's name, and the name, title, address, phone number, fax number, and email address of the individual who will be our primary contact.
3. Please provide the address and website of the firm's headquarters and all branch offices.
4. Please identify all of your firm's lines of business, products, and services.
5. Please provide a brief description of your firm's plans for growth, such as asset growth, personnel growth, succession planning, over the next three-five (3-5) years.

6. Please comment on the financial solvency of your firm. Do you have any firm debt? What is the minimum asset level required for your firm to remain profitable?
7. What is the current ownership structure of the firm? Please include employees at all levels.
8. Who are the principals and/or managing partners? How long has each been at the firm?
9. What, if any, are the carried interests and ownership interests in the firm held by individuals or business entities not employed by the firm?
10. Please describe the firm's professional turnover for the last five years, citing reasons for each departure and contacts for departed principals or partners.
11. Are any new hires expected in the near term? Please explain at what level these new hires are expected, and their anticipated compensation.
12. What is the decision-making process internally among the principals for (i) internal matters, (ii) new partners, and (iii) partnership operations and management decisions?
13. Please describe any significant changes in the organizational structure, ownership or management of your firm over the past three (3) years.
14. Please provide a summary organizational chart showing your proposed team, including corporate governance and research staff and support staff. Describe the role of each key person.
15. Please provide brief biographies and educational background of the corporate governance professionals in the firm. List percent of ownership by the professional, and what notable assignments they executed.
16. Please provide three (3) client references, current or past, and state the organization's name, their website (if any), a point of contact, physical address, telephone number, e-mail address, and the scope of work you provided.

Corporate Governance Services

17. Please summarize plans under your firm's advisement, as well as those for governmental entities, over the past five (5) years. Please include detailed information on each plan managed, its purpose, and any economic development statistics available.
18. Please identify the types of advisory accounts primarily managed by your firm.

19. Please describe the experience your firm has consulting on corporate governance services for government entities.
20. Please summarize your firm's perspective on good governance practices relating to board of directors, auditors and audit-related issues, executive compensation, director compensation, governance structure, and sustainability.
21. Please describe your experience and expertise developing, composing, and actualizing a corporate governance policy statement or corporate governance statement of principles.
22. Please outline how your firm would develop and execute a process to conduct corporate engagements. Please detail the specific strategies that would be applied to realize the corporate governance priorities and goals of the Treasurer's Office.
23. Please describe your expertise and experience advising on and generating positive outcomes in proxy voting matters.
24. Please explain your experience and capacity to effectively monitor fund managers and portfolio companies for potential deviations from corporate governance best practices. Please describe the steps your firm would take upon determining that poor governance exists.
25. Please describe your process to provide constant monitoring and timely review and analysis of key events that could potentially affect corporate governance priorities, including significant market events, mergers and acquisitions, public offerings, changes in senior management, and new and proposed federal and state legislation and regulation.
26. What experience and expertise does your firm have building collaborative partnerships and relationships between institutional investors with shared interests in promoting corporate governance best practices? Please identify 2-3 examples of effective collaborations your firm has facilitated in the interest of advancing specific corporate governance initiatives.
27. Please describe your firm's familiarity with existing corporate governance activist managers and describe how your firm ascertains the suitability of those managers' investment portfolios.
28. Please detail your proposed process for monitoring and providing timely communications to the Treasurer's Office and associated investment boards pertaining to issues affecting corporate governance priorities.
29. Please describe how your firm will provide timely consolidated reports quarterly and annually that reflect all the pertinent engagement and corporate governance activities of the reporting period.

30. Please describe how your firm will review the Treasurer's approved counterparties for potential cases of poor governance and provide observations and recommendations.
31. Please explain how your firm would serve as a general educational and informational resource for the Treasurer's Office, providing guidance and topical insights on environmental, social and governance practices, diversity strategies, investment and operational policies, and proxy activities.
32. Please identify your comfort level in providing presentations on corporate governance topics relevant to 529 college savings plans and government managed investment portfolios.
33. What existing or potential relationships could impact your firm's ability to provide the services outlined in this RFP? Which relationships could create potential ethics violations or conflict of interests?
34. Please provide a written sample of a corporate governance advisory work product.

Diversity

35. Please describe your firm's prior experience and future capability to engage and evaluate investment funds, who are female, minority, persons with disabilities, or veteran owned or managed. For purposes of this RFP, "female, minority, persons with disabilities, or veteran owned or managed" shall mean being owned or managed by 51% or more of a combination of female, minority, persons with disabilities, or military veteran.
36. Please provide the number and percentage of your firm's senior leaders (e.g. partner, president, COO, or managing director) who are female, minority, persons with disabilities, or military veterans. Please cite with supporting data.
37. Please provide the number and percentage of your firm's corporate governance staff who are female, minority, persons with disabilities, or military veterans. Please cite with supporting data.
38. Is your firm or its affiliates female, minority, persons with disabilities, or veteran owned or managed? Please cite with supporting data.
39. Using the definition provided above, what is the percentage of your firm's intended use of subcontractors for this project, if any, that are female, minority, persons with disabilities, or veteran owned or managed? Please cite with supporting data.

Illinois Presence

40. Please describe what presence your firm has in the State of Illinois. Such "presence" can be demonstrated by the percentage of your firm's full-time

employees or employees who spend more than half their time in Illinois and having physical offices or a principal place of business located in Illinois.

41. Using the definition provided above, what is the percentage of your firm's subcontractors for this project, if any, that have an Illinois presence?

C. Cost Proposal

Responses must include information regarding the proposed amount of compensation for services, either as a lump sum, by hourly rate or by other criteria. In setting forth such information, separate the current fiscal year fee from the fee for the next three (3) fiscal years. The figures provided should include all fees/costs.

Pricing schedules are to cover a three (3)-year period. It is anticipated all of the Respondent's costs to the Treasurer will be included in the pricing as outlined above, and consistent with the requirements outlined throughout this RFP.

V. EVALUATION PROCESS & CRITERIA

A. Mandatory Requirements

1. The Respondents must answer all the questions in this RFP.
2. Responses to this RFP should set forth the specific manner in which the Respondent will satisfy each requirement.
3. The Respondent must submit the name, physical address, e-mail address, and telephone number of an individual with authority to answer questions or clarify their responses.
4. The Respondent must have substantial experience advising, or assisting in the advisement of, assets, funds, and funds of funds. The following criteria are required and exceptions will not be granted:
 - a. The Respondent must have assets under advisement of at least \$1 billion.
 - b. The Respondent must have at least three (3) years' experience providing corporate governance services for government entities.
 - c. The senior professionals in charge of providing the services under the proposed agreement must have at least five (5) years relevant experience in corporate governance.
 - d. The Respondent must agree to submit reports and other supporting materials as requested, in a timely manner.

5. The Respondent and any sub-contractor(s) must submit a fully executed State Certifications Form, Appendix A.
6. The Respondent and any sub-contractor(s) must submit a fully executed Financial Interest and Potential Conflicts of Interest Disclosure Form, Appendix B.
7. The Respondent and any sub-contractor(s) must submit a fully executed Other Contract and Procurement Related Information Disclosure Form, Appendix C.

B. Evaluation Factor Weighting Table

This following table shows the weighted evaluation factors to be used in reviewing the Respondent Proposals.

| Evaluation Factor | Weight |
|-------------------------------|---------------|
| Background & Experience | 25 |
| Corporate Governance Services | 40 |
| Cost Proposal | 25 |
| Diversity | 5 |
| Illinois Presence | 5 |
| TOTAL | 100 |

C. Evaluation Factors

1. Background and Experience

Scoring will be based on the thoroughness and clarity of the response, the breadth and depth of the similar engagements, the talent and experience of assigned personnel, and the perceived validity of the response. The evaluation also will include reference checks regarding the Respondent's work for previous clients receiving similar services to those proposed for the Treasurer's Office.

2. Corporate Governance Services

Scoring will be based on Respondent's experience with and demonstrated ability to provide quality corporate governance services and advisement to the Treasurer's Office.

3. Cost Proposal

Respondent's Cost Proposal score will be scored based on an evaluation of its cost-effectiveness.

4. Diversity Score

Respondent's diversity score will be scored based on the answers Respondent provides to the diversity questions in Section IV.B of this RFP. The Evaluation Team shall award a higher diversity score to Respondents that are female, minority, person with disabilities, or veteran owned or managed. Having a higher percentage of subcontractors that are female, minority, person with disabilities, or veteran owned or managed shall also result in higher scores.

5. Illinois Presence Score

Respondent's Illinois presence shall be scored based on the answers Respondent provides to the Illinois presence questions in Section IV.B of this RFP. Respondents with a principal place in Illinois and a higher percentage of employees in Illinois shall receive higher scores.

D. Evaluation Process

All Responses will be reviewed for compliance with the RFP requirements and specifications. Responses deemed non-responsive will be eliminated from further consideration. The CPO may contact the Respondent for clarification of the Response, and the Evaluation Committee may use other sources of publically available information to perform its evaluation. Finally, the Evaluation Committee will make a recommendation regarding the winning Respondent.

VI. CONTRACTUAL TERMS

The Contractor must specifically agree to each contractual provision set forth below.

A. Contractual Responsibility

If chosen to provide the services under this RFP, Contractor will be contractually responsible for all services provided.

1. Governing Law; Venue.

The Agreement shall be governed in all respects by the laws of the State of Illinois. Venue shall be proper only in the Illinois Court of Claims in accordance with the Illinois Court of Claims Act (705 ILCS 505/1 *et seq.*). By execution of the Agreement, Contractor acknowledges and agrees to the exclusive jurisdiction of the Illinois Court of Claims over any and all lawsuits arising under or out of any term of the Agreement.

2. Internal Controls

The selected Contractor shall annually provide the Treasurer with a copy of the Annual Report or Form 10-K of its parent holding company and its most recent SSAE 16 report which will include the attestation of the company's independent registered accounting firm regarding the company's internal control over financial reporting.

3. Term of Agreement

- a. *Initial Term.* The term of the Agreement shall commence on August 1, 2016 and shall expire on August 1, 2019, ("Initial Term"), unless terminated prior to such date in accordance with the terms of the Agreement.
- b. *Term Extension.* The Treasurer reserves the right to extend the Agreement for an additional terms ("Extension Term"), provided that the Treasurer notifies the Contractor in writing of its intention to do so at least ninety (90) days prior to the expiration date of the Initial Term. An Extension Term of this Agreement, and any amendments to this Agreement in connection with such Extension Term, shall be effected through a written instrument executed by the Contractor and the Treasurer and in accordance with applicable law.

4. Termination

a. *Termination Without Cause:*

The Treasurer may elect to terminate the agreement at any time upon thirty (30) calendar days' notice. Upon termination, the Treasurer will pay for work satisfactorily completed prior to the date of termination as determined in a reasonable manner.

b. *Termination for Cause/Reduction of Fee*

Notwithstanding any foregoing language to the contrary, the Agreement may be terminated by the Treasurer under any of the following circumstances:

- a. Contractor fails to furnish a satisfactory performance within the time specified.
- b. Contractor fails to perform any of the provisions of this Agreement, or so fails to make progress as to endanger performance of this Agreement in accordance with its terms.
- c. Any services provided under the Agreement are rejected and are not promptly corrected by Contractor, or repeatedly rejected even though Contractor offers to correct services promptly.
- d. There is sufficient evidence to show that fraud, collusion, conspiracy, or other unlawful means obtained the Agreement.

- e. Contractor is guilty of misrepresentation in connection with another contract for services to the State.
- f. Contractor is adjudged bankrupt or enters into a general assignment for the benefit of their creditors or receivership due to insolvency.
- g. Contractor disregards laws and ordinances, rules, or instructions of a contracting officer or acts in violation of any provision of the Agreement or this part, or the Agreement conflicts with any statutory or constitutional provision of the State of Illinois or of the United States.
- h. Any other breach of contract or other unlawful act by Contractor occurs.

Prior to terminating the Agreement for cause, the Treasurer shall issue a written warning that outlines the remedial action necessary to bring the Contractor into conformance with the Agreement. If such remedial action is not completed to the satisfaction of the Treasurer within thirty (30) business days, a second written warning may be issued. If satisfactory action is not taken by Contractor within five (5) business days of the date of the second written warning, the Agreement may be cancelled and the Treasurer may recover any and all damages involved with the transition to a new vendor including incidental and consequential damages. Failure by the Treasurer to issue a warning or cancel this Agreement does not waive any of the Treasurer's rights to issue subsequent warnings.

In addition, the Treasurer reserves the right to reduce the fee paid to Contractor as compensation for services under the Agreement during any period Contractor fails to perform with reasonable care any of its obligations under the Agreement.

5. Review

Treasurer's staff may conduct periodic performance reviews of the successful Contractor, during which its compliance with all aspects of the Agreement with Treasurer will be reviewed and assessed.

6. Liability and Indemnification

Contractor shall indemnify and hold the Treasurer harmless from and against any and all losses, including but not limited to, losses due to the negligent acts or omissions or willful misconduct of Contractor, its employees, or agents. Contractor has a duty to select, with due diligence, all other entities that shall be necessary to implement the Agreement. Contractor shall establish and enforce reasonable procedures to assure the Treasurer of the performance by all other entities of the services necessary to implement this Agreement.

7. Confidentiality

- a. Contractor shall be prohibited from using or disclosing confidential information received in the course of fulfilling its obligations pursuant to the

Agreement, except in the performance of its internal responsibilities and normal functions. Confidential information includes all information but the following:

- i. Information already known or independently developed by the recipient;
- ii. Information required to be released by law;
- iii. Information in the public domain through no wrongful act of the recipient;
and
- iv. Information received from a third party who was free to disclose it.

This Section shall survive the termination of the Agreement.

b. Use of Confidential Information by Employees and Agents of Contractor

The requirement of confidentiality under this Agreement also applies to the employees and agents of the Contractor. The Contractor shall use its best efforts to ensure that its employees and agents adhere to the confidentiality requirements set forth herein. Use by and disclosure to employees and agents of Confidential Information to the extent necessary to carry out the terms and purposes of this Agreement is acceptable.

c. Protection of Confidential Information

The Contractor represents, warrants, and covenants that it has implemented and will maintain an information security program reasonably designed to protect Confidential Information, including customer information, which program includes administrative, technical, and physical safeguards to ensure the security and confidentiality of all customer information, to protect against anticipated threats or hazards to the security or integrity of such customer information, and to protect against unauthorized access to or use of such customer information.

d. Privacy Policy

Contractor will comply with any applicable federal or state laws or regulations, as well as any privacy policy developed by the Treasurer. Contractor further agrees to establish, maintain, and comply with a privacy policy with respect to the program that meets the requirements of applicable law.

e. Subcontracting

The Respondent may not use subcontractors to perform the duties as outlined in the RFP unless the subcontractor is approved in advance by the Treasurer. If your response requires a subcontractor, the Respondent must disclose the

duties performed by the subcontractor. Subcontractors will be required to submit separate State Certifications and Disclosure Forms, a copy of which is found in Appendixes A, B, and C.

8. Assignment

Each term and provision of the Agreement is binding and enforceable against and inures to the benefit of any successors of the Treasurer and any successors of Contractor, but neither this Agreement nor any of the rights, interests, or obligations is assignable without the prior written consent of the other party. Any attempt by Contractor to transfer or assign any rights or obligations related to the provision of services under this Agreement, without the prior written consent of the Treasurer, shall render this Agreement voidable by the Treasurer. The Treasurer may unilaterally bind any successor of the provider to the terms and conditions of any Agreement between the parties.

9. Services

Contractor shall not modify any service or the manner of providing such service under this Agreement without the prior written authorization of the Treasurer. Modification means any change to an existing service or the addition of a new service.

10. Access to Information

Upon request, the selected Contractor shall provide the Treasurer access to all files, records, participant email addresses, documents, and data pertaining to College Savings and ABLE that are in its possession and control regardless of how that information is stored. The information shall be provided in a form acceptable to the Treasurer.

11. State Certifications/Disclosures

The Agreement will incorporate Contractor's fully executed State Certifications and Disclosure Forms, a copy of which is attached hereto as Appendixes A, B, and C.

12. Right to Audit Books and Records

The Contractor and any service provider shall maintain, for a minimum of five (5) years after the termination of the Agreement, adequate books, records, and supporting documents related to the Agreement. These documents shall be available for review and audit by the Treasurer and the Illinois State Auditor General. The selected Contractor agrees to cooperate fully with any audit conducted by the Auditor General or the Treasurer and to provide full access to all relevant materials. Failure to maintain the books, records, and supporting documents required by this section shall establish a presumption in favor of the Treasurer for the recovery of any funds paid by the Treasurer under the

underlying agreement for which adequate books, records, and supporting documentation are not available to support their purported disbursement.

13. Work Product

a. Ownership of work product.

Except as otherwise agreed to in writing, all work product including, but not limited to, documents, reports, data, information, and ideas specially produced, developed or designed by you under any agreement for the Treasurer, whether preliminary or final, will become and remain the property of the Treasurer, including any copyright or service marks you developed on behalf of the Treasurer. The Treasurer shall have the right to use all such work product without restriction or limitation and without further compensation to you.

b. Return of Work Product

Within thirty (30) days after expiration or termination of the Agreement, the Contractor shall deliver to Treasurer, or to a third party, if so instructed by the Treasurer, all Work Product in Contractor's possession in the performance of the Agreement. If requested by the Treasurer, the Contractor shall certify in writing that all such Work Product has been delivered to the Treasurer.

VIII. APPENDICES

- A. State Certifications Forms
- B. Financial Interest and Potential Conflicts of Interest Disclosure Form
- C. Other Contract and Procurement Related Information Disclosure Form

Appendix A

ILLINOIS STATE TREASURER CERTIFICATIONS

_____ (“CONTRACTOR”) makes the following certifications:

1.0 ANTI-BRIBERY.

CONTRACTOR certifies that it is not barred from being awarded a contract or subcontract under Section 50-5 of the Illinois Procurement Code (30 ILCS 500/50-5). Section 50-5 prohibits a contractor from entering into a contract with a State agency if the contractor has been convicted of bribery or attempting to bribe an officer or employee of the State of Illinois, or if the contractor has made an admission of guilt of such conduct with is a matter of record. The contractor further acknowledges that the chief procurement officer may declare the related contract void if this certification is false.

2.0 BID-RIGGING/BID-ROTATING.

CONTRACTOR certifies that it has not been barred from contracting with a unit of State or local government as a result of a violation of Section 33E-3 or 33E-4 of the Criminal Code of 1961 (720 ILCS 5/33E-3, 33E-4).

3.0 DRUG FREE WORKPLACE.

This certification is required by Section 3 of the Drug Free Workplace Act (30 ILCS 580/3). The Drug Free Workplace Act, effective January 1, 1992, requires that CONTRACTOR shall not be considered for the purposes of being awarded a contract for the procurement of any services from the State unless CONTRACTOR has certified to the State that CONTRACTOR will provide a drug free workplace. False certification or violation of the certification may result in sanctions including, but not limited to, suspension of contract payments, termination of the contract and debarment of contracting opportunities with the State for at least one (1) year but not more than five (5) years.

CONTRACTOR certifies and agrees that it will provide a drug free workplace by:

- a. Publishing a statement:
 - i. Notifying employees that the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance, including cannabis, is prohibited in the grantee’s or contractor’s workplace.
 - ii. Specifying the actions that will be taken against employees for violation of such prohibition.
 - iii. Notifying the employee that, as a condition of employment on such contract or grant, the employee will:
 - a. abide by the terms of the statement; and
 - b. notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction.
- b. Establishing a drug free awareness program to inform employees about:
 - i. the dangers of drug abuse in the workplace;
 - ii. CONTRACTOR’s policy of maintaining a drug free workplace;

- iii. any available drug counseling, rehabilitation, and employee assistance programs; and
- iv. the penalties that may be imposed upon an employee for drug violations.
- c. Providing a copy of the statement required by Section (a) to each employee engaging in the performance of the contract or grant and to post the statement in a prominent place in the workplace.
- d. Notifying the Treasurer's Office within ten (10) days after receiving notice under part (b) of paragraph (iii) of Section (a) above from an employee or otherwise receiving actual notice of such conviction.
- e. Imposing a sanction on, or requiring the satisfactory participation in drug abuse assistance or rehabilitation program by, an employee who is so convicted, as required by Section 5 of the Drug Free Workplace Act.
- f. Assisting employees in selecting a course of action in the event of drug counseling, treatment, and rehabilitation is required and indicating that a trained referral team is in place.
- g. Making a good faith effort to continue to maintain a drug free workplace through implementation of the Drug Free Workplace Act.

4.0 U.S. EXPORT ACT.

CONTRACTOR certifies that neither CONTRACTOR nor any substantial-owned affiliated company is participating or shall participate in an international boycott in violation of the provisions of the U.S. Export Administration Act of 1979 (50 U.S.C.A. App. § 2401 et seq.) or the regulations of the U.S. Department of Commerce promulgated under that Act.

5.0 NON-DISCRIMINATION.

CONTRACTOR certifies that it is in compliance with the State and Federal Constitutions, the U.S. Civil Rights Act, Section 504 of the Federal Rehabilitation Act, and all applicable rules that prohibit unlawful discrimination in performance of this Agreement and all other activities, including employment and other contracts. As a condition of receiving the Agreement, CONTRACTOR represents or certifies that services, programs and activities provided under the Agreement are and will continue to be in compliance with State and Federal Constitutions, the U.S. Civil Rights Act, Section 504 of the Federal Rehabilitation Act, and all applicable laws that prohibit unlawful discrimination.

6.0 AMERICANS WITH DISABILITIES ACT.

CONTRACTOR certifies that it is in compliance with the Americans with Disabilities Act ("ADA") (42 U.S.C. 12101 et seq.) and the regulations thereunder (28 CFR 35.130) prohibit discrimination against persons with disabilities by the Treasurer, whether directly or through contractual arrangements, in the provision of any aid, benefit or service. As a condition of receiving the Agreement, CONTRACTOR represents or certifies that services, programs and activities provided under the Agreement are and will continue to be in compliance with the ADA.

7.0 ILLINOIS HUMAN RIGHTS ACT.

CONTRACTOR certifies that it is presently in compliance with all of the terms, conditions and provisions of Section 5/2-105 of the Illinois Human Rights Act (775 ILCS 5/2-105), together with all rules and regulations promulgated and adopted pursuant thereto.

8.0 FELONY.

CONTRACTOR certifies that it has not been barred from being awarded a contract under Section 50-10 of the Illinois Procurement Code (30 ILCS 500/50-10). Section 50-10 prohibits a contractor from entering into a contract with a State agency if the contractor has been convicted of a felony and 5 years have not passed from the completion of the sentence for that felony. The contractor further acknowledges that the chief procurement officer may declare the related contract void if this certification is false.

9.0 FORMER EMPLOYMENT.

CONTRACTOR has informed the Treasurer's Office in writing if CONTRACTOR was formerly employed by the Treasurer's Office and has received an early retirement incentive under Section 14-108.3 or 16-133.3 of the Illinois Pension Code (30 ILCS 105/15a).

10.0 INDUCEMENT.

CONTRACTOR has not paid any money or valuable thing to induce any person to refrain from bidding on a State contract, nor has CONTRACTOR accepted any money or other valuable thing, or acted upon the promise of same, for not bidding on a State contract (30 ILCS 500/50-25).

11.0 REVOLVING DOOR PROHIBITION.

CONTRACTOR certifies that neither it nor its employees and agents are in violation of section 50-30 of the Illinois Procurement Code (30 ILCS 500/50-30). Section 50-30 prohibits for a period of (2) years after terminating an affected position certain State employees and their designees from engaging in any procurement activity relating to the State agency most recently employing them for a specified period of time.

12.0 REPORTING ANTICOMPETITIVE PRACTICES.

CONTRACTOR shall report to the Illinois Attorney General and the Chief Procurement Officer any suspected collusion or other anticompetitive practice among any bidders, offerors, contractors, proposers or employees of the State (30 ILCS 500/50-40, /50-45, /50-50).

13.0 DISCRIMINATORY CLUB.

CONTRACTOR agrees not to pay any dues or fees on behalf of its employees or agents or subsidize or otherwise reimburse them for payments of any dues or fees to a discriminating club as prohibited by Section 2 of the Discriminatory Club Act (775 ILCS 25/2).

14.0 TAXPAYER IDENTIFICATION NUMBER AND LEGAL STATUS OF CONTRACTOR.

CONTRACTOR shall be in compliance with applicable tax requirements and shall be current payment of such taxes. Under penalty of perjury, CONTRACTOR certifies that # _____ is its correct Taxpayer Identification Number and that it is doing business as a (please check one):

Individual
 Sole Proprietor
 Partnership/Legal Corporation
 Tax Exempt
 Corporation providing or billing
 medical and/or health care services
 Corporation NOT providing or billing
 medical and/or health care services
 Other: _____

Government Entity
 Nonresident alien
 Estate or trust
 Pharmacy (Non-Corp.)
 Pharmacy/Funeral Home/Cemetery
 (Corp.)
 Limited Liability Company (select
 applicable tax classification.)
 C = corporation
 P = partnership

15.0 LICENSE; AUTHORIZED BIDDER OR OFFEROR

CONTRACTOR, directly or through its employees, shall have and maintain any license required by this Agreement. CONTRACTOR further certifies that it is a legal entity authorized to do business in Illinois prior to the submission of the bid, offer, or proposal pursuant to section 20-43 of the Illinois Procurement Code (30 ILCS 500/20-43).

16.0 APPROPRIATION.

This Agreement is subject to termination and cancellation in any year for which the General Assembly fails to make an appropriation for payments under the terms of the contract.

17.0 RECORDS RETENTION; RIGHT TO AUDIT.

CONTRACTOR agrees to maintain books and records related to the performance of the contract and necessary to support amounts charged to the State under the contract for a minimum of three years from the last action on the contract or after termination of the Agreement, whichever is longer. Contractor further agrees to cooperate fully with any audit and to make the books and records available for review and audit by the Auditor General, chief procurement officers, internal auditor and the Treasurer; CONTRACTOR agrees to cooperate fully with any audit conducted by the Auditor General or the Treasurer and to provide full access to all relevant materials. The three-(3)-year period shall be extended for the duration of any audit in progress during the term. Failure to maintain the books, records and supporting documents required by this Section shall establish a presumption in favor of the State for the recovery of any funds paid by the State under this Agreement for which adequate books, records, and supporting documentation are not available to support their purported disbursement.

18.0 CONFLICTS OF INTEREST.

CONTRACTOR has disclosed, and agrees that it is under a continuing obligation to disclose, to the Treasurer financial or other interests (public or private, direct or indirect) that may be a potential conflict of interest that would prohibit CONTRACTOR from entering into or performing the Agreement. Conflicts of interest include, but are not limited to, conflicts under Section 1400.5020 of the Treasurer's Procurement Rules (44 Ill. Adm. Code 1400.5020) and Sections 50-13, 50-20, and 50-35 of the Illinois Procurement Code (30 ILCS 500/50).

19.0 LATE PAYMENTS.

Late payment charges, if any, shall not exceed the formula established in the Illinois Prompt Payment Act (30 ILCS 540/1) and the Illinois Administrative Code (74 Ill. Adm. Code 900).

20.0 LIABILITY.

The State's liability for damages is expressly limited by and subject to the provisions of the Illinois Court of Claims Act (705 ILCS 505/1) and to the availability of suitable appropriations.

21.0 DEBT DELINQUENCY.

CONTRACTOR certifies that it, or any affiliate, is not barred from being awarded a contract or subcontract under section 50-11 of the Illinois Procurement Code (30 ILCS 500/50-11). Section 50-11 prohibits a contractor from entering into a contract with the Treasurer's Office if it knows or should know that it, or any affiliate, is delinquent in the payment of any debt to the State as defined by the Debt Collection Board. CONTRACTOR further acknowledges that the Treasurer's Office may declare the Agreement void if this certification is false or if CONTRACTOR or any affiliate is determined to be delinquent in payment of any debt during the term of the Agreement.

22.0 EDUCATIONAL LOAN DEFAULT.

CONTRACTOR certifies that it is not barred from being awarded a contract under the Educational Loan Default Act (5 ILCS 385). Section 3 of the Educational Loan Default Act prohibits an individual from entering into a contract with the Treasurer's Office if that individual is in default of an educational loan. CONTRACTOR further acknowledges that the Treasurer's Office may declare the Agreement void if this certification is false or if CONTRACTOR is determined to be in default of an educational loan during the term of the Agreement.

23.0 FORCE MAJEURE.

Failure by either party to perform its duties and obligations shall be excused by unforeseeable circumstances beyond its reasonable control, including acts of nature, acts of the public enemy, riots, labor or material shortages, labor disputes, fire, flood, explosion, legislation, and governmental regulation.

24.0 ANTITRUST ASSIGNMENT.

CONTRACTOR hereby assigns, sells and transfers to the State of Illinois all right, title and interest in and to any claims and causes of action arising under antitrust laws of Illinois or the United States relating to the subject matter of the Agreement.

25.0 PROHIBITION OF GOODS FROM FORCED LABOR.

CONTRACTOR certifies that it is not barred from being awarded a contract under the State Prohibition of Goods from Forced Labor Act (30 ILCS 583). Section 10 of the State Prohibition of Goods from Forced Labor Act prohibits a contractor from entering into a contract with the Treasurer's

Office if that contractor knew that the foreign-made equipment, materials, or supplies furnished to the State were produced in whole or part by forced labor, convict labor, or indentured labor under penal sanction. CONTRACTOR further acknowledges that the Treasurer's Office may declare the Agreement void if this certification is false or if CONTRACTOR is determined to have known that the foreign-made equipment, materials, or supplies furnished to the State during the term of the Agreement were produced in whole or part by forced labor, convict labor, or indentured labor under penal sanction.

26.0 PROHIBITION OF GOODS FROM CHILD LABOR.

CONTRACTOR certifies in accordance with Public Act 94-0264 that no foreign-made equipment, materials, or supplies furnished to the State under the contract have been produced in whole or in part by the labor of any child under the age of 12.

27.0 SARBANES-OXLEY ACT AND ILLINOIS SECURITIES LAW

CONTRACTOR certifies that it is not barred from being awarded a contract or subcontract under section 50-10.5 of the Illinois Procurement Code (30 ILCS 500). Section 50-10.5, amongst other things, prohibits a contractor from bidding or entering into a contract or subcontract with the Treasurer's Office if the contractor or any officer, director, partner, or other managerial agent of the contractor has been convicted in the last 5 years of a felony under the Sarbanes-Oxley Act of 2002 or a Class 3 or Class 2 felony under the Illinois Securities Law of 1953 or if the contractor is in violation of Subsection (e). CONTRACTOR further acknowledges that the Treasurer's Office may declare the agreement void if this certification is false or if CONTRACTOR is determined to have been convicted of a felony under the Illinois Sarbanes-Oxley Act of 2002 or a Class 3 or Class 2 felony under the Illinois Securities Law of 1953 during the term of the agreement.

28.0 DISPUTES.

Any claim against the State arising out of this Agreement must be filed exclusively with the Illinois Court of Claims (705 ILCS 505/1). The State shall not enter into binding arbitration to resolve any agreement dispute. The State of Illinois does not waive sovereign immunity by entering into this Agreement. Any provision containing a citation to an Illinois statute (cited "ILCS") may not contain the complete statutory language. The official text, which is incorporated by reference, may be found in the appropriate chapter and section of the Illinois Compiled Statutes. An unofficial version may be viewed at www.ilga.gov.

29.0 THIRD-PARTY PAYMENTS.

CONTRACTOR certifies that no fee was paid to a third-party in expectation of being awarded a contract by the Treasurer.

30.0 MOST FAVORABLE TERMS.

If more favorable terms are granted by the CONTRACTOR to any similar governmental agency in any state in a contemporaneous agreement let under the same or similar financial terms and

circumstances for comparable supplies or services, the more favorable terms will be applicable under the Agreement between the Treasurer's Office and the CONTRACTOR.

31.0 BOARD OF ELECTIONS REGISTRATION

_____ The CONTRACTOR certifies that they are not required to register as a business entity with the State Board of Elections pursuant to the Illinois Procurement Code (30 ILCS 500/20-160). Further, the CONTRACTOR acknowledges that all contracts or subcontracts between State agencies and a business entity that do not comply with this Section shall be voidable under Section 50-60 of the Illinois Procurement Code (30 ILCS 500/50-60).

(or)

_____ The CONTRACTOR certifies that they have registered as a business entity with the State Board of Elections and acknowledges a continuing duty to update the registration pursuant to the Illinois Procurement Code (30 ILCS 500/20-160). Further, the CONTRACTOR acknowledges that all contracts or subcontracts between State agencies and a business entity that do not comply with this Section shall be voidable under Section 50-60 of the Illinois Procurement Code (30 ILCS 500/50-60).

32.0 COLLECTION AND REMITTANCE OF ILLINOIS USE TAX

The CONTRACTOR certifies that it is not barred from being awarded a contract under section 50-12 of the Illinois Procurement Code (30 ILCS 500/50-12). Section 50-12 prohibits a contractor from entering into a contract or subcontract with a State agency if the CONTRACTOR or affiliate has failed to collect and remit Illinois Use Tax on all sales of tangible personal property into the State of Illinois in accordance with the provisions of the Illinois Use Tax Act. The CONTRACTOR further acknowledges that the contract or subcontract may be voided if this certification is false.

33.0 ENVIRONMENTAL PROTECTION ACT VIOLATIONS

The CONTRACTOR certifies that it is not barred from being awarded a contract or subcontract under section 50-14 of the Illinois Procurement Code (30 ILCS 500/50-14). Section 50-14 prohibits a CONTRACTOR from entering into a contract or subcontract with a State agency if the CONTRACTOR has been found by a court or the Pollution Control Board to have committed a willful or knowing violation of the Environmental Protection Act within the last (5) years. The CONTRACTOR further acknowledges that the contracting State agency may declare the related contract or subcontract void if this certification is false.

34.0 LEAD POISONING PREVENTION ACT VIOLATIONS

The CONTRACTOR certifies that it is not barred from entering into a contract or subcontract under section 50-14.5 of the Illinois Procurement Code (30 ILCS 500/50-14.5). Section 50-14.5 prohibits a CONTRACTOR from entering into a contract or subcontract with the State of Illinois or a State agency if the CONTRACTOR, while the owner of a residential building, committed a willful or knowing violation of the Lead Poisoning Prevention Act. The CONTRACTOR further acknowledges that the Treasurer may declare the related contract or subcontract void if this certification is false.

35.0 BOND ISSUANCES

The CONTRACTOR certifies that it is not barred from being awarded a contract or subcontract under section 50-21 of the Illinois Procurement Code (30 ILCS 500/50-21). Section 50-21 prohibits State agencies from entering into contracts or subcontracts with respect to the issuances of bonds or other securities by the State or a State agency with any entity that uses an “independent consultant” as defined in section 50-21.

36.0 POLITICAL CONTRIBUTIONS

The CONTRACTOR certifies that it is not barred from being awarded a contract or subcontract under section 50-37 of the Illinois Procurement Code (30 ILCS 500/50-37). Section 50-37 prohibits business entities whose contracts with State agencies, in the aggregate, annually total more than \$50,000, or whose aggregate pending bids and proposals on State contracts total more than \$50,000, and any affiliated entities or affiliated persons of such business entity, from making any contributions to any political committee established to promote the candidacy of the office holder responsible for awarding the contract on which the business entity has submitted a bid or proposal during the period beginning on the date the invitation for bids or request for proposals are issued and ending on the day after the date the contract is awarded.

37.0 LOBBYING RESTRICTIONS

The CONTRACTOR certifies that it is not barred from being awarded a contract or subcontract under section 50-38 of the Illinois Procurement Code (30 ILCS 500/50-38). Section 50-38 prohibits a CONTRACTOR from billing the State for any lobbying costs, fees, compensation, reimbursements, or other remuneration provided to any lobbyist who assisted the CONTRACTOR in obtaining the contract or subcontract.

38.0 DISCLOSURE OF BUSINESS OPERATIONS WITH IRAN (30 ILCS 500/50-36)

Each bid, offer, or proposal submitted for a State contract, other than a small purchase defined in Section 20-20 [of the Illinois Procurement Code], shall include a disclosure of whether or not the bidder, offeror, or proposing entity, or any of its corporate parents or subsidiaries, within the 24 months before submission of the bid, offer, or proposal had business operations that involved contracts with or provision of supplies or services to the Government of Iran, companies in which the Government of Iran has any direct or indirect equity share, consortiums or projects commissioned by the Government of Iran and:

(1) more than 10% of the company’s revenues produced in or assets located in Iran involve oil-related activities or mineral-extraction activities; less than 75% of the company’s revenues produced in or assets located in Iran involve contracts with or provision of oil-related or mineral – extraction products or services to the Government of Iran or a project or consortium created exclusively by that Government; and the company has failed to take substantial action; or

(2) the company has, on or after August 5, 1996, made an investment of \$20 million or more, or any combination of investments of at least \$10 million each that in the aggregate equals or exceeds \$20 million in any 12- month period that directly or significantly contributes to the enhancement of Iran’s ability to develop petroleum resources of Iran.

You must check one of the following items and if item 2 is checked you must also make the necessary disclosure:

There are no business operations that must be disclosed to comply with the above cited law.

The following business operations are disclosed to comply with the above cited law:

CONTRACTOR

By: _____
Signature

Name

Title

Date

Appendix B

DISCLOSURES

FINANCIAL INTEREST AND POTENTIAL CONFLICTS OF INTEREST
(Disclosure Form A)

The Treasurer's Procurement Regulations (44 Ill. Adm. Code 1400.5035) require that contractors/offerors desiring to enter into certain contracts with the State of Illinois must disclose the financial and potential conflicts of interest information as specified below.

Contractor/offeror shall disclose the financial interest and potential conflicts of interest information identified in Sections 1 and 2 below as a condition of receiving an award or contract. Submit this information along with your bid, proposal or offer.

This requirement applies to contracts with an annual value exceeding \$10,000.

A publicly traded entity may submit its 10K disclosure in satisfaction of the disclosure requirements set forth in both Sections 1 and 2 below.

Sec. 1. Disclosure of Financial Interest in the Contractor/Offeror

- a. If any individuals have one of the following financial interests in the contractor/offeror (or its parent), please check all that apply and show their name and address:

| | |
|--|--------------------------|
| Ownership exceeding 5% | <input type="checkbox"/> |
| Ownership value exceeding \$106,447.20 | <input type="checkbox"/> |
| Distributive Income Share exceeding 5% | <input type="checkbox"/> |
| Distributive Income Share exceeding \$106,447.20 | <input type="checkbox"/> |

Name: _____

Address: _____

- b. For each individual named above, show the type of ownership/distributable income share: sole proprietorship _____ stock _____ partnership _____ other _____ (explain)

- c. For each individual named above, show the dollar value or proportionate share of the ownership interest in the contractor/offeror (or its parent) as follows:

If the proportionate share of the named individual(s) in the ownership of the contractor/offeror (or its parent) is 5% or less, and if the value of the ownership interest of the named individual(s) is \$106,447.20 or less, check here

If the proportionate share of ownership exceeds 5% or the value of the ownership interest exceeds \$106,447.20, show either.

The percent of ownership _____ %
or
The value of the ownership interest \$ _____

Sec. 2. Disclosure of Potential Conflicts of Interest. For each of the individuals having the level of financial interest identified in Section 1 above, check "Yes" or "No" to indicate which, if any, of the following potential conflicts of interest relationships apply. If "Yes," please describe (use space under applicable section to explain your answers – attach additional pages as necessary).

- | | | | |
|----|--|--------------|-------------|
| a. | State employment, currently or in the previous 3 years, including contractual employment of services | Yes _____ | No _____ |
| b. | State employment for spouse, father, mother, son, or daughter, including contractual employment for services in the previous 2 years. | Yes _____ | No _____ |
| c. | Elective status; the holding of elective office of the State of Illinois, the government of the United States, any unit of local government authorized by the Constitution of the State of Illinois, or the statutes of the State of Illinois currently or in the previous 3 years. | Yes _____ | No _____ |
| d. | Relationship to anyone holding elective office currently or in the previous 2 years; spouse, father, mother, son, or daughter. | Yes _____ | No _____ |
| e. | Appointive office; the holding of any appointive government office of the State of Illinois, the United States of America, or any unit of local government authorized by the Constitution of the State of Illinois or the statutes of the State of Illinois, which office entitles the holder to compensation in excess of expenses incurred in the discharge of that office currently or in the previous 3 years. | Yes _____ | No _____ |
| f. | Relationship to anyone holding appointive office currently or in the previous 2 years; spouse, father, mother, son, or daughter. | Yes _____ | No _____ |
| g. | Employment, currently or in the previous 3 years, as or by any registered lobbyist of the State government. | Yes _____ | No _____ |
| h. | Relationship to anyone who is or was a registered lobbyist in the previous 2 years; spouse, father, mother, son, or daughter. | Yes _____ | No _____ |
| i. | Compensated employment, currently or in the previous 3 years, by any registered election or re-election committee registered with the Secretary of | Yes _____ | No _____ |

State or any county clerk in the State of Illinois, or any political action committee with either the Secretary of State or the Federal Board of Elections.

- | | | | |
|----|--|--------------|-------------|
| j. | Relationship to anyone; spouse, father, mother, son, or daughter, who is or was a compensated employee in the last 2 years of any registered election or re-election committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections. | Yes _____ | No _____ |
|----|--|--------------|-------------|

This disclosure is submitted on behalf of

(Name of Contractor/Offeror)

Official authorized to sign on behalf of contractor/offeror:

Name (printed) _____ Title _____

Signature _____ Date _____

Appendix C

DISCLOSURES OTHER CONTRACT AND PROCUREMENT RELATED INFORMATION (Disclosure Form B)

The Treasurer's Procurement Regulations (44 Ill. Adm. Code 1400.5035) require that contractors/offers desiring to enter into certain contracts with the State of Illinois must disclose the information as specified below.

Contractor/offers shall disclose the information identified below as a condition of receiving an award or contract.

This requirement is applicable to only those contracts with an annual value exceeding \$10,000.

You must submit this information along with your bid, proposal or offer.

- a. Contractor/offers shall identify whether it has current contracts (including leases) with other units of State of Illinois government by checking "Yes" _____ or "No" _____.

If "Yes" is checked, identify each contract by showing agency name and other descriptive information such as purchase order or contract reference number (attach additional pages as necessary).

- b. Contractor/offers shall identify whether it has pending contracts (including leases), bids, proposals, or other ongoing procurement relationships with other units of State of Illinois government by checking "Yes" _____ or "No" _____.

If "Yes" is checked, identify each such relationship by showing agency name and other descriptive information such as bid or project number (attach additional pages as necessary).

This disclosure is submitted on behalf of _____
(Name of Contractor/Offeror)

Official authorized to sign on behalf of contractor/offers:

Name (printed) _____ Title _____

Signature _____ Date _____