

INVESTMENT ADVISORY AGREEMENT

This Investment Advisory Agreement (this "Agreement"), made as of this ____ day of _____, 2010, by and between the Illinois State Board of Investment (the "Board") and _____ (the "Adviser").

WITNESSETH

WHEREAS, the Board is duly constituted in accordance with Chapter 40 5/22A of the Illinois Compiled Statutes; and

WHEREAS, Chapter 40, Articles 5/1 and 5/22A of the Illinois Compiled Statutes provides that the Board may appoint one or more investment advisers who shall have the power to manage, acquire or dispose of such portion of the Board's assets as the Board shall determine from time to time; and

WHEREAS, the Board desires to appoint the Adviser as the investment adviser to assume the responsibilities of investment management of the assets contained in _____ ("Account") and has retained the State Street Bank and Trust Company as custodian ("Custodian") of such Account and has directed the Custodian to respond to the investment instructions of the Adviser with respect to assets now or hereafter held in the Account.

NOW THEREFORE, in consideration of the mutual promises and agreements herein contained, the Board and the Adviser hereby agree as follows:

1. Appointment of Adviser. The Board hereby appoints Adviser to act as the investment adviser with respect to the assets in the Account. Adviser does hereby accept said appointment as an investment adviser under the Account. By accepting such appointment, Adviser agrees that at all times it shall act in accordance with the terms and conditions of this Agreement and all other provisions of law applicable to this undertaking.

2. Fiduciary. In addition to, but not in lieu of any and all applicable fiduciary standards imposed under federal or state law, Adviser is a fiduciary with respect to the assets it manages pursuant to this Agreement. Adviser shall perform its duties under this Agreement with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in an enterprise of like character and with like aims. Termination of this Agreement does not release Adviser from any of its fiduciary responsibilities arising from its advisement of the Account.

3. Investment Management Services. Adviser shall invest and otherwise manage the assets held by the Custodian in the Account. Responsibility for the investment and management is assigned to Adviser by the Board. Adviser shall have sole discretion with respect to investment of funds in the Account without prior consultation with the Board; however, Adviser shall act at all times in accordance with the applicable requirements of the Illinois Pension Code, 40 ILCS 5/1, and 40 ILCS 5/22A. Adviser shall be bound by such written investment policy objectives and guidelines for the management of the assets as shall from time to time be provided to Adviser by the Board and acknowledged in writing by Adviser. *Schedule*

A, which is attached hereto and incorporated herein, contains a statement of investment policy objectives and guidelines for the Account. Regarding the management of the Account, Adviser shall only be bound by the investment policy objectives and guidelines specifically set forth in **Schedule A**. The Board may modify this statement in writing at any time and such modified statement shall be effective upon Adviser's written acknowledgment of receipt of such modification. Adviser shall have the authority to select the brokerage firms through which orders will be placed. However, all utilization of internal brokerage services for the buying and selling of Account assets is strictly prohibited. Adviser may combine orders for the Account with orders for other accounts or funds under management. Adviser may utilize soft dollars, to the extent permitted by Section 28(e) of the Securities Exchange Act of 1934 and the SEC's interpretive guidance regarding client commission practices under the Section 28(e) safe harbor. Adviser shall effect all purchases and sales of securities in a manner consistent with the principles of best execution, taking into account net price (including commissions) and execution capability and other services that the broker or dealer may provide. Adviser shall utilize investment strategies designed to ensure that all securities transactions are executed in such a manner that the total explicit and implicit costs and total proceeds in every transaction are the most favorable under the circumstances. Adviser shall issue suitable instructions to the Custodian with respect to deliveries and payments. Any excess cash associated with the Account shall be invested in the Custodian's short term investment fund.

4. Custodian. The Custodian shall retain possession of, and have complete custodial responsibility for, the assets managed by Adviser for the Account. The Board shall cause the Custodian to maintain appropriate records as to the receipt and delivery of securities and the daily composition of the assets managed by Adviser for the Account and to retain certificates representing such securities in a manner that will facilitate prompt effecting of securities transactions. The Custodian will be instructed by the Board to deliver securities sold and pay for securities purchased, including all expenses relating to the purchase and sale of such securities, such as brokerage commissions and transfer taxes, in accordance with copies of confirmations received by the Custodian and, if Adviser so requests, to settle transactions in amounts equal to any executions confirmed even though such an execution may represent only a part of a larger order. The Custodian shall be responsible for obtaining timely delivery of securities and the Board shall direct the Custodian to send copies of settlement advices to Adviser.

5. Custodian and Adviser Communication. All payments, receipts and other transactions in cash or securities in respect of the Account shall be made directly from the Custodian at the direction of Adviser. Instructions from Adviser to the Custodian shall be made (i) in writing sent by first-class mail, (ii) electronically as agreed to by the Custodian and Adviser, or, (iii) at the option of Adviser, communicated orally or via facsimile and confirmed in writing as soon as practicable thereafter. Adviser shall instruct all brokers or dealers executing orders on behalf of the Account to forward to the Custodian copies of all brokerage confirmations promptly after the execution of transactions. Adviser shall promptly inform and forward to the Custodian, and shall not dispose of, any and all information received by Adviser relating to any class action lawsuits, settlements, bankruptcy matters, or other legal proceedings involving securities held by Adviser during the term of this Agreement on behalf of the Board, including, without limitation, notices, claim forms, pleadings, motions, settlements agreements,

and the like. The obligations imposed on Adviser by this paragraph shall survive termination of this Agreement.

6. Liabilities of Adviser. It is understood that Adviser will be acting in a similar capacity for other institutional and individual clients (including clients with discretionary accounts and clients with whom it may be affiliated) and that investments and reinvestments for the Account of the Board may differ from those made or recommended with respect to the accounts and clients even though the investment objectives may be the same or similar; however, Adviser shall allocate investment opportunities among clients on a fair and equitable basis. Adviser shall have responsibility with respect to the tendering of securities or interest coupons in response to offers, calls or redemptions or with respect to the exercise of conversion rights, subscription rights or other options relating to the portfolio. The presence of exculpatory language in this Agreement shall not be deemed by the Board, Adviser or any other party appointed pursuant to this Agreement, including without limitation, the Custodian, or any successor custodian, as in any way limiting the causes of action and remedies that may, notwithstanding such language, be available to the Board either under common law or statutory law principles applicable to fiduciary relationships or under applicable securities laws.

7. Directions to Adviser. The names, titles and authorities of the individuals authorized to act on behalf of the Board with respect to the Account and this Agreement are set forth in **Schedule B** to this Agreement, which is attached hereto and incorporated herein. All information regarding the operations and investments under this Agreement shall be regarded as confidential by Adviser. Notwithstanding the foregoing, Adviser can include information regarding the Account in aggregate performance data of Adviser that does not identify the Board.

8. Management Fees. Adviser will be compensated for its services, if Adviser provides services in accordance with the terms of this Agreement, in such manner and amount as may be agreed to by the Board and Adviser and set forth in **Schedule C** to this Agreement, which is attached hereto and incorporated herein. One quarter of the annualized fee shall be billed quarterly in arrears to the Board, based on the average market value, utilizing the closing business day of each month in that quarter. Market value, as reported by the Custodian, including accrued income, will be determinative for the purpose of calculating fees. Any deposits or withdrawals initiated by the Board during the billing quarter shall be prorated to the effective date. Such amount shall be the sole compensation owing by reason of investment advisory services under this Agreement. The fee for services for any period less than a full calendar quarterly period will be pro-rated on a daily basis on the annualized fee for the period and on the market value of the portfolio as described on the final date of such period.

9. Most Favored Nations. Adviser agrees that, if Adviser has entered or enters into an investment advisory agreement for the same investment management strategy with any other client in which a lower asset based fee schedule is in effect, then the Board shall be entitled to reduce the fee schedule in **Schedule C** to reflect this lower asset based fee.

10. Insurance. Adviser shall secure and maintain throughout the term of the Agreement, and for a period of five years thereafter, insurance that satisfies the requirements set forth in this Agreement and that is provided by insurer(s) rated A- or better by A.M. Best &

Company. The minimum insurance required for Adviser shall include errors and omissions coverage in an amount of \$5.0 million. This errors and omissions insurance shall protect the Account against losses from negligent acts, errors or omissions of Adviser. Adviser shall secure a bond protecting the Account assets that meets the requirements of, and that is in the amount specified under, Section 412 of ERISA and its applicable regulations. Adviser shall include among those covered by such bond or bonds the Adviser and any natural person employed by Adviser or its affiliates who is a fiduciary or who handles or controls assets constituting a portion of the Account. Adviser shall evidence its satisfaction of these insurance requirements in *Exhibit A* to this Agreement, which is attached hereto and incorporated herein.

11. Notice of Events. Adviser shall provide written notice to the Board regarding certain events pertaining to the Account and/or Adviser. Such notice shall include, at a minimum, the date, identification and description of the event triggering the notice requirement and shall be signed by an authorized party of Adviser.

(a) Adviser agrees to furnish immediate written notice to the Board, if any of the following events occur:

- (1) An adverse change to Adviser's financial condition or status;
- (2) Adviser's insolvency, filing of a petition in bankruptcy, becoming party to an involuntary bankruptcy proceeding, or Adviser making an assignment for the benefit of creditors; and
- (3) Any violation or incidence of non-compliance with the Account's investment policy objectives and guidelines.

(b) Adviser agrees to furnish written notice to the Board within five (5) business days, if any of the following events occur:

- (1) A material change(s) in senior officers or senior personnel involved in the management of the Account;
- (2) A material change(s) in ownership of Adviser, including the addition or departure of any partner, executive officer, director or any other person performing similar functions, or any person owning five (5) percent or more of the equity interests in Adviser;
- (3) Any significant legal actions instituted against Adviser, against Adviser's partners, executive officers, directors or any other persons performing similar functions, or any persons owning five (5) percent or more of the equity interests in Adviser, and/or against Adviser's employees; and
- (4) Any investigations, examinations or other proceedings commenced by any governmental or regulatory agency, which are not conducted in the ordinary course of Adviser's business, including investigations, examinations or other proceedings involving Adviser's partners, executive officers, directors or any other persons performing similar

functions, or any persons owning five (5) percent or more of the equity interests in Adviser, and/or Adviser's employees.

(c) Adviser agrees to provide written notice to the Board within ten (10) business days, if any of the following events occur:

(1) A termination of an institutional separate account within the same investment strategy as the Account; Adviser shall provide the account name, fee schedule, reason for termination and any other relevant information, unless such account has a confidentiality agreement in place, in which case generic information shall be provided;

(2) The provision of any fee to any of Adviser's new or existing accounts that has resulted in, or has the potential of resulting in, Adviser's noncompliance with the "Most Favored Nation" provision contained in Section 9 of this Agreement;

(3) Any action, event or occurrence that would be reportable in the disciplinary questions of Adviser's next ADV filing with the SEC; and

(4) Any cancellation of or adverse change to Adviser's insurance coverage.

12. Reporting.

(a) No later than 5 days after month end, Adviser shall prepare and promptly provide the Board, and copy the Custodian, with discrepancy letters or reconciliations outlining any differences in transactions, asset holdings, and market values with the Board's Custodial records.

(b) Adviser shall provide quarterly investment results and investment analysis for the Account in a form acceptable to the Board.

(c) Adviser shall provide a quarterly "soft dollar" report summarizing the amount of "soft dollars" Adviser generated with the Board's commissions, the brokerage firm(s) utilized for this purpose, and the research or other services purchased with these "soft dollars," together with an explanation of any of Adviser's "soft dollar" policies and procedures that are not fully described in the Form ADV submitted to the Board.

(d) Adviser shall provide on an annual basis a copy of its most recent ADV filing with the SEC.

(e) In furtherance of Section 9 of this Agreement, Adviser shall (i) provide on an annual basis a certification to the Board that more favorable fees are not effective between any other client with the same investment management strategy and (ii) disclose (and if requested, document) the fee schedules for the ten (10) clients with the same investment management strategy and closest in asset value to the Board (with the closest five (5) clients with higher and lower asset values being included, to the extent applicable).

(f) Adviser shall provide an annual certification to the Board certifying Adviser's compliance with Public Act 95-521 in the format provided by the Board.

(g) Adviser shall provide on an annual basis a copy of Adviser's insurance certificate(s) for the current year, evidencing coverage consistent with the requirements set forth in this Agreement.

(h) Adviser shall provide on an annual basis a Statement on Accounting Standards 70 report of actions taken by Adviser to determine that its system of internal controls is effective in meeting its objectives, including operations, financial reporting, and compliance objectives.

(i) Adviser shall provide on an annual basis a statement of income and expenditures and assets and liabilities.

(j) Adviser shall provide the Board, Custodian, Board Staff, Board auditors and other professional advisers with such documents, reports, data and other information at such times as the Board or the Board's Custodian may reasonably require. Such information shall be in a form satisfactory to, and approved by, the Board.

13. Terms of Agreement. This Agreement shall commence on the date hereof and shall continue until it is terminated by the Board or Adviser. Adviser may terminate this Agreement at any time with thirty (30) business days prior written notice to the Board. The Board may terminate this Agreement at any time with ten (10) business days prior written notice; however, the Board may at any time without prior written notice order Adviser to cease investment activity, subject to Adviser's obligation to complete execution of directions or instructions already acted upon. Such order by the Board may be communicated orally and confirmed in writing as soon as practicable thereafter. Adviser understands and agrees that Adviser's fiduciary responsibilities under this Agreement extend through the orderly wind-up and transfer of the Account to any party or entity designated by the Board, and, if Adviser is so directed by the Board, such responsibilities may include decisions related to the liquidation or conversion of specific investments within the Account. The Board's obligation to pay Adviser's fees for investment advisory services shall cease upon the later of: (i) termination of this Agreement, or (ii) completion of the orderly wind-up and transfer of the Account and removal of all assets under management.

14. Amendment. This Agreement may be amended at any time by mutual agreement in writing executed by the Board and Adviser.

15. Governing Law. Adviser shall comply with all applicable laws of the State of Illinois and the United States of America, and any governmental or regulatory authority outside of the United States. Regulatory reports required under laws applicable to Adviser by any regulatory authority shall be the responsibility of Adviser. This Agreement shall be construed and governed in accordance with the laws of the State of Illinois to the extent that such laws are not pre-empted by the laws of the United States of America. By entering into this Agreement, Adviser agrees to submit to the exclusive jurisdiction of the state and federal courts

of Illinois and agrees that any action or proceedings against the Board arising out of or in connection with this Agreement shall be instituted in the Illinois Court of Claims.

16. Notice. All notices required by this Agreement shall be effective: (i) if sent by certified or registered mail, return receipt requested, by United States express mail, or by courier service, then when actually received; (ii) if sent by telecopier or other facsimile transmission, then on the date sent, provided confirmatory notice is sent via electronic mail; or (iii) if delivered by hand, then on the date so delivered. Notice shall be addressed to the respective parties as follows:

- (a) to the Adviser:

- (b) to the Board:
Illinois State Board of Investment
General Counsel/ Chief Compliance Officer
Emily A. Reid
180 North LaSalle Street, Suite 2015
Chicago, Illinois 60601
(312) 793-5712
(312) 793-2266 (fax)

- (c) to the Custodian:
State Street Bank and Trust Company
Vice President, Client Services
Maria Luce
State Street Financial Center
One Lincoln Street, 19th Floor
Boston, MA 02111-2900
(617) 664-9426
(617) 769-6737 (fax)

17. Proxy Voting. The Board shall direct the Custodian in voting of all proxies and Adviser shall have no responsibility in respect of the voting of proxies.

18. Indemnification. Adviser agrees to indemnify and hold the Board and its trustees, officers, employees, agents and representatives and their respective successors and assigns (collectively, the "Board Parties") harmless from and against any loss, cost, claim, action, cause of action, liability or expense which the Board Parties may incur arising out of or relating to any (a) breach of this Agreement by Adviser, (b) bad faith, fraud, willful misconduct or gross negligence of Adviser or its agents or employees, (c) self dealing with the assets of the Board, or (d) violation of any applicable law or regulation by Adviser or its agents or employees, together with reasonable attorneys' fees, costs and expenses (including, without limitation, reasonable costs of investigation) incurred by the Board Parties as a result thereof.

19. Assignment. No party may assign this Agreement, in whole or in part, nor delegate except as contemplated herein all or part of the performance of duties required of it by

this Agreement without the prior consent of the other party, and any attempted assignment or delegation without such consent shall be void.

20. Federal Taxpayer Identification Certification. Under penalties of perjury, Adviser certifies that the legal name of business, taxpayer identification number, and legal status of business listed below are correct.

Adviser's legal name of business: _____

Taxpayer Identification Number: _____

Legal status of business: _____

21. Affiliates. Adviser shall disclose the names and addresses of: (i) Adviser; (ii) any entity that is a parent of, or owns a controlling interest in, Adviser; (iii) any entity that is a subsidiary of, or in which a controlling interest is owned by, Adviser; (iv) any persons who have an ownership or distributive income share in Adviser that is in excess of 5%; or (v) any persons who serve as executive officers of Adviser. Such disclosure shall be provided in **Exhibit B** to this Agreement, which is attached hereto and incorporated herein.

22. Finder's Fee. Adviser certifies that no finder's fee or finder's commission, or third party placement, marketing, solicitor, consulting, or contingency fee, or any other consideration, has been paid or shall be paid to any individual or organization resulting from or related to the establishment of this investment advisory relationship with the Board. Adviser shall fully disclose any direct or indirect fees, commissions, penalties, or other compensation, including reimbursement for expenses that may be paid by or on behalf of Adviser in connection with the provision of services to the Board. Such disclosure shall be provided in **Exhibit C** to this Agreement. Adviser acknowledges a continuing duty to update such disclosure promptly after a modification of those payments or an additional payment.

23. Execution of Originals. This Agreement may be executed in two or more counterparts, any one of which shall be an original without reference to the others.

24. No Waiver. A party's failure at any time to enforce any of the provisions of this Agreement or any right with respect thereto, will not be construed to be a waiver of such provision or right, or to affect the validity of this Agreement. The exercise or non-exercise by a party of any right under the terms or covenants herein shall not preclude or prejudice the exercising thereafter of the same or other rights under this Agreement.

25. Subcontracting. If Adviser retains any subcontractors to perform any portion of the work hereunder, then Adviser shall promptly provide notification, in writing, to the Board. Adviser shall also disclose the names and addresses of all subcontractors and the expected amount of money each will receive under the contract. Disclosure of subcontractors shall be provided in **Exhibit D** of this Agreement. If during the term of the Agreement, Adviser adds or changes any subcontractors, Adviser will provide notification, in writing, to the Board. For purposes of this Agreement, the term "subcontractors" will not be construed to include non-

investment related professionals or professionals offering services that are not directly related to the investment of assets, such as legal counsel, actuary, proxy-voting services, services used to track compliance with legal standards, and investment fund of funds where the Board has no direct contractual relationship with the investment advisers or partnerships.

26. No Agency. Adviser shall have no power or authority to bind the Board to any agreement and/or document, except as otherwise provided in this Agreement.

27. Legality. If any provision of this Agreement shall be held invalid, illegal or unenforceable, the validity, legality or enforceability of the other provisions of this Agreement shall not be affected, and there shall be deemed substituted for the provision at issue a valid, legal and enforceable provision as similar as possible to the provision at issue.

28. Appropriation. Any amount of compensation due according to the terms of this Agreement for which an appropriation is required and for which no appropriation has been enacted by the Illinois General Assembly and signed into law by the Governor shall not be due and payable and this Agreement shall become null and void as to such compensation unless and until the required appropriation is made.

29. Adviser Certifications, Representations and Acknowledgements. Adviser hereby certifies, represents, and acknowledges as follows:

(a) Adviser (i) is registered as an “investment adviser” under the Investment Advisers Act of 1940 as amended (the “Advisers Act”); (ii) will promptly advise the Board if at any time during the term of this Agreement Adviser ceases being so registered; (iii) warrants that none of the disqualifications described in Section 411 of ERISA apply to Adviser; (iv) has completed, obtained or performed all other acts, registrations, filing, approvals, authorizations, consents or examinations necessary to comply with the requirements of any government or governmental authority for the performance of the acts contemplated by this Agreement; and (v) has delivered to the Board a copy of Part II of its Form ADV or comparable Brochure pursuant to the Advisers Act.

(b) Adviser is a fiduciary with respect to the assets it manages pursuant to this Agreement and assumes the duties, responsibilities and obligations of a fiduciary, as detailed in the Illinois Compiled Statutes Chapter 40 5/1.

(c) Prior to the execution of this Agreement, Adviser has disclosed to the Board any action, event or occurrence that would be reportable in Section 11 of Adviser’s next ADV filing with the Securities and Exchange Commission.

(d) Adviser and Adviser’s partners, executive officers, directors or any other persons performing similar functions, or any persons owning five (5) percent or more of the equity interests in Adviser: (i) are not legally prohibited from contracting with the Board or the State of Illinois and (ii) have no public or private interest, direct or indirect, and shall not acquire directly or indirectly any such interest, which does or may conflict in any manner with the performance of Adviser’s obligations under this Agreement.

(e) Adviser has not been convicted of bribery or attempting to bribe an officer or employee of the State of Illinois, nor has it made an admission of guilt of such conduct which is a matter of record.

(f) Adviser did not retain a person or entity to influence (i) the outcome of the investment decision made by the Board with respect to Adviser or (ii) the procurement of investment advice or services by the Board with respect to Adviser, for compensation, contingent in whole or in part, upon the decision or procurement.

(g) Adviser is duly authorized and fully empowered to execute, deliver and perform this Agreement.

(h) Adviser has not been convicted of bid rigging or bid rotating or any similar offense of any state or of the United States.

(i) Adviser shall maintain, for a minimum of five (5) years after the completion of this Agreement, adequate books, records and supporting documents to verify the amounts, recipients, and uses of all disbursements of funds passing in conjunction with this Agreement. This Agreement and all books, records, and supporting documents related to this Agreement shall be available for review and audit by the Auditor General; and Adviser agrees to cooperate fully with any audit conducted by the Auditor General and to provide full access to all relevant materials. Failure to maintain the books, records and supporting documents required by this Agreement shall establish a presumption in favor of the State of Illinois for the recovery of any funds paid by the State of Illinois under this Agreement for which adequate books, records, and supporting documentation are not available to support their purported disbursement.

(j) Adviser, nor any of its affiliates, are participating or shall participate in an international boycott in violation of the provisions of the United States Export Administration Act of 1979 or the regulations of the United States Department of Commerce promulgated thereunder.

(k) Adviser, nor any of its affiliates (as defined in the Illinois Procurement Code), are delinquent in the payment of any debt to the State of Illinois and are not barred from entering into this Agreement under Sections 50-11 or 50-12 of the Illinois Procurement Code. Further, Adviser acknowledges that the Board may declare this Agreement void if the certification completed pursuant to this section is false or if the Adviser, or any of its affiliates (as defined in the Illinois Procurement Code), are determined to be delinquent in the payment of any debt to the State of Illinois during the term of this Agreement.

(l) Adviser has not committed a willful or knowing violation of the Environmental Protection Act, is not barred from doing business with the State of Illinois under 30 ILCS 500/5-14 and acknowledges that the Client may declare the Agreement void if this certification is false.

(m) During the five (5) years prior to the date of this Agreement, no officer, director, partner or other managerial agent of Adviser has been convicted 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. Adviser acknowledges that the Board shall declare this Agreement void if this certification is false.

(n) Adviser does not pay dues or fees, or subsidize or otherwise reimburse its employees or agents for payment of dues or fee to any discriminating club.

(o) Adviser will provide a drug free workplace and will not engage in the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance in the performance of this Agreement. This certification applies to Advisers who are individuals or entities with 25 or more employees.

(p) **Business Entity Registration:**

(a) Adviser is not required to register as a Business Entity with the Illinois State Board of Elections pursuant to Public Act 95-0971 (the "Act"). Further, Adviser acknowledges that all Contracts between State Agencies and a Business Entity that do not comply with the Act shall be voidable under the Act; or

(b) Adviser is registered as a Business Entity with the Illinois State Board of Elections and acknowledges a continuing duty to update the registration pursuant to Public Act 95-0971 (the "Act"). Further, Adviser acknowledges that all Contracts between State Agencies and a Business Entity that do not comply with the Act shall be voidable under the Act. Adviser's registration certification is attached as **Exhibit E** and incorporated herein.

(q) Adviser and, to the best of its knowledge, Adviser's subcontractors (if any), have complied and will comply with Illinois Executive Order 1-2007.

(r) Adviser is not an Illinois Finance Entity as defined by 40 ILCS 5/1-110.10.

(s) Adviser acknowledges that Adviser will be responsible for the Adviser's pro rata share of the purchase cost of the Board's List of Forbidden Entities and List of Scrutinized Companies, both of which implement certain investment restrictions governed by Public Acts 95-521 and 95-616. Adviser is attaching to this Agreement, as **Exhibit F**, a Certification For Asset Management Companies, in compliance with Public Act 95-521, which shall be incorporated herein.

(t) Adviser is not in violation of the "revolving door prohibition" on procurement activity relating to a State agency under 30 ILCS 500/50-30.

(u) A description of this Agreement shall be posted on the Board's website, including the name of the Adviser, the total amount applicable to the Agreement, the total fees paid or to be paid under the Agreement and a disclosure, approved by the Board, describing the factors that contributed to the selection of the Adviser.

Adviser will furnish to the Board, from time to time, such evidence as the Board may reasonably request that it satisfies the foregoing requirements, and shall promptly notify the Board if it has reason to believe that any of the foregoing certifications, representations and acknowledgements cease to be satisfied. Further, the Board, Staff and investment will review Adviser's investment performance on a consistent basis, which review may include written or electronic

communications, oral communications, in-person meetings at the Board's offices and on-site visits at Adviser's offices, among others.

IN WITNESS WHEREOF, the parties hereto, have executed this Agreement as of the day and year first above written.

ILLINOIS STATE BOARD OF INVESTMENT

By _____

By _____

By _____

ADVISOR

By _____

By _____

SCHEDULE A

INVESTMENT POLICY GUIDELINES

[_____]

(Effective: _____)

SCHEDULE B
AUTHORIZED INDIVIDUALS

The following individuals are authorized to act on behalf of the Board with respect to the Account and this Agreement:

William R. Atwood, Executive Director.

Katherine A. Spinato, Deputy Executive Director.

Ronald E. Powell, Chairman of the Board.

Scott Richards, Senior Portfolio Manager

SCHEDULE C

FEE SCHEDULE

[_____]

(Effective: _____)

EXHIBIT A
INSURANCE

EXHIBIT B
AFFILIATES DISCLOSURE

EXHIBIT C
FEE DISCLOSURE

EXHIBIT D

SUBCONTRACTOR DISCLOSURE

EXHIBIT E

REGISTRATION WITH ILLINOIS STATE BOARD OF ELECTIONS

EXHIBIT F

SUDAN CERTIFICATION

CERTIFICATION FOR ASSET MANAGING COMPANIES
Illinois Act to End Atrocities and Terrorism in the Sudan (Public Act 95-0521)

_____, an asset management company, in good

(CONTRACTOR)

faith certifies to the Illinois State Board of Investment (FIDUCIARY), that:

(1) provided under Section 1-110.6 of the Illinois Pension Code, in respect of investments in publicly traded companies, the CONTRACTOR has relied on information provided by an independent researching firm that specializes in global security risk; and (2) 100 % of the fund assets for which the CONTRACTOR provides services or advice are not and have not been invested or reinvested in any forbidden entity at any time as of December 28, 2007.

This certification is submitted on behalf of _____
(CONTRACTOR)

Official authorized to sign on behalf of CONTRACTOR:

Name (printed) _____ Title _____

Signature _____ Date _____