

State of Connecticut
Office of the Attorney General
Fourth Addendum to RFP No. #2012-07
(Securities Valuation Services)
February 28, 2012

The Office of the Attorney General has received the following questions concerning RFP #2012-07. The questions, along with the responses of the Office of the Attorney General, are as follows:

Question: Our firm cannot be ready to have all of the BizNet requirements in place by March 5. Is there any chance you could extend the deadline briefly?

Answer: We are unable to extend the deadline. You may wish to consider completing only the BizNet requirements applicable to this RFP at this time now, and completing other filings later. Of course you are also free to revise or edit BizNet filings as necessary, although any filings that are made should be complete and accurate when filed.

Question: Is the RFP seeking an individual, a firm, or a law firm?

Answer: The RFP seeks an individual or firm that can provide the stated services and meets the stated qualifications. There is no requirement or expectation that the selected individual or firm would be a law firm or would be associated with a law firm.

State of Connecticut
Office of the Attorney General
Third Addendum to RFP No. #2012-07
(Securities Valuation Services)
February 24, 2012

The Office of the Attorney General has received the following questions concerning RFP #2012-07. The questions, along with the responses of the Office of the Attorney General, are as follows:

Question: What is the anticipated date range of the engagement?

Answer: The current scheduled date of trial is June 2013. The services will be required through trial and any post-trial briefing.

Question: How many companies or types of investments are to be analyzed?

Answer: There are five funds and most of the holdings were in three companies for the relevant time period. Further details are provided in the Complaint, attached to this Addendum as Exhibit A.

Question: Have the Reg-D and PIPEs that will be analyzed already been identified? If so, what are they? If identification is not possible at the moment, for how many individual securities is valuation sought?

Answer: See previous answer and the Complaint appended as Exhibit A.

Question: The RFP describes review of documents, including deal documents and financial statements. Approximately how many pages of documents are there to review? Will the documents be in digital format or hard copy, and will the documents be categorized and electronically searchable?

Answer: There are thousands of documents, although not all relate to valuation, and most are in electronic format but not in a searchable format.

Question: What staff and database resources (if any) will CTAG or the Banking Commissioner have available for the consultant's use?

Answer: The consultant should have its own support staff and database resources. The Attorney General's staff attorneys and investigator who are working on this matter will be available for consultation.

Question: Where are the companies and their relevant documents located?

Answer: The funds are located in Ridgefield, Connecticut. The Attorney General's Office has many relevant documents pursuant to subpoena. Other documents that should exist are missing or have not been produced.

Question: Have the documents or relevant records (stock-holder) been subpoenaed?

Answer: Yes.

Question: Will there be one expert report covering all investments/consulting?

Answer: Yes.

Question: What is the date or dates of valuation and if any reporting standard used (GIPS)?

Answer: The relevant dates of the holdings are 2004 through 2007. Applicable standards will be reviewed with the consultant.

Question: How many broker-dealers or RIA participated in the distribution if any?

Answer: We are not certain.

Question: Will there be a formal valuation report or calculation of value to be used for attorney/client work product?

Answer: We anticipate the preparation of one expert report that will be produced and used in the litigation.

EXHIBIT A

Docket No. HHD-CVI 0-6015718S

HOWARD F. PITKIN, BANKING
COMMISSIONER
Plaintiff,

SUPERIOR COURT

v.

JUDICIAL DISTRICT OF
HARTFORD

SOUTHRIDGE CAPITAL MANAGEMENT LLC
and STEPHEN HICKS
Defendants.

NOVEMBER 24,2010

AMENDED COMPLAINT

I. INTRODUCTION

1. This action seeks relief against Southridge Capital Management LLC ("SCM") and Stephen Hicks ("Hicks") for violations of Connecticut's securities law.

2. SCM is an unregistered investment adviser in Connecticut. SCM was established in July 1996. SCM acted as the general partner to five funds (the "Funds"), all of which were in the form of partnerships or limited liability companies. SCM provided investment advice and strategy to each of the Funds.

3. SCM was obligated to adhere to valuation methods established under the Funds' private placement memoranda. SCM agreed to comply with the terms of the Funds' private placement memoranda. SCM breached these obligations and misled the Funds and their investors by overvaluing the assets and making other misleading statements regarding the valuation of assets SCM managed on behalf of the Funds.

4. Through investments based on inherent conflicts, false financial statements and other violations of the Funds' private placement memoranda, SCM charged excessive fees to the Funds' investors, including investors located in Connecticut, based on misleading and fraudulent valuations of the assets SCM managed on behalf of the Funds and their investors.

II. PARTIES

5. Plaintiff Howard F. Pitkin, represented by Richard Blumenthal, Attorney General of the State of Connecticut, is the Commissioner of the Department of Banking for the State of Connecticut ("Banking Commissioner") and brings this action in his official capacity pursuant to his authority under chapter 672a, section 36b-27 of the General Statutes.

6. Defendant SCM is a Delaware limited liability company with its principal place of business at Executive Pavilion, 90 Grove Street, Suite I, Ridgefield, Connecticut 06877. SCM was formed in July 1996 and is an unregistered investment adviser in Connecticut. SCM is an investment management firm created to provide private global asset management services principally in equity securities.

7. Defendant Stephen Hicks is an individual and the Chief Executive Officer of SCM. Mr. Hicks resides in Ridgefield, Connecticut.

III. FACTS

8. In 2007, the Banking Commissioner issued a subpoena to SCM to investigate its investment management activities with respect to five funds that SCM advises and manages. The five entities are Sovereign Partners LP, Southridge Partners, LP, Dominion Capital Fund

LTD, Dominion Investment Fund LTD, and Southshore Capital Fund LTD (together, the "Funds").

9. Two of the funds are domestic companies. Sovereign Partners LP ("Sovereign") is a Delaware limited partnership that was formed in September 1995 with a principal place of business in Ridgefield, Connecticut. Southridge Partners LP ("Southridge LP") is a Delaware limited partnership with a principal place of business in Ridgefield, Connecticut (together with Sovereign, the "Domestic Funds").

10. The three other entities are foreign companies. Dominion Capital Fund Limited ("Dominion Capital") is a company in the Commonwealth of the Bahamas that was incorporated on August 28, 1995. Dominion Investment Fund LLC ("Dominion Investment") is an open-ended exempted limited liability company incorporated on April 7, 1998 in the Cayman Islands. Southshore Capital Fund LTD ("Southshore") is an open-ended exempted trading company incorporated in the Cayman Islands (together with Dominion Capital and Dominion Investment, the "Foreign Funds").

II. SCM raised capital for the Funds principally through investments in restricted securities and related derivatives; SCM also managed the Funds' assets.

12. The Domestic Funds privately offered and sold partnership interests to a limited number of sophisticated investors with minimum capital requirements of \$100,000 for Sovereign and \$250,000 for Southridge LP. Both Sovereign and Southridge LP have eight (8) Connecticut investors.

13. SCM uses the same fee structure and asset valuation methodology for each of the Domestic Funds. The Domestic Funds, and ultimately their investors, pay SCM all administrative expenses up to 2% of net asset value, a 1% management fee, and a 20% to 25% performance fee, as well as all ordinary expenses incurred by SCM on behalf of the Domestic Funds.

14. The Domestic Funds' private placement memoranda require that SCM determine net asset value for securities held on behalf of the Domestic Funds for which no secondary market exists through a clearing broker or an independent pricing service. Approximately seventy-two percent (72%) of the Domestic Funds' holdings are in securities for which no secondary market exists.

15. SCM failed to provide valuations calculated by a clearing broker or independent pricing service for any of the assets held by the Domestic Funds. SCM's accountants also failed to provide valuations by a clearing broker or independent pricing service.

16. In 2008, SCM failed to file the financial statements required by the Domestic Funds' private placement memoranda.

17. For the years 2004 through 2007, SCM failed to file financial statements within the timeframe required by the Domestic Funds' private placement memoranda.

18. Although SCM's financial statements were audited by a firm, Marcum and Kliegman, the audits were qualified by Marcum and Kliegman in that only procedures were reviewed and not actual substantive valuations of any of the assets under SCM's management. Thus, the valuations submitted by SCM to the Domestic Funds and their investors were not inde-

pendently calculated or reviewed as required by the Domestic Funds' private placement memoranda.

19. SCM uses the same fee structure and asset valuation methodology for each of the Foreign Funds. All of the Foreign Funds pay to SCM all administrative expenses up to 2% of net asset value, a 1% management fee, and a 20% to 25% performance fee, as well as all ordinary expenses incurred by SCM on behalf of the Foreign Funds.

20. With respect to valuation methodology, the Foreign Funds have some differences in calculation of net asset value and disclosures regarding determination of those values. For Dominion Capital, net asset value is based on information from the Investment Manager, which is Livingstone Asset Management Ltd. ("Livingstone"), and a Sub Advisor. For securities where value cannot be determined based on price on an open exchange, the Investment Manager determines a fair value.

21. For Dominion Investment, net asset value is based on information from the Investment Manager, which is Livingstone, and a Sub Advisor. Securities that the Director, Navigator Management Ltd. ("Navigator"), determines are difficult to assign fair market value will be assigned a fair value by Navigator.

22. For Southshore Capital, the private placement memorandum states that SCM calculates the net asset value, except for securities that have no secondary market. In that case, SCM is required to obtain the valuation from a clearing broker or independent pricing service.

23. No asset valuations were provided to the independent auditor of the Foreign Funds by Navigator, in violation of Dominion Funds' private placement memoranda. With re-

spect to Southshore, no valuations were submitted to SCM by a clearing broker or independent pricing service in violation of its private placement memorandum provided to investors.

24. Investors of the Foreign Funds have not received any of the 2008 financial statements required by the private placement memoranda. For the years 2004 through 2007, financial statements were submitted past the timeframes required under the private placement memoranda.

25. Although SCM's financial statements were audited by a firm, Marcum and Kliegman, the audits were qualified in that only procedures were reviewed and not actual substantive valuations of any of the assets. Thus, the valuations submitted by SCM were not independently calculated or reviewed.

26. SCM overvalued the assets of the Funds in order to illegally earn greater fees.

27. SCM assigned values to certain assets of the Funds that had no reasonable basis in fact and that cannot be explained by its financial statements. Its largest holding was obtained through non-arms length transactions in which SCM had an interest on both sides of the investment.

28. In 2007, for example, the Funds collectively held 72% of their ending net asset value in their combined shares in three companies: Global Matrechs, Inc.; Markland Technology, Inc.; and Fonix Corporation Inc.

29. Global Matrechs, Inc. ("Matrechs") is a Delaware Corporation with its principal place of business at 90 Grove Street, Ridgefield, Connecticut. On March 30, 2009, Matrechs was delisted by the U.S. Securities and Exchange Commission ("SEC") for failing to file financial statements since June 30, 2006. SCM valued the Funds' holdings in Matrechs at

\$6,939,059.03 in 2007, yet the 10-K filing for December 31, 2006 that was not filed until January I, 2009 indicated an aggregate market value of \$1,580,627. Matrechs had total revenues for 2005 of \$125 and for 2006 of \$43,311. SCM did not have substantial financial information from Matrechs for 2007 and has not provided any basis for its valuation of Matrechs for 2007 to its investors. SCM's valuation of the Funds' Matrechs holdings had no reasonable basis in fact.

30. Markland Technology, Inc. ("Markland") was a Florida corporation that had its headquarters at 90 Grove Street, Ridgefield, Connecticut from 2003 to 2005. On August 29, 2008, Markland was delisted by the SEC for failing to file financial statements. SCM valued the funds' holdings in Markland at \$18,457,680.97 in 2007, yet Markland had an accumulated deficit of \$52,337,008 for the years 2003 through 2005 and the last reported sales price of Markland on October II, 2005 was \$.0245 per share. During the period between 2003 and 2005, Markland made over eighty private placements of stock to institutional and individual investors, engaging in a form of death spiral financing where the private placements consisted of mostly convertible preferred securities; once converted, they would result in Markland issuing more shares of common stock until the shares were virtually worthless. No annual reports had been filed by Markland for the years 2006 and 2007. SCM's valuation of the Funds' Markland holdings had no reasonable basis in fact.

31. Fonix Corporation Inc. ("Fonix") is a Delaware corporation. On April 4, 2008, Fonix filed its 10K for December 31, 2007. As of March 31, 2008, the firm had 5,752,687,745 shares of Class A common stock outstanding and issued with a high price of .00016 per share for the last quarter of 2007, giving Fonix a market capitalization of \$920,430. For the year ending

2007, Fonix incurred a net gain of \$14,959,000 on \$1,838,000 of revenues, the gain attributable to debt forgiveness on liabilities of \$21,018,000. Fonix's auditors again issued a "going concern" opinion which was concurred with by management. A graph included with this IOK filing showed that a \$100 investment made in 2001 would be worth \$.01 on December 31, 2007. The total assets of Fonix were \$211,000 in 2007. According to its financial statements, SCM's valuation of Fonix across the SCM funds for 2007 was \$31,989,521.71. SCM failed to provide any support for this valuation or documentation that it had abided by the terms of each of the private placement memoranda for the Funds to the Funds' investors. SCM's valuation of the Funds' Fonix holdings had no reasonable basis in fact.

32. With respect to the initial investment in Fonix, SCM's price of the transaction also had no reasonable basis in fact. Hicks had controlling interests on both sides of the transaction and played a substantial role in determining the values of the assets. SCM purchased its interest in Fonix in 2004 by exchanging its interest in LecStar Telecom, Inc. and LecStar DataNet, Inc. ("LecStar"). SCM claimed a cost of \$30 million for the Fonix stock and secured notes by valuing the LecStar preferred stock and six-year promissory note exchanged for Fonix at \$30 million. Yet, at the same time, Fonix in its audited financial statements valued its liabilities for this transaction at approximately \$8.6 million. From 2002 when LecStar was deemed insolvent until 2004 when acquired by Fonix, LecStar was transferred in deals between SCM and/or Hicks controlled entities. By October 2006 after Fonix acquired LecStar, LecStar filed for bankruptcy. The Fonix transaction was not based on any arm's length negotiation but one controlled and determined by SCM through entities and transactions it controlled.

33. Based on these and other improper and inflated valuations of the Funds' assets from 2004 through 2007, SCM improperly and falsely calculated a substantial amount of the fees it charged to the Funds' investors. As a result, SCM assessed over \$26 million in fees during that time period.

34. A majority of investors in the funds have requested redemption. SCM has refused to honor these demands. Some of the redemption requests date back to 2001. Funds' investors who have requested redemption have seen a continual decline in their investments with no indication of when they will receive their final payments.

35. SCM has continued to charge redeeming partners management and administrative fees in violation of the terms of the private placement memoranda for the Funds. SCM failed to disclose that these charges would be made to redeeming partners.

36. In at least one SCM investment for the Funds, SCM and one of SCM's principals, Stephen Hicks, directly and personally engaged in fraudulent valuations and communication of false valuations to a specific investor in a transaction concerning Petals Decorative Accents, LLC ("Petals LLC").

37. Petals LLC was a privately held Delaware limited liability company with headquarters at 90 Grove Street, Ridgefield, CT. Hicks solicited an investor (the "Investor") to invest in Petals LLC by purchasing a nonnegotiable unsecured promissory note issued by Petals LLC. The offering memorandum for the notes (the "2006 Notes") stated that the purpose of the offering was to finance capital expenditures for a new facility and to purchase equipment, among oth-

er related items, for Petals LLC. The offering memorandum identified Hicks as the Chairman of the Board of Directors of Petals LLC.

38. Contrary to the terms of the offering memorandum, Hicks instructed the Investor to transfer the money for the notes to a SCM checking account. Hicks stated that this was done in order for SCM to better manage the investment.

39. Contrary to the stated purpose of the offering memorandum, the proceeds of the 2006 Notes were transferred to a public shell company called Immuno Technology Company, which was later renamed to Petals Decorative Accents, Inc. ("Petals Inc."). This was a material fact that Hicks did not disclose to the Investor and that the offering memorandum for the 2006 Notes also did not disclose.

40. Part of the proceeds of the 2006 Notes was also used by Petals LLC to pay down a portion of the revolving line of credit extended by Southridge LP and Southshore Capital to Petals LLC.

41. In a September 28, 2006 filing, Petals Inc. disclosed that it had acquired all of the assets of Petals LLC, including the 2006 Notes. Another significant disclosure made by the filing was a breach of contract claim against Petals LLC made by the firm's former chief financial officer.

42. None of these disclosures made by the September 28, 2006 filing were disclosed to the Investor or other investors in the offering memorandum for the 2006 Notes.

43. By a letter dated October 16, 2007, Hicks updated the Investor on his investment in Petals Inc. by indicating positive developments. Hicks informed the Investor of a "Petals

Plan" under which Petals was to transition to a highly profitable retail operation. The Petals Plan required the Investor to forego the payment on his 2006 Note. The Petals Plan included projected financial statements quarterly through 2009.

44. Up to this timeframe, the Investor had been receiving monthly statements from SCM reflecting accumulated interest on his promissory note with Petals LLC and an increase in value.

45. Meanwhile, on February 14, 2007, Petals, Inc. filed with the SEC a notification signed by Hicks that Petals Inc. would be unable to file its financial statements for the three (3) months ending December 31, 2006. Thus while providing the Investor with projected financial statements through 2009, Hicks and Petals, beginning with the last quarter of 2006, could not provide any financial statements to the SEC. Hicks knew projected financial statements he was providing to the Investor were false, deceptive and misleading, and had no good faith basis in fact.

46. On or about October 26, 2007, the Investor signed a Restructuring Agreement, which extended the maturity date of his 2006 Note to December 2008.

47. On or about October 14, 2008, the Investor received a letter from the chief financial officer of SCM that Petals Inc. had suffered permanent and irrecoverable impairment and that his investment was consequently worthless.

48. Hicks and SCM provided false financial information to the Investor and withheld material financial disclosures from the Investor.

49. The financial information provided by both Hicks and SCM to the Investor had no basis in fact as no financial information was filed by Petals Inc. after September 2006.

IV. CAUSES OF ACTION

Count One: Violation of the Connecticut Uniform Securities Act, chapter 672a of the Connecticut General Statutes, Conn. Gen. Stat. § 36b-4 by Southridge Capital Management LLC.

1-49. Paragraphs I through 49 of the Amended Complaint are hereby repeated and re-alleged as Paragraphs I through 49 of Count One as if fully set forth herein.

50. By the acts and practices alleged herein, SCM, in connection with the offer, sale or purchase of the Funds' investments, employed a device, scheme or artifice to defraud; made untrue statements of material fact or omitted to state a material fact necessary in order to make the statements made not misleading; engaged in acts, practices, or a course of business which operates or would operate as a fraud or deceit upon any person; or engaged in dishonest or unethical practices, including, but not limited to, the following:

- a. failing to follow the valuation methodology as stated in the private placement memoranda and other agreements related to the Funds;
- b. assigning an improper and unreasonable value to the Funds' investments in which SCM had a financial interest on both sides of the transactions;
- c. failing to obtain valuations from a clearing broker or independent pricing service for the net assets of the Domestic Funds or Southshore, as required by the agreements that governed those funds;

d. failing to base the calculation of net asset value on information provided by Navigator to the independent auditor, as required by Dominion Funds' private placement agreements;

e. assigning net asset values in contravention of the agreements that govern the Domestic Funds and Foreign Funds and without any basis in fact;

f. fraudulently generating a substantial portion of its twenty-six million dollars in fees based on a false valuation of net assets; and

g. misrepresenting that audited financial statements would be provided to investors within a certain timeframe and/or failing to provide audited financial statements entirely.

51. SCM knew or should have known that their conduct alleged herein violated Conn. Gen. Stat. § 36b-4.

52. SCM, through the above-described activities, violated Conn. Gen. Stat. § 36b-4 by engaging in numerous activities in connection with the offer, sale or purchase of securities that were fraudulent, dishonest or unethical business practices or omissions of material facts that misled investors, or that operated as a fraud or deceit upon investors and prospective investors.

Count Two: Violation of the Connecticut Uniform Securities Act, chapter 672a of the Connecticut General Statutes, Conn. Gen. Stat. § 36b-S by Southridge Capital Management LLC.

1-49. Paragraphs I through 49 of the Amended Complaint are hereby repeated and re-alleged as Paragraphs I through 49 of Count Two as if fully set forth herein.

50. By the acts and practices alleged herein, SCM, in connection with the management of and valuation of the assets of Funds for compensation, employed a device, scheme or artifice to defraud; made untrue statements of material fact or omitted to state a material fact ne-

cessary in order to make the statements made not misleading; engaged in acts, practices, or a course of business which operates or would operate as a fraud or deceit upon any person; or engaged in dishonest or unethical practices, including, but not limited to, the following:

- a. failing to follow the valuation methodology as stated in the private placement memoranda and other agreements related to the Funds;
- b. assigning an improper and unreasonable value to the Funds' investments in which SCM had a financial interest on both sides of the transactions;
- c. failing to obtain valuations from a clearing broker or independent pricing service for the net assets of the Domestic Funds or Southshore, as required by the agreements that governed those funds;
- d. failing to base the calculation of net asset value on information provided by Navigator to the independent auditor, as required by Dominion Funds' private placement agreements;
- e. assigning net asset values in contravention of the agreements that govern the Domestic Funds and Foreign Funds and without any basis in fact;
- f. fraudulently generating a substantial portion of its twenty-six million dollars in fees based on a false valuation of net assets; and
- g. misrepresenting that audited financial statements would be provided to investors within a certain timeframe and/or failing to provide audited financial statements entirely.

51. SCM knew or should have known that their conduct alleged herein violated Conn. Gen. Stat. § 36b-5.

52. SCM, through the above-described activities, violated Conn. Gen. Stat. § 36b-5 by engaging in numerous activities in connection with the offer, sale or purchase of securities that were fraudulent, dishonest or unethical business practices or omissions of material facts that misled investors, or that operated as a fraud or deceit upon investors and prospective investors.

Count Three: Violation of the Connecticut Uniform Securities Act, chapter 672a of the Connecticut General Statutes, Conn. Gen. Stat. § 36b-4 by Stephen Hicks.

1-11. Paragraphs 1 through 11 of the Amended Complaint are hereby repeated and re-alleged as Paragraphs I through II of Count Three as if fully set forth herein.

12-25. Paragraphs 36 through 49 of the Amended Complaint are hereby repeated and re-alleged as Paragraphs 12 through 25 of Count Three as if fully set forth herein.

26. By the acts and practices alleged herein, Hicks, in connection with the offer, sale or purchase of the Funds' investments in Petals LLC, employed a device, scheme or artifice to defraud; made untrue statements of material fact or omitted to state a material fact necessary in order to make the statements made not misleading; engaged in acts, practices, or a course of business which operates or would operate as a fraud or deceit upon any person; or engaged in dishonest or unethical practices, including, but not limited to, the following:

- a. inducing investments in Petals LLC by investors in the Funds by failing to disclose material facts and providing misleading information; and
- b. providing false projected financial statements to the Investor to induce him to extend the maturity date of the Notes he had invested in Petals.

27. Hicks knew or should have known that his conduct alleged herein violated Conn. Gen. Stat. § 36b-4.

28. Hicks, through the above-described activities, violated Conn. Gen. Stat. § 36b-4 by engaging in numerous activities in connection with the offer, sale or purchase of securities that were fraudulent, dishonest or unethical business practices or omissions of material facts that misled investors, or that operated as a fraud or deceit upon investors and prospective investors.

Count Four: Violation of the Connecticut Uniform Securities Act, chapter 672a of the Connecticut General Statutes, Conn. Gen. Stat. § 36b-S by Stephen Hicks.

1-11. Paragraphs I through II of the Amended Complaint are hereby repeated and re-alleged as Paragraphs I through II of Count Four as if fully set forth herein.

12-25. Paragraphs 36 through 49 of the Amended Complaint are hereby repeated and re-alleged as Paragraphs 12 through 25 of Count Four as if fully set forth herein.

26. By the acts and practices alleged herein, Hicks, in connection with the management of and valuation of the assets of the Funds in Petals LLC for compensation, employed a device, scheme or artifice to defraud; made untrue statements of material fact or omitted to state a material fact necessary in order to make the statements made not misleading; engaged in acts, practices, or a course of business which operates or would operate as a fraud or deceit upon any person; or engaged in dishonest or unethical practices, including, but not limited to, the following:

a. inducing investments in Petals LLC by investors in the Funds by failing to disclose material facts and providing misleading information; and

b. providing false projected financial statements to the Investor to induce him to extend the maturity date of the Notes he had invested in Petals.

27. Hicks knew or should have known that his conduct alleged herein violated Conn. Gen. Stat. § 36b-5.

28. Hicks, through the above-described activities, violated Conn. Gen. Stat. § 36b-5 by engaging in numerous activities in connection with the management of the Funds that were fraudulent, dishonest or unethical business practices or omissions of material facts that misled investors, or that operated as a fraud or deceit upon investors and prospective investors.

PRAYER FOR RELIEF

WHEREFORE, the Plaintiff claims the following relief:

1. A finding that by the acts alleged herein, SCM and Hicks engaged in acts and practices that violated the Connecticut Uniform Securities Act;
2. An injunction pursuant to Conn. Gen. Stat. § 36b-27 enjoining SCM and Hicks from engaging in any acts or practices that violate the Connecticut Uniform Securities Act, including, but not limited to, the fraudulent and deceptive acts and practices alleged herein;
3. An order pursuant to Conn. Gen. Stat. § 36b-27 appointing a receiver to oversee the management and administration of the assets of the Funds;
4. An order pursuant to Conn. Gen. Stat. § 36b-27 directing SCM and Hicks to each pay a civil penalty of \$100,000 for each and every violation of the Connecticut Uniform Securities Act or any regulation, rule or order promulgated thereunder;
5. An order pursuant to Conn. Gen. Stat. § 36b-27 directing SCM and Hicks to redeem all redemption requests received by investors;
6. An order pursuant to Conn. Gen. Stat. § 36b-27 directing SCM and Hicks to pay restitution;
7. An order pursuant to Conn. Gen. Stat. § 36b-27 directing SCM and Hicks to disgorge any and all revenues, profits and gains realized in whole or in part through the fraudulent and deceptive acts and practices alleged herein;
8. An order pursuant to Conn. Gen. Stat. § 36b-27 directing SCM and Hicks to pay to the State all reasonable attorneys' fees;

9. An order pursuant to Conn. Gen. Stat. § 36b-27 prohibiting Hicks from engaging in any investment related activities for a period of ten years;

10. Costs of suit; and

II. Any and all relief that the Court deems just and equitable.

The Commissioner hereby demands a trial by jury on all claims so triable.

Dated at Hartford, Connecticut this 24th day of November, 2010.

THE PLAINTIFF, HOWARD
F. PITKIN, BANKING
COMMISSIONER

RICHARD BLUMENTHAL
ATTORNEY GENERAL

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Docket No. HHD-CV10-60 15718S

HOWARD F. PITKIN, BANKING
COMMISSIONER

Plaintiff,

v.

SOUTHRIDGE CAPITAL MANAGEMENT, LLC
and STEPHEN HICKS

Defendants.

SUPERIOR COURT

JUDICIAL DISTRICT OF
HARTFORD

NOVEMBER 24, 2010

AMOUNT IN DEMAND

The Plaintiff hereby states that the amount in demand is more than Fifteen Thousand Dollars (\$15,000.00), exclusive of interest and costs.

Dated at Hartford, Connecticut this 24th day of November, 2010.

THE PLAINTIFF, HOWARD F.
PITKIN, BANKING
COMMISSIONER

RICHARD BLUMENTHAL
ATTORNEY GENERAL

By:rp

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State of Connecticut
Office of the Attorney General
Second Addendum to RFP No. #2012-07
(Securities Valuation Services)
February 23, 2012

The Office of the Attorney General has received the following question concerning RFP #2012-07. The question, along with the response of the Office of the Attorney General, is as follows:

Question: Can you provide a more specific description of the kind of securities and investment instruments you are looking for expertise on?

Answer: The particular securities are Reg-D investments and PIPES (private investment in public equity).

State of Connecticut
Office of the Attorney General
First Addendum to RFP No. #2012-07
(Securities Valuation Services)
February 9, 2012

Correction concerning RFP #2012-07:

On page 5 regarding Instructions to Proposers the dates should state as follows:
“Interested parties should submit questions no later than February 23, 2012. Answers will be posted by February 28, 2012.”



**ATTORNEY GENERAL
STATE OF CONNECTICUT**

**Request for Proposals for
Securities Valuation Services –
RFP # 2012-07**

The State of Connecticut, Office of the Attorney General, is seeking proposals from financial experts or financial consulting firms to provide certain services involving valuation and analyses of privately traded securities instruments and specialized securities products related to potential enforcement litigation on behalf of the Banking Commissioner. PROPOSALS ARE DUE BY March 5, 2012, at 4:30 p.m. local time.

This RFP is available online at www.ct.gov/ag, by clicking on the Request for Proposal button on the right hand side.

GEORGE JEPSEN, Attorney General

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REQUEST FOR PROPOSALS (RFP)
BY
THE STATE OF CONNECTICUT
OFFICE OF THE ATTORNEY GENERAL
SECURITIES VALUATION SERVICES
RFP#2012-07

The State of Connecticut, Office of the Attorney General is seeking proposals to provide certain services concerning the valuation of securities in connection with the representation of the Banking Commissioner in potential securities enforcement litigation, including, but not limited to, reviewing and analyzing the offering memoranda, partnership agreements, financial statements and other documentation related to the securities, providing valuations of privately traded security instruments and offering testimony in court and/or deposition.

SCOPE OF SERVICES

The Attorney General of Connecticut, George Jepsen, pursuant to Conn. Gen. Stat. § 3-125, invites proposals from appropriately qualified consultants or consulting firms to work with the Office of the Connecticut Attorney General (“CTAG”), to provide advice and analysis on the valuation of certain privately traded securities offered to investors in connection with potential securities enforcement litigation on behalf of the Banking Commissioner, provide analysis and advice on market practices related to investments and holdings of investment funds, review deal documents and financial statements, and prepare expert report and testimony. Proposals must be received by the Office of the Attorney General by 4:30 p.m., local time, on March 5, 2012. The Attorney General may invite some applicants to attend an interview shortly thereafter.

An evaluation committee will evaluate the proposals in accordance with the selection criteria set forth in this RFP, which explains other terms and requirements. The selected consultant must enter into a contract with the Office of the Attorney General, substantially in the form of the draft contract set out in Appendix A. The Attorney General encourages minority, women-owned and disadvantaged businesses to apply.

All communication with the Attorney General's Office must be undertaken only as specified in this RFP.

SELECTION CRITERIA

The evaluation committee will evaluate proposals in accordance with the selection criteria set forth in this RFP, additional written information requested by the Office of the Attorney General and, possibly, oral interviews. The goal of the evaluation will be to select the consultant which provides the best combination of qualifications and costs, and provides reasonable rates and demonstrated efficiency in providing the required services. The evaluation committee will also consider the following non-exclusive factors in making that determination:

- Depth and quality of experience in conducting sophisticated analyses of securities markets and products.
- Knowledge of federal and state securities law.
- Depth and quality of experience in providing valuation analyses of complex securities instruments, including debentures, warrants, convertible notes, and PIPEs.
- Depth and quality of experience in providing testimony for court proceedings.
- Qualifications of personnel, including the experience and availability of the consultants to provide the requested services to the State.
- Ability to communicate and present findings and make appropriate recommendations to the CTAG staff.
- Results of reference checking.
- Reasonableness of rates proposed, and demonstrated efficiency in providing sound advice and counsel without unnecessary or excessive charges.
- Equal employment opportunity record as evidenced by the composition of firm personnel and the firm's affirmative action and equal employment opportunity policies and practices.
- Record of compliance with all applicable ethical rules and rules of professional conduct.
- All potential conflicts with the State of Connecticut in current or past services to other clients must be fully described and discussed in the proposal.

INSTRUCTIONS TO PROPOSERS

Proposal Schedule

Release of RFP: February 7, 2012

Proposals due: March 5, 2012

I. From the date the Office of the Attorney General issues this RFP until the date that it awards the Contract to the successful proposer,

interested parties should not contact any employee of the State of Connecticut for additional information concerning this RFP, except in writing directed only to Associate Attorney General Joseph Rubin, at Office of the Attorney General, 55 Elm Street, Hartford, CT 06106, or via email at Joseph.Rubin@ct.gov. Interested parties should submit questions no later than March 23, 2012. Answers will be posted by March 28, 2012. Late questions may not receive answers. The Office of the Attorney General will answer questions only in the form of one or more addenda to this RFP, and post them on its website, www.ct.gov/ag, by clicking on the Request for Proposal button on the right hand side. Proposers have the responsibility to review that location for any addenda to this RFP.

For technical questions only, concerning issues or problems with access to or downloading of this RFP and associated information from the website, proposers may contact Scott Eliasson by e-mail at scott.eliasson@ct.gov.

II. Sealed Proposals

Proposers must submit an original and four copies of their proposals in a SEALED envelope or carton, clearly marked with RFP #, the date it is due, and the name and address of the law firm. Proposers may mail their proposal or deliver it in person to the address below, arriving no later than March 5, 2012, at **4:30 p.m. local time**. Proposals will not be publicly opened on the due date. Proposals received after that time will not be accepted and will be sent back unopened. Postmark dates will not be considered as the basis for meeting any submission deadline. All proposals and other communications with the State regarding this RFP must be submitted in writing in sealed envelopes or cartons which clearly identify this RFP. Any material received that does not conform to this provision will be opened as general mail, which may not ensure the proposer's intent or that the materials arrive timely.

State of Connecticut
Office of the Attorney General
Attn: Associate Attorney General Joseph Rubin
RFP #2012-07
55 Elm Street
Hartford, CT 06106

III. Submission of Proposals

A. To be considered, all submissions must include all of the following:

1. Responses to the questions asked;
2. All information and completed forms attached to this RFP;
3. A statement affirming specifically all of the representations and warranties set forth in Special Terms and Conditions numbers 12 (Independent Price Determinations) and 13 (Offer of Gratuities), below; and
4. The following completed forms:

Agency Vendor Form (SP-26NB) , available at [http://www.das.state.ct.us/Purchase/Info/Vendor_Profile_Form_\(SP-26NB\).pdf](http://www.das.state.ct.us/Purchase/Info/Vendor_Profile_Form_(SP-26NB).pdf);

W-9 Form, available at [http://www.das.state.ct.us/Purchase/Info/Vendor_Profile_Form_\(SP-26NB\).pdf](http://www.das.state.ct.us/Purchase/Info/Vendor_Profile_Form_(SP-26NB).pdf);

a. CHRO Employment Information Form, attached as Appendix B;

5. <http://www.irs.gov/pub/irs-pdf/fw9.pdf> Five paper copies of all required or supporting documents, and five copies of a CD-ROM containing all documents in a format compatible with Microsoft Word, current version, and affording the user the capability of searching its contents; except the signature pages and required or necessary forms not conveniently available in Microsoft Word may be provided in PDF format;

6. Additional required forms as described below must be submitted to or on file with the Biznet system by the deadline for submission of proposals. Paper or electronic copies need not be provided with the submission to the Attorney General's office.

A. INTRODUCTION TO BIZNET

The Connecticut Office of the Attorney General is adhering to the new requirement of the Connecticut Department of Administrative Services ("DAS") that all firms seeking to do business with the State create a business profile, or account, on the DAS Business Network ("BizNet") system. Firms are responsible for updating firm information on a continuous basis as changes occur.

Firms create an account on BizNet by using the following link: <https://www.biznet.ct.gov/AccountMaint/Login.aspx>. Once your firm creates an account, login and select "CT Procurement" and then "Company Information" for access. If you experience difficulty establishing or otherwise managing your firm's account, please call DAS at 860-713-5095.

DAS has implemented the requirement to create a BizNet account in accordance with Public Act 11-229, enacted to make doing business with

the State of Connecticut more business friendly. One benefit to using BizNet is that it will eliminate certain redundancies, such as the former requirement to complete and submit forms even though the forms had been recently submitted in response to another Request for Proposals.

In addition to eliminating redundancy, BizNet has automated the completion and submission of the Ethics Affidavits and Non-Discrimination forms. Firms must now upload these forms electronically to their BizNet account and update them on an annual basis, rather than submitting paper copies with each proposal. Firms will have the ability to view, verify and update their information, by logging in to their BizNet account, prior to submitting responses to an RFP.

For information about **how to upload** the Ethics Affidavits and Non-Discrimination forms please access the following page:
<http://das.ct.gov/images/1090/Upload%20Instructions.pdf>

B. ETHICS AFFIDAVITS

THE FOLLOWING ETHICS FORMS MUST BE SIGNED, DATED, NOTARIZED, UPLOADED OR UPDATED ON BIZNET. TO OBTAIN THESE FORMS, YOU MUST LOGIN TO BIZNET AND FOLLOW THE INSTRUCTIONS REFERENCED ABOVE.

1. OPM Ethics Form 1 – Gift & Campaign Contribution Certification
2. OPM Ethics Form 5 – Consulting Agreement Affidavit
3. OPM Ethics Form 6 – Affirmation of Receipt of State Ethics Laws Summary

For information about **how to complete** these forms, please access the Office of Policy & Management's website by using the following link:
<http://www.ct.gov/opm/cwp/view.asp?a=2982&q=386038>

C. NON-DISCRIMINATION FORMS–

CHOOSE ONE (1) OF THE FORMS LISTED BELOW THAT APPLIES TO YOUR BUSINESS. COMPLETE AND UPLOAD OR UPDATE THE FORM ON BIZNET ANNUALLY. TO OBTAIN A COPY OF THESE FORMS, YOU MUST LOGIN TO BIZNET AND FOLLOW THE INSTRUCTIONS REFERENCED ABOVE.

1. Form A – Representation by Individual (Regardless of Value)
2. Form B – Representation by Entity (Valued at \$50,000 or less)
3. Form C – Affidavit by Entity (RECOMMENDED) (Valued at \$50,000 or more)
4. Form D – New Resolution by Entity
5. Form E – Prior Resolution by Entity

For information about **how to complete** these forms, including which form your firm should complete, please access the Office of Policy & Management's website by using the following link:
http://www.ct.gov/opm/cwp/view.asp?a=2982&q=390928&opmNav_GID=

- B. Concise answers are encouraged. Responses should be prepared on 8 ½ x 11 inch paper using at least 12 point type with standard margins.
- C. The submission of proposals shall constitute, without any further act required of the proposers or the Attorney General, acceptance of the requirements, administrative stipulations and all of the terms and conditions of this RFP. Proposals must reflect compliance with such requirements. Failure of the proposal to so comply may result in the Attorney General's rejection of the proposal. The Attorney General will reject any proposal that deviates materially from the specifications, terms or conditions of this RFP. Proposers submitting proposals with any minor or immaterial deviations must identify and fully justify such deviations in order for the Attorney General to consider their proposal.
- D. No additions or changes to any proposal will be allowed after the proposal due date, unless the Attorney General specifically requests such modification. The Attorney General may, at his option, seek proposer retraction and/or clarification of any discrepancy or contradiction found during the review of proposals.

E. Information Required in the Proposal

1. Name the primary individuals who would work with the State, and explain their experience, relevant background and anticipated duties. Include brief resumes for each attorney. The members of the proposed team are to be the only people from the proposer's firm who will work on these matters, unless the Attorney General subsequently gives written approval for other named individuals to work on the matters.
2. Explain the firm's qualifications in light of the stated Selection Criteria detailed above.
3. Disclose any past or present assignments, relationships or other employment that your firm or any employee of your firm has or has had that may create a conflict of interest or the appearance of a conflict of interest in serving as counsel for the State in this matter.
4. If you find any term or provision of the proposed draft contract in Appendix A unacceptable, identify the term, explain why it is unacceptable, and state whether failure to modify this term would result in your firm's failure to execute a contract in this matter.
5. Discuss any pending complaints or investigations, or any made or concluded within the past five years, to or by any regulatory body or court regarding the conduct of your firm or its predecessors, or any of its present or former members, employees and associates.

6. Include a detailed and specific fee proposal. You must include a fee proposal with specific hourly rates for each category of person who will work on the assignment (excluding clerical staff, whose time may not be billed).

7. Provide names and contact information of three client references for whom you have performed services reasonably comparable to those sought in this RFP.

1. Conformity and Completeness of Proposals

To be considered acceptable, proposals must be complete and conform to all material RFP instructions and conditions. The Attorney General's Office, in its sole discretion, may reject in whole or in part any proposal if in its judgment the best interests of the State will be served.

2.

2. Stability of Proposed Fees

Any fee proposals must be valid for the entire duration of the Contract. The total cost of this contract should not exceed \$100,000, and the duration of the contract will not exceed two years. If any proposer feels that a different maximum amount is appropriate, it should so state, with full explanation, in its proposal.

3. Amendment or Cancellation of this RFP

The Attorney General's Office reserves the right to cancel, amend, modify or otherwise change this RFP at any time if it deems it to be in the best interest of the State to do so.

4. Proposers Presentation of Supporting Evidence

Consultants must be prepared to provide evidence of experience, performance, ability, financial resources or other items as the Attorney General's Office deems to be necessary or appropriate concerning the performance capabilities represented in their proposals.

5. Proposers Misrepresentation or Default

The Attorney General's Office may reject the proposal and void any award resulting from this RFP to a law firm which makes any material misrepresentation in its proposal or other submittal in connection with this RFP.

6. Errors

The Attorney General's Office reserves the right to correct clerical or administrative errors that may be made during the evaluation of proposals or during the negotiation of the contract and to change the Contract award accordingly. In addition, the Attorney General's Office reserves the right to re-evaluate proposals and the award of the Contract in light of information either not previously known or otherwise not

properly having been taken into account prior to Contract award. In any case, this may include, in extreme circumstances, revoking the awarding of the Contract already made to a law firm and subsequently awarding the Contract to another law firm.

Such action on the part of the Attorney General's Office shall not constitute a breach of contract on the part of the Attorney General's Office since the Contract with the initial law firm would be deemed void and of no effect as if no contract ever existed between the Attorney General's Office and such law firm.

The Attorney General's Office may waive minor irregularities found in proposals or allow the proposer to correct them, depending on which is in the best interest of the state. "Minor irregularities" means typographical errors, informalities that are matters of form rather than substance and evident from the proposal itself, and insignificant mistakes that can be waived or corrected without prejudice to other proposers.

7.

7. Ownership of Proposals

All proposals shall become the sole property of the State and will not be returned.

8. Validation of Proposals

The proposal must be signed by an authorized official and shall be a binding commitment which the Attorney General's Office may incorporate, in whole or in part, by reference or otherwise, into the Contract. The proposal must also include evidence that the person submitting the proposal has the requisite power and authority to submit and deliver the proposal and subsequently to enter into, execute and deliver and perform on behalf of the law firm the Contract.

8. Execution of Contract and Related Requirements

(a) This RFP is not a contract and, alone, shall not be interpreted as such. Rather, this RFP only serves as the instrument through which proposals are solicited. Once the evaluation of the proposals is complete and a law firm is selected, the selected proposal and this RFP may then serve as the basis for the Contract that will be negotiated and executed between the Attorney General's Office and the selected law firm. If the Attorney General's Office and the initial selected law firm fail to reach agreement on all issues relative to the Contract within a time determined solely by the Attorney General, then the Attorney General's Office may commence and conclude contract negotiations with other proposers. The Attorney General's Office may decide at any time to start this RFP process again.

(b) Conn. Gen. Stat. § 4-252 requires that this RFP include a notice of the certification requirements described in this statute. Accordingly, pursuant to this statute, firms are notified as follows:

(1) The terms "gift," "quasi-public agency," "state agency," "large state contract," "principals and key personnel" and "participated substantially" as used in this section 10(b) shall have the meanings set forth in this statute.

(2) No state agency or quasi-public agency shall execute a large state contract unless the state agency or quasi-public agency obtains the written certifications described in this section 10(b). Each such certification shall be sworn as true to the best knowledge and belief of the person signing the certification, subject to the penalties of false statement.

(3) The official of the person, firm or corporation awarded the contract, who is authorized to execute the contract, shall certify on such forms as the State shall provide:

(A) That no gifts were made between the date that the state agency or quasi-public agency began planning the project, services, procurement, lease or licensing arrangement covered by the contract and the date of execution of the contract, by (i) such person, firm, corporation, (ii) any principals and key personnel of the person, firm or corporation, who participated substantially in preparing the bid or proposal or the negotiation of the contract, or (iii) any agent of such person, firm, corporation or principals and key personnel, who participated substantially in preparing the bid or proposal or the negotiation of the contract, to (I) any public official or state employee of the state agency or quasi-public agency soliciting bids or proposals for the contract, who participated substantially in the preparation of the bid solicitation or request for proposals for the contract or the negotiation or award of the contract, or (II) any public official or state employee of any other state agency, who has supervisory or appointing authority over such state agency or quasi-public agency;

(B) That no such principals and key personnel of the person, firm or corporation, or agent of such person, firm or corporation or principals and key personnel, knows of any action by the person, firm or corporation to circumvent such prohibition on gifts by providing for any other principals and key personnel, official, employee or agent of the person, firm or corporation to provide a gift to any such public official or state employee; and

(C) That the person, firm or corporation made the bid or proposal without fraud or collusion with any person.

(4) Any bidder or proposer that does not make the certifications required under section 10(b)(3) shall be disqualified and the state agency or quasi-public agency shall award the contract to the next highest ranked proposer or the next lowest responsible qualified bidder or seek new bids or proposals.

(5) The "planning date" for purposes of the Contract is September 2, 2011. The Office of Policy and Management has provided a Gift and Campaign Contribution Certification (OPM Ethics Form 1) to satisfy the requirements of this statute. The law firm must execute the Contract and OPM Ethics Form 1, attached as Appendix B, contemporaneously and must deliver them together to the Attorney General's Office.

(c) Section 4a-81 of the Connecticut General Statutes requires that this RFP include a notice of the consulting affidavit requirements described in the statute. Accordingly, pursuant to the statute, vendors are notified as follows:

(1) No state agency shall execute a contract for the purchase of goods or services, which contract has a total value to the state of fifty thousand dollars or more in any calendar or fiscal year, unless the state agency obtains the written affidavit described in subsection (2) of this section.

(2) The chief official of the vendor awarded a contract described in section 10(c)(1) or the individual awarded such contract who is authorized to execute such contract, shall attest in an affidavit as to whether any consulting agreement has been entered into in connection with such contract. Such affidavit shall be required if any duties of the consultant included communications concerning business of such state agency, whether or not direct contact with a state agency, state or public official or state employee was expected or made. "Consulting agreement" means any written or oral agreement to retain the services, for a fee, of a consultant for the purposes of (i) providing counsel to a contractor, vendor, consultant or other entity seeking to conduct, or conducting, business with the State, (ii) contacting, whether in writing or orally, any executive, judicial, or administrative office of the state, including any department, institution, bureau, board, commission, authority, official or employee for the purpose of solicitation, dispute resolution, introduction or requests for information or (iii) any other similar activity related to such contract. "Consulting agreement" does not include any agreements entered into with a consultant who is registered under the provisions of Chapter 10 of the Connecticut General Statutes concerning the State's Codes of Ethics, as of the date such affidavit is submitted.

(3) Such affidavit shall be sworn as true to the best knowledge and belief of the person signing the certification on the affidavit and shall be subject to the penalties of false statement.

(4) Such affidavit shall include the name of the consultant, the consultant's firm, the basic terms of the consulting agreement, a brief description of the services provided, and an indication as to whether the consultant is a former state employee or public official. If the consultant is a former state employee or public official, such affidavit shall indicate his or her former agency and the date such employment terminated.

(5) The Office of Policy and Management has provided OPM Ethics Form 5 to satisfy the requirements of this statute. Accordingly, the law firm must deliver this Form 5, attached as Appendix E, together with its proposal and then deliver an updated Form 5 dated the date that the law firm executes the Contract. Such affidavit shall be amended whenever the vendor awarded the contract enters into any new consulting agreement during the term of the contract.

(6) If a vendor refuses to submit the affidavit required under section 10(c)(2), then the state agency shall not award the Contract to such vendor and shall award the contract to the next highest ranked vendor or the next lowest responsible qualified bidder or seek new bids or proposals.

(7) This section 10(c) is set forth here only for purposes of providing notice of the requirements of the Act. Accordingly, it is neither intended nor should it be interpreted nor relied upon to be a complete and full reiteration of the Act's contents. Any interpretation or understanding of the Act's requirements or content by any party must come only from reading the full text of the Act itself.

(d) Pursuant to Governor M. Jodi Rell's Executive Order No. 1, paragraph 8, and Governor M. Jodi Rell's Executive Order No. 7C, paragraph 10(a), contractors

executing state contracts with a value to the State of \$50,000 or more in a calendar or fiscal year shall execute a **Gift and Campaign Contribution Certification (OPM Ethics Form 1)** contemporaneously with the contract certifying that between the planning and start date and the execution date, neither the contract signatory nor any principals nor key personnel of the contractor who participated directly, extensively and substantially in the preparation of the proposal or in the negotiation of the contract gave a contribution to candidates for statewide public office or the General Assembly. The law firm must execute the Contract and this Form 1, attached as Appendix B, contemporaneously and must deliver them together to the Attorney General's Office.

(e) Pursuant to Governor M. Jodi Rell's Executive Order No. 1, paragraph 8, and Governor M. Jodi Rell's Executive Order No. 7C, paragraph 10(a), contractors are required to submit a contract certification (annually to update previously submitted certification forms for state contracts. Contractors must use the Gift and Campaign Contribution Certification (OPM Ethics Form 1) for this purpose, attached as Appendix B. The first of these OPM Ethics Form 1 certifications is due on the contract signing date of the execution of the Contract and then every succeeding contract signing date during the time that the Contract is in effect, including the contract signing date following the termination or expiration of the Contract or conclusion of the services.

(f) Pursuant to Connecticut General Statutes §§ 4a-60(a)(1) and 4a-60a(a)(1), as amended by Public Act 07-245 and Sections 9 and 10 of Public Act 07-142, every contractor is required to provide the State with documentation in the form of a company or corporate policy adopted by resolution of the board of directors, shareholders, managers, members or other governing body of such contractor to support the contractor's nondiscrimination agreements and warranties which are included in such contractor's contract pursuant to said statutes. Copies of two certification forms (one for businesses and one for individuals) that will satisfy these requirements are attached to this RFP as Appendix F. The applicable certification form must be signed by an authorized signatory of the Proposer and submitted to the Attorney General's Office at the time of contract execution.

9. Oral Agreement or Arrangements

Any alleged oral agreements or arrangements made by law firms with any State agency or employee will be disregarded in any State proposal evaluation or associated award.

11. Independent Price Determinations

In the proposals, law firms must warrant, represent, and certify that the following requirements have been met in connection with this RFP:

- a) The fees and costs proposed have been arrived at independently, without consultation, communication, or agreement for the purpose of restricting competition as to any matter relating to such process with any other organization or with any competitor.
- b) Unless otherwise required by law, the costs quoted have not been knowingly disclosed by the law firm prior to the deadline for submission of proposals directly or indirectly to any other organization or to any

competitor; and

c) No attempt has been made, or will be made, by the law firm to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.

12. Offer of Gratuities

The law firm must represent that no elected or appointed official or employee of the State of Connecticut has, or will, benefit financially or materially from the Contract. The Contract may be terminated by the Attorney General's Office if it is determined that gratuities of any kind were either offered to, or received by, any of the aforementioned officials or employees from the law firm, the law firm's agent(s), representatives(s) or employees(s). Such action on the part of the Attorney General's Office shall not constitute a breach of contract on the part of the Attorney General's Office.

13. Subletting or Assigning of Contract

The Contract or any portion thereof, or the work provided for therein, or the right, title, or interest of the law firm therein or thereto may not be sublet, sold, transferred, assigned or otherwise disposed of to any person or entity without the prior written consent of the Attorney General's Office. No person or entity, other than the law firm to which the Contract was awarded, is permitted to perform work without the prior written approval of the Attorney General's Office.

14. Freedom of Information

The Office of the Attorney General is a public agency and its records, including responses to this RFP, are public records. See Conn. Gen. Stat. §§1-200, et seq., and especially §1-210(b)(4) and §1-210(b)(5)(B). Due regard will be given for the protection of proprietary or confidential information contained in all proposals received. However, all materials associated with this RFP are subject to the terms of the Connecticut Freedom of Information Act ("FOIA") and all applicable rules, regulations and administrative decisions. If a firm is interested in preserving the confidentiality of any part of its proposal, it will not be sufficient merely to state generally in the proposal that the proposal is proprietary or confidential in nature and not, therefore, subject to release to third parties. Instead, those particular sentences, paragraphs, pages or sections that a firm believes to be exempt from disclosure under the FOIA must be specifically identified as such. Convincing explanation and rationale sufficient to justify each exemption consistent with Section 1-210(b) of the FOIA must accompany the proposal. The rationale and explanation must be stated in terms of the reasons the materials are legally exempt from release pursuant to the FOIA. Firms should not request that their entire proposal, nor the majority of the proposal, be confidential. Any submitted proposal, once execution of a contract is complete, and any completed contract will be considered public information. The Attorney General's Office has no obligation to initiate, prosecute or defend any legal proceeding or to seek a protective order or other similar relief to prevent disclosure of any information that is sought pursuant to a FOIA request. The contractor has the burden of establishing the availability of any FOIA exemption in any proceeding where it is an issue. In no event shall the Attorney General's Office have any liability for the disclosure of any documents or information in its possession which the Attorney General's Office believes are required to be disclosed pursuant to the FOIA or other requirements of law.

15. Conformance with Federal, State and Other Requirements

In the Contract, the law firm will represent and warrant that, at all pertinent and relevant times to the Contract, it has been, is and will continue to be in full compliance with all Federal, State, municipal or other governmental department, commission, board, bureau, agency or instrumentality, codes, statutes, acts, ordinances, judgments, decrees, injunctions and regulations.

16. Executive Orders

The Contract shall be subject to the provisions of Executive Order No. Three of Governor Thomas J. Meskill, promulgated June 16, 1971, the provisions of Executive Order No. Seventeen of Governor Thomas J. Meskill, promulgated February 15, 1973 and the provisions of Executive Order No. Sixteen of Governor John G. Rowland promulgated August 4, 1999. The contract may also be subject to Executive Order No. 7C of Governor M. Jodi Rell, promulgated July 13, 2006, concerning contracting reforms, in accordance with its terms and conditions.

17. Americans with Disabilities Act

The proposer shall comply with the Americans with Disabilities Act and any other applicable federal laws and regulations.

18. Affirmative Action and Contract Compliance Reporting

Proposers are advised that in addition to evaluating their qualifications, experience, capabilities, competitiveness of cost and conformance to this RFP specifications, weight may also be given to proposers which demonstrate a commitment to affirmative action by full compliance with the Commission on Human Rights and Opportunities regulations.

19. Campaign Contribution and Solicitation Ban

With regard to a State contract, as defined in Public Act No. 07-1, having a value in a calendar year of \$50,000 or more or a combination or series of such agreements or contracts having a value of \$100,000 or more, the authorized signatory to the proposal in response to this RFP expressly acknowledges receipt of the State Elections Enforcement Commission's notice advising prospective state contractors of state campaign contribution and solicitation prohibitions, and will inform its principals of the contents of the notice.

APPENDIX A TO REQUEST FOR PROPOSALS

PROFESSIONAL SERVICES AGREEMENT BETWEEN THE STATE OF CONNECTICUT, ACTING BY ITS ATTORNEY GENERAL, A N D

This Agreement, to be effective on its final and complete execution, is made by and between the STATE OF CONNECTICUT, acting by its ATTORNEY GENERAL, George Jepsen, duly authorized pursuant to Section 3-125 of the Connecticut General Statutes, with an office at 55 Elm Street, Hartford, CT 06106 and _____, acting by _____, with its principal place of business at _____.

In consideration of these premises and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

SECTION 1: SCOPE OF SERVICES

1.1 The services to be performed by the CONSULTANT shall consist of the following, collectively referred to as "Services":

- (a) Serve as CONSULTANT and expert witness in potential securities enforcement litigation in connection with valuation of certain investment instruments.
- (b) Review, analysis, investigation and research necessary to carry out the Services.
- (c) Providing all clerical support.
- (d) Performing all tasks under this Agreement in coordination with the ATTORNEY GENERAL.

SECTION 2: AGREEMENT ADMINISTRATION

2.1 The person in charge of administering this Agreement on behalf of the ATTORNEY GENERAL is Rupal Shah Palanki, Assistant Attorney General and his successors in office, whose contact information is as follows:

Office of the Attorney General
55 Elm Street
Hartford, CT 06106
Telephone: (860) 808-5270
Fax: (860) 808-5385
email: Rupal.ShahPalanki@ct.gov

2.2 The person in charge of administering this Agreement on behalf of the CONSULTANT is: _____, whose contact information is as follows:

Telephone: _____
Fax: _____
e-mail: _____

2.3 The professional staff member of CONSULTANT primarily responsible for the performance of this Agreement is _____. The CONSULTANT may not change this assignment without the prior written consent of the ATTORNEY GENERAL.

2.4 Within seven days after receiving a request by the ATTORNEY GENERAL, the CONSULTANT shall remove from assignment to this Agreement any specified professional or other staff and, at the ATTORNEY GENERAL'S request, shall augment the remaining staff with such other staff as is acceptable to the ATTORNEY GENERAL.

SECTION 3: COMPENSATION AND REIMBURSEMENT

3.1 The ATTORNEY GENERAL agrees to compensate the CONSULTANT for Services solely in accordance with the following hourly rate schedule:

- (a) _____
- (b) _____
- (c) _____
- (d) _____

The above hourly rates shall be charged only for actual time spent rendering such Services; the CONSULTANT shall not "round off" time. The time spent rendering Services shall be billed to the tenth of an hour within any single workday. The ATTORNEY GENERAL shall not be charged for any other time expended by the CONSULTANT during travel, overnight stays, or the like associated with the performance of the Services.

3.2 Compensation will be paid only after the submission of itemized documentation, in a form acceptable to the ATTORNEY GENERAL, the Assistant Attorney General and _____. Billings are to be on a monthly basis. The billings must contain, at a minimum, a detailed description of the work performed, the date of performance, the actual time spent performing the work, the name and position of the person(s) rendering the Service and the rate charged for that Service. The monthly bill must also be accompanied by a summary of time and charges billed for itemized on the invoice. The ATTORNEY GENERAL or his designee may, prior to

authorizing payment under this Section, require the CONSULTANT to submit such additional accounting and information as he deems to be necessary or appropriate. The CONSULTANT shall not be compensated for any time spent preparing any billing documentation, including but not limited to such documentation and accompanying memoranda required by this Section and the Status Reports and Records Section of this Agreement. All bills must be sent to **Office of the Attorney General-Business Office, 55 Elm Street-4th Floor Annex, Hartford, Connecticut 06106-1774.**

3.3 The ATTORNEY GENERAL agrees to reimburse the CONSULTANT for actual, necessary and reasonable out-of-pocket disbursements and expenses, including, computerized research (at cost), commercial messenger and delivery services (at cost), and long distance telephone calls. The ATTORNEY GENERAL shall not reimburse the CONSULTANT for any overhead related expenses, including, but not limited to, duplicating, secretarial, facsimile (other than long-distance telephone line charges), clerical staff, library staff, proofreading staff, meals and in-state transportation costs or expenses unless they are otherwise approved by the ATTORNEY GENERAL and _____. The CONSULTANT shall be reimbursed for reasonable expenses for transportation, specifically excluding first class airfare, parking and reasonable lodging and meals associated with interstate travel as approved in advance by the ATTORNEY GENERAL or his designee.

3.4 The CONSULTANT shall not be compensated for time spent in consultation with any attorney or other employee of the ATTORNEY GENERAL or _____ concerning the administration of this Agreement and/or issues relating to billing. Unless otherwise authorized by the ATTORNEY GENERAL, compensation for communication between or among staff within the CONSULTANT'S firm is limited to the time and billing rate of the most senior staff member participating in the communication. These charges must be accompanied by a detailed description setting forth the purpose of the communication and summarizing its details. The ATTORNEY GENERAL and the _____ shall make the final determination, in their sole discretion, as to the adequacy of such description.

3.5 Absent the consent of the ATTORNEY GENERAL or his designee, the CONSULTANT shall not be compensated for the attendance or participation of more than one staff member at or during any meeting, conference or proceeding, in person or otherwise, in any forum, in connection with performing the Services. Where more than one staff member has attended or participated in any such meeting, conference or proceeding without the consent of the ATTORNEY GENERAL or his designee, the CONSULTANT shall be compensated only for the time of the most senior staff member in attendance or participating.

3.6 The ATTORNEY GENERAL shall approve for payment all undisputed fees and costs, as soon as the documentation can properly be processed in

accordance with usual State practice.

3.7 Maximum payments under this Agreement shall not exceed One hundred thousand dollars (\$100,000).

3.8 Compensation and reimbursement provided under this Section constitutes full and complete payment for all costs and expenses incurred or assumed by the CONSULTANT in performing this Agreement. No other costs, expenses or overhead items shall be reimbursed by the ATTORNEY GENERAL without the prior written approval of the ATTORNEY GENERAL or his designee.

SECTION 4: TERMINATION

4.1 Notwithstanding any provisions in this Agreement, the ATTORNEY GENERAL, through a duly authorized employee, may terminate the Agreement whenever the ATTORNEY GENERAL makes a written determination that such termination is in the best interests of the State. The ATTORNEY GENERAL shall notify the CONSULTANT in writing of termination pursuant to this Section, which notice shall specify the effective date of termination and the extent to which the CONSULTANT must complete performance of the Services prior to such date.

4.2 Upon receipt of a written notice of termination from the ATTORNEY GENERAL, the CONSULTANT shall cease operations as directed by the ATTORNEY GENERAL in the notice, and take all actions that are necessary or appropriate, or that the ATTORNEY GENERAL may reasonably direct, for the protection and preservation of the Records, as that term is defined in the Indemnification Section of this Agreement. Except for any work which the ATTORNEY GENERAL directs the CONSULTANT to perform in the notice prior to the effective date of termination, and except as otherwise provided in the notice, the CONSULTANT shall terminate or conclude all existing subcontracts.

4.3 In the case of any termination, the ATTORNEY GENERAL shall, within forty-five (45) days of final billing after the effective date of termination, pay the CONSULTANT for its performance rendered and accepted by the ATTORNEY GENERAL, in addition to all actual and reasonable costs incurred after notice of termination in completing those portions of the Services which the CONSULTANT was required to complete by the notice. However, the CONSULTANT is not entitled to receive and the ATTORNEY GENERAL is not obligated to tender to the CONSULTANT any payments for anticipated or lost profits.

4.4 Upon termination of the Agreement, all rights and obligations shall be null

and void, so that no party shall have any further rights or obligations to any other party, except with respect to the sections which survive termination. All representations, warranties, agreements and rights of the parties under the Agreement shall survive such termination to the extent not otherwise limited in the Agreement and without each one of them having to be specifically mentioned in the Agreement.

4.5 Termination of the Agreement pursuant to this Section shall not be deemed to be a breach of contract by the ATTORNEY GENERAL.

4.6 Upon receipt of written notification from the ATTORNEY GENERAL of termination, the CONSULTANT shall immediately cease to perform the Services unless otherwise directed by the ATTORNEY GENERAL or to the extent necessary to prevent the State from failing to make timely filings or otherwise failing to comply with court orders or the law. The Records are deemed to be the property of the State. The CONSULTANT shall assemble and deliver to the ATTORNEY GENERAL all Records in electronic, magnetic, paper or any other form, that may be in his possession or custody, and shall transmit the same to the ATTORNEY GENERAL or his designee as soon as possible in a non-proprietary format no later than the fifteenth day following the receipt of the above written notice, together with a detailed hourly description of the Services performed and expenses reasonably incurred.

4.7 The CONSULTANT, on sixty (60) days' prior written notice to the ATTORNEY GENERAL, may terminate this Agreement.

4.8 On the effective date of CONSULTANT's termination, the CONSULTANT shall immediately cease to perform the Services except to the extent necessary to prevent the State from failing to make timely filings or otherwise failing to comply with court orders or the law. The Records are deemed to be the property of the State. The CONSULTANT shall assemble and deliver to the ATTORNEY GENERAL all Records in electronic, magnetic, paper or any other form, that may be in its possession or custody, and shall deliver the same to the ATTORNEY GENERAL or his designee as soon as possible in a non-proprietary format, such as, but not limited to, ASCII or .TXT, but no later than the fifteenth day following the transmittal of the written notice, together with a description of the cost of the Services performed and expenses reasonably incurred.

4.9 If CONSULTANT terminates this Agreement, CONSULTANT shall not be entitled to any compensation for Services that are rendered or payment for expenses that are incurred subsequent to the date of termination.

SECTION 5: TIME OF PERFORMANCE

5.1 The CONSULTANT shall perform the Services at such times and in such sequence as may be reasonably directed by the ATTORNEY GENERAL and the _____.

5.2 This Agreement will run from its effective date until the tasks set forth in the Scope of Services Section of this Agreement are performed or completed to the satisfaction of the ATTORNEY GENERAL, or unless sooner terminated in accordance with the Termination and Cancellation Sections of this Agreement, but in no event beyond December 31, 2013, unless otherwise amended.

SECTION 6: SETOFF

6.1 In addition to all other remedies that the ATTORNEY GENERAL may have, the ATTORNEY GENERAL, in his sole discretion, may setoff (1) any costs or expenses that the State incurs resulting from the CONSULTANT's unexcused non-performance under the Agreement and under any other agreement or arrangement that the CONSULTANT has with the State and (2) any other amounts that are due or may become due from the State to the CONSULTANT, against amounts otherwise due or that may become due to the CONSULTANT under the Agreement, or under any other agreement or arrangement that the CONSULTANT has with the State. The State's right of setoff shall not be deemed to be the State's exclusive remedy for the CONSULTANT's breach of the Agreement, all of which shall survive any setoffs by the State.

SECTION 7: CROSS DEFAULT

7.1 If the CONSULTANT breaches, defaults or in any way fails to perform satisfactorily under the Agreement, then the ATTORNEY GENERAL may, in his sole discretion, without more and without any action whatsoever required of the ATTORNEY GENERAL, treat any such event as a breach, default or failure to perform under any or all other agreements or arrangements ("Other Agreements") that the CONSULTANT has with the ATTORNEY GENERAL. Accordingly, the ATTORNEY GENERAL may then exercise at his sole option any and all of its rights or remedies provided for in the Agreement or Other Agreements, either selectively or collectively and without such election being deemed to prejudice any rights or remedies of the ATTORNEY GENERAL, as if the CONSULTANT had suffered a breach, default or failure to perform under the Other Agreements.

7.2 If the CONSULTANT breaches, defaults or in any way fails to perform satisfactorily under any or all Other Agreements with the ATTORNEY GENERAL or the State, then the ATTORNEY GENERAL may, in his sole discretion, without more and without any action whatsoever required of the ATTORNEY GENERAL, treat any such event as a breach, default or failure to perform under the Agreement. Accordingly, the ATTORNEY GENERAL may then exercise at his sole option any and all of its rights or remedies provided for in the Other Agreements or the Agreement, either selectively or collectively and without such election being deemed to prejudice any rights or remedies of the ATTORNEY GENERAL or the State, as if the CONSULTANT had suffered a breach, default or failure to perform under the Agreement.

SECTION 8: REPRESENTATIONS AND WARRANTIES

8.1 The CONSULTANT represents and warrants to the ATTORNEY GENERAL for itself and for the CONSULTANT Agents, as defined in the Indemnification Section of this Agreement, as applicable, that:

- (a) the CONSULTANT is duly and validly existing under the laws of its state of organization and is authorized to conduct business in the State of Connecticut in the manner contemplated by the Agreement. Further, it has taken all necessary action to authorize the execution, delivery and performance of the proposal and the Agreement and has the power and authority to execute, deliver and perform its obligations under the Agreement;
- (b) it will comply with all applicable State and Federal laws and municipal ordinances in satisfying its obligations under and pursuant to the Agreement, including, but not limited to Connecticut General Statutes Title 1, Chapter 10, concerning the State's Codes of Ethics;
- (c) the execution, delivery and performance of the Agreement will not violate, be in conflict with, result in a breach of or constitute (with or without due notice and/or lapse of time) a default under any of the following, as applicable: (1) any provision of law; (2) any order of any court or the State; or (3) any indenture, agreement, document or other instrument to which it is a party or by which it may be bound;
- (d) it is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any governmental entity;

- (e) CONSULTANT and CONSULTANT Agents have not, within the three years preceding the Agreement, in any of their current or former jobs, been convicted of, or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a transaction or contract with any governmental entity. This includes, but is not limited to, violation of Federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- (f) CONSULTANT and CONSULTANT Agents are not presently indicted or, to the best of their knowledge, under investigation for or otherwise criminally or civilly charged by any governmental entity with commission of any of the offenses listed above;
- (g) CONSULTANT and CONSULTANT Agents have not within the three years preceding the Agreement had one or more contracts with any governmental entity terminated for cause;
- (h) to the best of its knowledge, there are no Claims, as defined in the Indemnification Section of this Agreement, involving the CONSULTANT that might reasonably be expected to materially adversely affect its businesses, operations, assets, properties, financial stability, business prospects or ability to perform fully under the Agreement;
- (i) it shall disclose, to the best of its knowledge, to the ATTORNEY GENERAL in writing any Claims involving them that might reasonably be expected to materially adversely affect their businesses, operations, assets, properties, financial stability, business prospects or ability to perform fully under the Agreement, no later than ten (10) days after becoming aware or after they should have become aware of any such Claims;
- (j) its participation in the request for proposal process is not a conflict of interest or a breach of ethics under the provisions of Title 1, Chapter 10 of the Connecticut General Statutes concerning the State's Code of Ethics;
- (k) the proposal was not made in connection or concert with any other person, entity or proposer submitting a proposal and is in all respects fair and without collusion or fraud;
- (l) it has paid all applicable workers' compensation second injury fund assessments concerning all previous work done in Connecticut;

- (m) it owes no past due unemployment compensation contributions;
- (n) it is not delinquent in the payment of any taxes owed to the State of Connecticut.
- (o) it shall not copy or divulge to any third party any information or any data in any form obtained or produced in connection with the performance of its duties and responsibilities pursuant to this Agreement other than in connection with the performance of those duties and responsibilities. The CONSULTANT shall keep all confidential or privileged the Records in secured areas and shall take reasonable precautions to protect the Records from the dangers of fire, theft, flood, natural disasters and other physical threats, as well as unauthorized access.
- (p) During the course of this Agreement, the CONSULTANT shall not represent any other client if such representation will materially affect its duties or obligations to the State of Connecticut or the ATTORNEY GENERAL or create an appearance of impropriety.
- (q) The CONSULTANT will not knowingly enter into or retain any business relationships or enterprise in which an employee of the office of the Attorney General holds an interest, other than a nominal interest in a publicly held corporation, without the prior written consent of the ATTORNEY GENERAL.

SECTION 9:

9.1 The CONSULTANT shall otherwise maintain all original documentation, or copies thereof in the manner specified in the Representation and Warranties Section of this Agreement, for a period of six (6) years after the termination of this Agreement.

SECTION 10: INDEMNIFICATION

10.1 The CONSULTANT shall indemnify, defend and hold harmless the State and its officers, representatives, agents, servants, employees, successors and assigns from and against any and all (1) Claims arising, directly or indirectly, in connection with the Agreement, including the acts of commission or omission (collectively, the "Acts") of the CONSULTANT or CONSULTANT Agents, as defined below; and (2) liabilities, damages, losses, costs and expenses, including but not limited to, attorneys' and other professionals' fees, arising, directly or indirectly, in connection with Claims, Acts or the Agreement. The CONSULTANT shall use COUNSEL reasonably acceptable to the State in carrying out its obligations under this Section. The CONSULTANT's obligations under this Section to indemnify, defend and hold harmless against Claims includes Claims concerning confidentiality of any part of or all of the proposal or any Records, any intellectual property rights, other proprietary rights of any person or entity, copyrighted or uncopied compositions, secret processes, patented or unpatented inventions or

articles furnished or used in the performance of the Agreement.

10.2 The CONSULTANT shall reimburse the State for any and all damages to the real or personal property of the State caused by the Acts of the CONSULTANT or any CONSULTANT Agents. The State shall give the CONSULTANT reasonable notice of any such Claims.

10.3 The CONSULTANT's duties under this Section shall remain fully in effect and binding in accordance with the terms and conditions of the Agreement, without being lessened or compromised in any way, even where the CONSULTANT is alleged or is found to have merely contributed in part to the Acts giving rise to the Claims and/or where the State is alleged or is found to have contributed to the Acts giving rise to the Claims.

10.4 The rights provided in this Section for the benefit of the State shall encompass the recovery of attorneys' and other professionals' fees expended in pursuing a Claim against a third party.

10.5 This section shall survive the Termination, Cancellation or Expiration of the Agreement, and shall not be limited by reason of any insurance coverage.

10.6 The term "Claims" means all actions, suits, claims, demands, investigations and proceedings of any kind, open, pending or threatened, whether mature, unmatured, contingent, known or unknown, at law or in equity, in any forum.

10.7 The term "CONSULTANT Agents" means the CONSULTANT's members, directors, officers, shareholders, partners, managers, principal officers, representatives, agents, servants, consultants, employees or any one of them or any other person or entity with whom the CONSULTANT is in privity of oral or written contract and the CONSULTANT intends for such other person or entity to perform under the Agreement in any capacity.

10.8 The term "Records" means all working papers and such other information and materials as may have been accumulated by the CONSULTANT or CONSULTANT Agents in performing the Agreement, including but not limited to, documents, data, plans, books, computations, drawings, specifications, notes, reports, records, estimates, summaries and correspondence, kept or stored in any form

10.9 The CONSULTANT shall not use, raise, or plead the defense of sovereign or governmental immunity in the adjustment or settlement of any Claims against the CONSULTANT arising out of the work performed under this

Agreement, or as a defense in any Claims, unless specifically authorized to do so in writing by the ATTORNEY GENERAL or his designee.

SECTION 12: CHANGES TO THIS AGREEMENT

12.1 Any and all amendments, changes, extensions, revisions or discharges of this Agreement, in whole or in part, on one or more occasions, must be in writing and executed by all the parties to this Agreement in order to be enforceable.

SECTION 13: REQUIRED PERSONNEL/OFFICE

13.1 On or before the effective date of this Agreement, the CONSULTANT shall have secured, and shall maintain during the term of this Agreement, all at its sole cost and expense (i) such appropriately skilled and competent personnel and supporting staff in adequate numbers; and (ii) such equipment as are reasonably necessary or appropriate to fully perform the Services to the satisfaction of the ATTORNEY GENERAL.

13.2 The personnel shall not be employees of or have any contractual relationship with the Office of the Attorney General.

13.3 All the Services shall be performed by the CONSULTANT or under its supervision, and all personnel engaged in the Services shall be fully qualified and shall be authorized or permitted under law to perform the applicable Services.

SECTION 14: NONDISCRIMINATION

14.1 (a) For purposes of this Section, the following terms are defined as follows:

- i. "Commission" means the Commission on Human Rights and Opportunities;
- ii. "Contract" and "contract" include any extension or modification of the Contract or contract;
- iii. "Contractor" and "contractor" include any successors or assigns of the Contractor or contractor;
- iv. "Gender identity or expression" means a person's gender-related identity, appearance or behavior, whether or not that gender-related identity, appearance or behavior is different from that traditionally associated with the person's physiology or assigned sex at birth, which gender-related identity can be shown by providing evidence including, but not limited to, medical history, care or treatment of the gender-related identity, consistent and uniform assertion of the gender-related identity or any other evidence that the gender-related identity is sincerely held, part of a person's core identity or not being asserted for an improper purpose.
- v. "good faith" means that degree of diligence which a reasonable person would exercise in the performance of legal duties and obligations;
- vi. "good faith efforts" shall include, but not be limited to, those

reasonable initial efforts necessary to comply with statutory or regulatory requirements and additional or substituted efforts when it is determined that such initial efforts will not be sufficient to comply with such requirements;

vii. "marital status" means being single, married as recognized by the State of Connecticut, widowed, separated or divorced;

viii. "mental disability" means one or more mental disorders, as defined in the most recent edition of the American Psychiatric Association's "Diagnostic and Statistical Manual of Mental Disorders", or a record of or regarding a person as having one or more such disorders;

ix. "minority business enterprise" means any small contractor or supplier of materials fifty-one percent or more of the capital stock, if any, or assets of which is owned by a person or persons: (1) who are active in the daily affairs of the enterprise, (2) who have the power to direct the management and policies of the enterprise, and (3) who are members of a minority, as such term is defined in subsection (a) of Connecticut General Statutes § 32-9n; and

x. "public works contract" means any agreement between any individual, firm or corporation and the State or any political subdivision of the State other than a municipality for construction, rehabilitation, conversion, extension, demolition or repair of a public building, highway or other changes or improvements in real property, or which is financed in whole or in part by the State, including, but not limited to, matching expenditures, grants, loans, insurance or guarantees.

For purposes of this Section, the terms "Contract" and "contract" do not include a contract where each contractor is (1) a political subdivision of the state, including, but not limited to, a municipality, (2) a quasi-public agency, as defined in Conn. Gen. Stat. Section 1-120, (3) any other state, including but not limited to any federally recognized Indian tribal governments, as defined in Conn. Gen. Stat. Section 1-267, (4) the federal government, (5) a foreign government, or (6) an agency of a subdivision, agency, state or government described in the immediately preceding enumerated items (1), (2), (3), (4) or (5).

(b) (1) The Contractor agrees and warrants that in the performance of the Contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, gender identity or expression, mental retardation, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by such Contractor that such disability prevents performance of the work involved, in any manner prohibited by the laws of the United States or of the State of Connecticut; and the Contractor further agrees to take affirmative action to insure that applicants with job-related qualifications are employed and that employees are treated when employed without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, gender identity or expression, mental retardation, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by the Contractor that such disability prevents performance of the work involved; (2) the Contractor agrees, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, to state that it is an "affirmative action equal opportunity employer" in accordance with regulations adopted by the Commission; (3) the Contractor agrees to provide each labor union or representative of workers with which the Contractor has a collective bargaining Agreement or other contract or understanding and each vendor with which the Contractor has a contract or

understanding, a notice to be provided by the Commission, advising the labor union or workers' representative of the Contractor's commitments under this section and to post copies of the notice in conspicuous places available to employees and applicants for employment; (4) the Contractor agrees to comply with each provision of this Section and Connecticut General Statutes §§ 46a-68e and 46a-68f and with each regulation or relevant order issued by said Commission pursuant to Connecticut General Statutes §§ 46a-56, 46a-68e and 46a-68f; and (5) the Contractor agrees to provide the Commission on Human Rights and Opportunities with such information requested by the Commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Contractor as relate to the provisions of this Section and Connecticut General Statutes § 46a-56. If the contract is a public works contract, the Contractor agrees and warrants that he will make good faith efforts to employ minority business enterprises as subcontractors and suppliers of materials on such public works projects.

(c) Determination of the Contractor's good faith efforts shall include, but shall not be limited to, the following factors: The Contractor's employment and subcontracting policies, patterns and practices; affirmative advertising, recruitment and training; technical assistance activities and such other reasonable activities or efforts as the Commission may prescribe that are designed to ensure the participation of minority business enterprises in public works projects.

(d) The Contractor shall develop and maintain adequate documentation, in a manner prescribed by the Commission, of its good faith efforts.

(e) The Contractor shall include the provisions of subsection (b) of this Section in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the State and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the Commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the Commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with Connecticut General Statutes §46a-56; provided if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Commission, the Contractor may request the State of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the State and the State may so enter.

(f) The Contractor agrees to comply with the regulations referred to in this Section as they exist on the date of this Contract and as they may be adopted or amended from time to time during the term of this Contract and any amendments thereto.

(g) (1) The Contractor agrees and warrants that in the performance of the Contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of sexual orientation, in any manner prohibited by the laws of the United States or the State of Connecticut, and that employees are treated when employed without regard to their sexual orientation; (2) the Contractor agrees to provide each labor union or representative of workers with which such Contractor has a collective bargaining Agreement or other contract or understanding and each vendor with which such Contractor has a

contract or understanding, a notice to be provided by the Commission on Human Rights and Opportunities advising the labor union or workers' representative of the Contractor's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment; (3) the Contractor agrees to comply with each provision of this section and with each regulation or relevant order issued by said Commission pursuant to Connecticut General Statutes § 46a-56; and (4) the Contractor agrees to provide the Commission on Human Rights and Opportunities with such information requested by the Commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Contractor which relate to the provisions of this Section and Connecticut General Statutes § 46a-56.

(h) The Contractor shall include the provisions of the foregoing paragraph in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the State and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the Commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the Commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with Connecticut General Statutes § 46a-56; provided, if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Commission, the Contractor may request the State of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the State and the State may so enter.

SECTION 15: CERTAIN STATE ETHICS REQUIREMENTS

15.1 For all State contracts as defined in P.A. 07-01 having a value in a calendar year of \$50,000 or more or a combination or series of such agreements or contracts having a value of \$100,000 or more, the authorized signatory to this Agreement expressly acknowledges receipt of the State Elections Enforcement Commission's notice advising state contractors of state campaign contributions and solicitation prohibitions, and will inform its principals of the contents of the notice.

15.2 Pursuant to Governor M. Jodi Rell's Executive Order No. 1, paragraph 8, and Governor M. Jodi Rell's Executive Order No. 7C, paragraph 10(a), the CONSULTANT must submit a contract certification annually to update previously submitted certification forms for state contracts. Contractors must use the Gift and Campaign Contribution Certification (OPM Ethics Form 1) for this purpose, attached as Appendix B. The first of these OPM Ethics Form 1 certifications is due on the first annual anniversary date of the execution of this Agreement and then every succeeding annual anniversary date during the time that this Agreement is in effect, including the first anniversary date following the termination or expiration of this Agreement or conclusion of the Services. This provision shall survive the termination or expiration of the Agreement in order for the CONSULTANT to satisfy its obligation to submit the last certification.

SECTION 16: APPLICABLE EXECUTIVE ORDERS OF THE GOVERNOR

16.1 The CONSULTANT shall comply, to the extent applicable, with the provisions of Executive Order No. Three of Governor Thomas J. Meskill, promulgated June 16, 1971, concerning labor employment practices, Executive Order No. Seventeen of Governor Thomas J. Meskill, promulgated February 15, 1973, concerning the listing of employment openings and Executive Order No. Sixteen of Governor John G. Rowland promulgated August 4, 1999, concerning violence in the workplace and Executive Order No. 7C of Governor M. Jodi Rell, promulgated July 13, 2006, concerning contracting reforms. These Executive Orders are incorporated into and are made a part of this Agreement as if they had been fully set forth in it. At the CONSULTANT'S request, the ATTORNEY GENERAL shall provide a copy of these orders to the CONSULTANT. .

SECTION 17: CONFIDENTIALITY

17.1 All of the reports, information, data, and other papers and materials, in whatever form, prepared or assembled by the CONSULTANT under this Agreement are confidential, and the CONSULTANT shall not make them available to any individual or organization, other than in connection with the performance of those duties and responsibilities, without the prior written approval of the ATTORNEY GENERAL or his designee.

17.2 The ATTORNEY GENERAL will afford due regard to any request of the CONSULTANT for the protection of proprietary or confidential information which the ATTORNEY GENERAL receives from the CONSULTANT. However, all materials associated with the the Agreement are subject to the terms of the Connecticut Freedom of Information Act ("FOIA") and all corresponding rules, regulations and interpretations. In making such a request, the CONSULTANT may not merely state generally that the materials are proprietary or confidential in nature and not, therefore, subject to release to third parties. Those particular sentences, paragraphs, pages or sections that the CONSULTANT believes are exempt from disclosure under the FOIA must be specifically identified as such. Convincing explanation and rationale sufficient to justify each exemption consistent with the FOIA must accompany the request. The rationale and explanation must be stated in terms of the prospective harm to the competitive position of the CONSULTANT that would result if the identified material were to be released and the reasons why the materials are legally exempt from release pursuant to the FOIA. To the extent that any other provision or part of the Agreement, especially including the Records, conflicts or is in any way inconsistent with this Section, this Section controls and shall apply and the conflicting provision or part shall not be given effect. The ATTORNEY GENERAL shall not have any obligation to initiate, prosecute or defend any legal proceeding or to seek a protective order or other similar relief to prevent disclosure of any information that is sought pursuant to a FOIA request. The CONSULTANT shall have the burden of establishing the availability of any FOIA exemption in any proceeding where it is an issue. In no event shall the ATTORNEY GENERAL or the State have any liability for the disclosure of any documents or information in its possession which the ATTORNEY GENERAL believes are required to be disclosed pursuant to the FOIA or other requirements of law.

SECTION 18: MISCELLANEOUS

18.1 The sole and exclusive means for the presentation of any Claim, as defined in the Indemnification Section of this Agreement, against the State arising from this Agreement shall be in accordance with Chapter 53 of the Connecticut General Statutes (Claims Against the State). The CONSULTANT shall not initiate any legal proceedings in any State or Federal Court in addition to, or in lieu of, said Chapter 53 proceedings.

18.2 The Agreement shall be deemed to have been made in the City of Hartford, State of Connecticut. Both Parties agree that it is fair and reasonable for the validity and construction of the Agreement to be, and it shall be, governed by the laws and court decisions of the State of Connecticut, without giving effect to its principles of conflicts of laws. To the extent that Chapter 53 of the Connecticut General Statutes does not apply and to the extent that any immunities provided by Federal law or the laws of the State of Connecticut do not bar an action against the State, and to the extent that these courts are courts of competent jurisdiction, for the purpose of venue the complaint shall be made returnable to the Judicial District of Hartford only or shall be brought in the United States District Court for the District of Connecticut only, and shall not be transferred to any other court, provided, however, that nothing here constitutes a waiver or compromise of the sovereign immunity of the State of Connecticut. The Contractor waives any objection which it may now have or will have to the laying of venue of any Claims, as defined in the Indemnification Section of this Agreement, in any forum and further irrevocably submits to such jurisdiction in any suit, action or proceeding.

18.3 The parties each bind themselves, their partners, successors, assigns, and legal representatives with respect to all covenants of this Agreement.

18.4 This Agreement incorporates all the understandings of the parties and supersedes any and all agreements reached by the parties prior to the effective date of this Agreement, whether oral or written.

18.5 If any provision of this Agreement, or application to any party or circumstances, is held invalid by any court of competent jurisdiction, the balance of the provisions of this Agreement, or their application to any party or circumstances, shall not be affected, but only if the balance of the provisions of this Agreement would then continue to conform to the requirements of applicable laws.

18.6 The ATTORNEY GENERAL and the CONSULTANT shall not be excused from their obligation to perform in accordance with the Agreement except in the case of force majeure events and as otherwise provided for in the Agreement. In the case of any such exception, the nonperforming party shall give immediate written notice to the other,

explaining the cause and probable duration of any such nonperformance. "Force majeure events" means events that materially affect the time schedule within which to perform and are outside the control of the party asserting that such an event has occurred, including, but not limited to, labor troubles unrelated to the CONSULTANT, failure of or inadequate permanent power, unavoidable casualties, fire not caused by the CONSULTANT, extraordinary weather conditions, disasters, riots, acts of God, insurrection or war.

18.7 The CONSULTANT shall not refer to services provided to the State for advertising or promotional purposes, including, but not limited to, posting any material or data on the Internet, without the ATTORNEY GENERAL's prior written approval.

18.8 The CONSULTANT shall notify the ATTORNEY GENERAL in writing no later than ten (10) days from the effective date of any change in (1) its certificate of incorporation or other organizational document, or (2) a controlling interest in the ownership of the CONSULTANT. No such change shall relieve the CONSULTANT of any responsibility for the accuracy and completeness of the performance. The CONSULTANT shall deliver such documents to the ATTORNEY GENERAL in accordance with the terms of the ATTORNEY GENERAL's written request. The ATTORNEY GENERAL may also require, and the CONSULTANT shall deliver, a financial statement showing that solvency of the CONSULTANT is maintained.

18.9 The parties shall provide such information, execute and deliver any instruments and documents and take such other actions as may be necessary or reasonably requested by the other party which are not inconsistent with the provisions of this Agreement and which do not involve the vesting of rights or assumption of obligations other than those provided for in the Agreement, in order to give full effect to the Agreement and to carry out the intent of the Agreement.

18.10 The CONSULTANT shall maintain accurate Records and shall make all of the Records available at all reasonable hours for audit and inspection by the State. This includes, but is not limited to accurate records and accounts of all expenditures under this Agreement as well as satisfactory evidence of payment to assure proper accounting. Such records and accounts shall be kept in the manner specified in the Representations and Warranties Section, and made available for six years after the termination of this Agreement and shall be made available and furnished upon request to the ATTORNEY GENERAL or his designee on or before the tenth business day following the date of the written request. The CONSULTANT will cooperate fully with any and all audit or review of billing by the ATTORNEY GENERAL or any other agency, person, or entity acting on behalf of the ATTORNEY GENERAL or the STATE, and shall, upon request, provide billing in a format which will facilitate audit or review.

18.11 The CONSULTANT shall continue to perform its obligations under the Agreement while any dispute concerning the Agreement is being resolved.

18.12 The CONSULTANT shall be responsible for the entire performance under the Agreement. The CONSULTANT shall be the sole point of contact concerning the management of the Agreement, including performance and payment issues. The CONSULTANT is solely and completely responsible for adherence by the CONSULTANT Agents to all applicable provisions of the Agreement.

18.13 The waiver of a term or condition by the ATTORNEY GENERAL or his designee shall not (i) entitle the CONSULTANT to any future waivers of the same or different terms or conditions; (ii) impose any duties, obligations or responsibilities on the ATTORNEY GENERAL or any Department not already in the Agreement, as amended, modified or superseded; or (iii) subject the ATTORNEY GENERAL or the State of Connecticut or any department or agency thereof to any Claims.

18.14 If a disagreement arises between the parties to this Agreement as to whether or not the CONSULTANT has or may in the foreseeable future have a conflict of interest or there exists or may exist in the foreseeable future an appearance of impropriety, the ATTORNEY GENERAL'S determination shall be final and dispositive of the issue. Where the ATTORNEY GENERAL determines that the CONSULTANT'S representation of any client constitutes a conflict of interest, or creates an appearance of impropriety, the CONSULTANT shall, within five days of the posting of notice by the ATTORNEY GENERAL or his designee to the CONSULTANT, withdraw from the representation of the client, unless such a withdrawal is barred by law or order of a court of competent jurisdiction or the ATTORNEY GENERAL waives such conflict. Nothing in this subsection shall be construed as restricting or otherwise limiting CONSULTANT'S rights under the Termination and Cancellation Section of this Agreement.

18.15 Unless the ATTORNEY GENERAL designates otherwise in writing, all Records generated or collected by the CONSULTANT, the CONSULTANT'S agent or any subcontractor, in the scope of their work under this Agreement are the exclusive property of the State of Connecticut and no one else shall have any right, including but not limited to, intellectual property, copyright and trademark rights, in those Records.

18.16 References in the masculine gender shall also be construed to apply to the feminine and neuter genders, as the content requires.

18.17 Any notice required or permitted to be given under this Agreement shall be deemed to be given when hand delivered or one (1) business day after pickup by any express delivery service, in either case addressed to the persons identified in

the Agreement Administration Section of this Agreement, or in each case to such other person and/or address as either party may from time to time designate by giving notice in writing to the other party. Telephone and facsimile numbers are for informational purposes only. Effective notice will be deemed given only as provided above. All notices, demands, requests, consents, approvals or other communications required or permitted to be given or which are given with respect to this Agreement (for the purpose of this Section collectively called "Notices") shall be deemed to have been effected at such time as the notice is placed in the U.S. mail, first class and postage pre-paid, return receipt requested, or, placed with a recognized, express delivery service that provides for a return receipt. All such Notices shall be in writing and shall be addressed as follows:

If to the ATTORNEY GENERAL:

State of Connecticut Office of the Attorney General
55 Elm Street
Hartford, CT 06106
Attention: Rupal Shah Palanki, Assistant Attorney General

If to the CONSULTANT:

Attention: _____

18.18 The captions in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Agreement or the scope of content of any of its provisions.

18.19 Time is of the essence in this Agreement.

18.20 This Agreement may be executed and delivered in any number of counterparts, each of which so executed and delivered shall be deemed to be an original and all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed five (5) counterparts of this Agreement.

Date

By: _____

STATE OF CONNECTICUT

Date

By: _____
George Jepsen
Attorney General

APPENDIX B TO REQUEST FOR PROPOSALS

CHRO EMPLOYMENT INFORMATION FORM

COMMISSION ON HUMAN RIGHTS AND OPPORTUNITIES CONTRACT COMPLIANCE REGULATIONS NOTIFICATION TO BIDDERS

The contract to be awarded is subject to contract compliance requirements mandated by Sections 4a-60 and 4a-60a of the Connecticut General Statutes; and, when the awarding agency is the State, Sections 46a-71(d) and 46a-81i(d) of the Connecticut General Statutes. There are Contract Compliance Regulations codified at Section 46a-68j-21 through 43 of the Regulations of Connecticut State Agencies, which establish a procedure for awarding all contracts covered by Sections 4a-60 and 46a-71(d) of the Connecticut General Statutes.

According to Section 46a-68j-30(9) of the Contract Compliance Regulations, every agency awarding a contract subject to the contract compliance requirements has an obligation to "aggressively solicit the participation of legitimate minority business enterprises as bidders, contractors, subcontractors and suppliers of materials." "Minority business enterprise" is defined in Section 4a-60 of the Connecticut General Statutes as a business wherein fifty-one percent or more of the capital stock, or assets belong to a person or persons: "(1) Who are active in daily affairs of the enterprise; (2) who have the power to direct the management and policies of the enterprise; and (3) who are members of a minority, as such term is defined in subsection (a) of Section 32-9n." "Minority" groups are defined in Section 32-9n of the Connecticut General Statutes as "(1) Black Americans . . . (2) Hispanic Americans . . . (3) persons who have origins in the Iberian Peninsula . . . (4) Women . . . (5) Asian Pacific Americans and Pacific Islanders; (6) American Indians . . ." An individual with a disability is also a minority business enterprise as provided by Section 4a-60g of the Connecticut General Statutes. The above definitions apply to the contract compliance requirements by virtue of Section 46a-68j-21(11) of the Contract Compliance Regulations.

The awarding agency will consider the following factors when reviewing the bidder's qualifications under the contract compliance requirements:

- (a) the bidder's success in implementing an affirmative action plan;
- (b) the bidder's success in developing an apprenticeship program complying with Sections 46a-68-1 to 46a-68-17 of the Administrative Regulations of Connecticut State Agencies, inclusive;
- (c) the bidder's promise to develop and implement a successful affirmative action plan;
- (d) the bidder's submission of employment statistics contained in the "Employment Information Form", indicating that the composition of its workforce is at or near parity when compared to the racial and sexual composition of the workforce in the relevant labor market area; and
- (e) the bidder's promise to set aside a portion of the contract for legitimate minority business enterprises. See Section 46a-68j-30(10)(E) of the Contract Compliance Regulations.

INSTRUCTIONS AND OTHER INFORMATION

The following BIDDER CONTRACT COMPLIANCE MONITORING REPORT must be completed in full, signed, and submitted with the bid for this contract. The contract awarding agency and the Commission on Human Rights and Opportunities will use the information contained thereon to determine the bidders compliance to Sections 4a-60 and 4a-60a CONN. GEN. STAT., and Sections 46a-68j-23 of the Regulations of Connecticut State Agencies regarding equal employment opportunity, and the bidders' good faith efforts to include minority business enterprises as subcontractors and suppliers for the work of the contract.

1) Definition of Small Contractor

Section 4a-60g CONN. GEN. STAT. defines a small contractor as a company that has been doing business under the same management and control and has maintained its principal place of business in Connecticut for a one year period immediately prior to its application for certification under this section, had gross revenues not exceeding ten million dollars in the most recently completed fiscal year, and at least fifty-one percent of the ownership of which is held by a person or persons who are active in the daily affairs of the company, and have the power to direct the management and policies of the company, except that a nonprofit corporation shall be construed to be a small contractor if such nonprofit corporation meets the requirements of subparagraphs (A) and (B) of subdivision 4a-60g CONN. GEN. STAT.

2) Description of Job Categories (as used in Part IV Bidder Employment Information) (Page 2)

<p>MANAGEMENT: Managers plan, organize, direct, and control the major functions of an organization through subordinates who are at the managerial or supervisory level. They make policy decisions and set objectives for the company or departments. They are not usually directly involved in production or providing services. Examples include top executives, public relations managers, managers of operations specialties (such as financial, human resources, or purchasing managers), and construction and engineering managers.</p> <p>BUSINESS AND FINANCIAL OPERATIONS: These occupations include managers and professionals who work with the financial aspects of the business. These occupations include accountants and auditors, purchasing agents, management analysts, labor relations specialists, and budget, credit, and financial analysts.</p> <p>COMPUTER SPECIALISTS: Professionals responsible for the computer operations within a company are grouped in this category. Examples of job titles in this category include computer programmers, software engineers, database administrators, computer scientists, systems analysts, and computer support specialists</p> <p>ARCHITECTURE AND ENGINEERING: Occupations related to architecture, surveying, engineering, and drafting are included in this category. Some of the job titles in this category include electrical and electronic engineers, surveyors, architects, drafters, mechanical engineers, materials engineers, mapping technicians, and civil engineers.</p> <p>OFFICE AND ADMINISTRATIVE SUPPORT: All clerical-type work is included in this category. These jobs involve the preparing, transcribing, and preserving of written communications and records; collecting accounts; gathering and distributing information; operating office machines and electronic data processing equipment; and distributing mail. Job titles listed in this category include telephone operators, payroll clerks, bill and account collectors, customer service representatives, files clerks, dispatchers, shipping clerks, secretaries and administrative assistants, computer operators, mail clerks, and stock clerks.</p>	<p>BUILDING AND GROUNDS CLEANING AND MAINTENANCE: This category includes occupations involving landscaping, housekeeping, and janitorial services. Job titles found in this category include supervisors of landscaping or housekeeping, janitors, maids, grounds maintenance workers, and pest control workers.</p> <p>CONSTRUCTION AND EXTRACTION: This category includes construction trades and related occupations. Job titles found in this category include boilermakers, masons (all types), carpenters, construction laborers, electricians, plumbers (and related trades), roofers, sheet metal workers, elevator installers, hazardous materials removal workers, paperhangers, and painters. Paving, surfacing, and tamping equipment operators; drywall and ceiling tile installers; and carpet, floor and tile installers and finishers are also included in this category. First line supervisors, foremen, and helpers in these trades are also grouped in this category..</p> <p>INSTALLATION, MAINTENANCE AND REPAIR: Occupations involving the installation, maintenance, and repair of equipment are included in this group. Examples of job titles found here are heating, ac, and refrigeration mechanics and installers; telecommunication line installers and repairers; heavy vehicle and mobile equipment service technicians and mechanics; small engine mechanics; security and fire alarm systems installers; electric/electronic repair, industrial, utility and transportation equipment; millwrights; riggers; and manufactured building and mobile home installers. First line supervisors, foremen, and helpers for these jobs are also included in the category.</p> <p>MATERIAL MOVING WORKERS: The job titles included in this group are Crane and tower operators; dredge, excavating, and lading machine operators; hoist and winch operators; industrial truck and tractor operators; cleaners of vehicles and equipment; laborers and freight, stock, and material movers, hand; machine feeders and offbearers; packers and packagers, hand; pumping station operators; refuse and recyclable material collectors; and miscellaneous material moving workers.</p>
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3) Definition of Racial and Ethnic Terms (as used in Part IV Bidder Employment Information)

<p><u>White</u> (not of Hispanic Origin)- All persons having origins in any of the original peoples of Europe, North Africa, or the Middle East.</p> <p><u>Black</u>(not of Hispanic Origin)- All persons having origins in any of the Black racial groups of Africa.</p> <p><u>Hispanic</u>- All persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race.</p>	<p><u>Asian or Pacific Islander</u>- All persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands. This area includes China, India, Japan, Korea, the Philippine Islands, and Samoa.</p> <p><u>American Indian or Alaskan Native</u>- All persons having origins in any of the original peoples of North America, and who maintain cultural identification through tribal affiliation or community recognition.</p>
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BIDDER CONTRACT COMPLIANCE MONITORING REPORT

PART I - Bidder Information

(Page 3)

Company Name Street Address City & State Chief Executive	Bidder Federal Employer Identification Number _____ Or Social Security Number _____
Major Business Activity (brief description)	Bidder Identification (response optional/definitions on page 1) -Bidder is a small contractor. Yes__ No__ -Bidder is a minority business enterprise Yes__ No__ (If yes, check ownership category) Black__ Hispanic__ Asian American__ American Indian/Alaskan Native__ Iberian Peninsula__ Individual(s) with a Physical Disability__ Female__
Bidder Parent Company (if any)	- Bidder is certified as above by State of CT Yes__ No__
Other Locations in Ct. (if any)	- DAS Certification Number _____

PART II - Bidder Nondiscrimination Policies and Procedures

1. Does your company have a written Affirmative Action/Equal Employment Opportunity statement posted on company bulletin boards? Yes__ No__	7. Do all of your company contracts and purchase orders contain non-discrimination statements as required by Sections 4a-60 & 4a-60a Conn. Gen. Stat.? Yes__ No__
2. Does your company have the state-mandated sexual harassment prevention in the workplace policy posted on company bulletin boards? Yes__ No__	8. Do you, upon request, provide reasonable accommodation to employees, or applicants for employment, who have physical or mental disability? Yes__ No__
3. Do you notify all recruitment sources in writing of your company's Affirmative Action/Equal Employment Opportunity employment policy? Yes__ No__	9. Does your company have a mandatory retirement age for all employees? Yes__ No__
4. Do your company advertisements contain a written statement that you are an Affirmative Action/Equal Opportunity Employer? Yes__ No__	10. If your company has 50 or more employees, have you provided at least two (2) hours of sexual harassment training to all of your supervisors? Yes__ No__ NA__
5. Do you notify the Ct. State Employment Service of all employment openings with your company? Yes__ No__	11. If your company has apprenticeship programs, do they meet the Affirmative Action/Equal Employment Opportunity requirements of the apprenticeship standards of the Ct. Dept. of Labor? Yes__ No__ NA__
6. Does your company have a collective bargaining agreement with workers? Yes__ No__ 6a. If yes, do the collective bargaining agreements contain non-discrimination clauses covering all workers? Yes__ No__ 6b. Have you notified each union in writing of your commitments under the nondiscrimination requirements of contracts with the state of Ct? Yes__ No__	12. Does your company have a written affirmative action Plan? Yes__ No__ If no, please explain. 13. Is there a person in your company who is responsible for equal employment opportunity? Yes__ No__ If yes, give name and phone number. _____ _____

Part III - Bidder Subcontracting Practices

1. Will the work of this contract include subcontractors or suppliers? Yes__ No__ 1a. If yes, please list all subcontractors and suppliers and report if they are a small contractor and/or a minority business enterprise. (defined on page 1 / use additional sheet if necessary) 1b. Will the work of this contract require additional subcontractors or suppliers other than those identified in 1a. above? Yes__ No__

PLEASE COMPLETE REVERSE SIDE

PART IV - Bidder Employment Information

Date:

(Page 4)

JOB CATEGORY	OVERALL TOTALS	WHITE (not of Hispanic origin)		BLACK (not of Hispanic origin)		HISPANIC		ASIAN or PACIFIC ISLANDER		AMERICAN INDIAN or ALASKAN NATIVE	
		Male	Female	Male	Female	Male	Female	Male	Female	male	female
Management											
Business & Financial Ops											
Computer Specialists											
Architecture/Engineering											
Office & Admin Support											
Edg/ Grounds Cleaning/Maintenance											
Construction & Extraction											
Installation, Maintenance & Repair											
Material Moving Workers											
TOTALS ABOVE											
Total One Year Ago											
FORMAL ON THE JOB TRAINEES (ENTER FIGURES FOR THE SAME CATEGORIES AS ARE SHOWN ABOVE)											
Apprentices											
Trainees											

PART V - Bidder Hiring and Recruitment Practices

1. Which of the following recruitment sources are used by you? (Check yes or no, and report percent used)				2. Check (X) any of the below listed requirements that you use as a hiring qualification (X)		3. Describe below any other practices or actions that you take which show that you hire, train, and promote employees without discrimination	
SOURCE	YES	NO	% of applicants provided by source				
State Employment Service					Work Experience		
Private Employment Agencies					Ability to Speak or Write English		
Schools and Colleges					Written Tests		
Newspaper Advertisement					High School Diploma		
Walk Ins					College Degree		
Present Employees					Union Membership		
Labor Organizations					Personal Recommendation		
Minority/Community Organizations					Height or Weight		
Others (please identify)					Car Ownership		
					Arrest Record		
					Wage Garnishments		

Certification (Read this form and check your statements on it CAREFULLY before signing). I certify that the statements made by me on this BIDDER CONTRACT COMPLIANCE MONITORING REPORT are complete and true to the best of my knowledge and belief, and are made in good faith. I understand that if I knowingly make any misstatements of facts, I am subject to be declared in non-compliance with Section 4a-60, 4a-60a, and related sections of the CONN. GEN. STAT.

(Signature)	(Title)	(Date Signed)	(Telephone)
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