

TARGETED DIVESTMENT: AT A GLANCE

- The Sudanese government relies heavily on foreign investment to fund its military and the brutal militias seeking to eliminate the non-Arab population of Darfur. For example, it is estimated that 70-80% of oil revenue in Sudan, fueled by foreign direct investment, goes to the country's military.
- The Sudanese government has shown an **historic responsiveness to economic pressure**, while political pressure and diplomacy alone have largely failed to stop genocide in Darfur.
- Three step process: Identify, Engage, and Divest.

TARGETED DIVESTMENT: INNOVATIVE, EFFECTIVE, AND SAFE FOR INVESTORS

- **Surgically Targets Worst Offending Companies:** Targeted divestment affects only companies that meet very stringent criteria; companies that (1) have a business relationship with the government of Sudan, (2) impart minimal benefit to the country's underprivileged, and (3) have demonstrated no substantial corporate governance policy regarding the Darfur situation.
- **Engagement before Divestment:** Only when a "worst offending" company refuses to change its behavior after a period of shareholder engagement are pension funds required to divest from that company.
- **Protects Innocent Civilians:** Targeted divestment exempts certain companies, industries, and regions that provide benefit to disaffected civilians.
- **Protects Investment Returns:** Targeted divestment exempts certain investments where divestment can be convincingly proven to be infeasible, allowing the pension funds to maintain their prudent investor responsibilities.

Congress of the United States
Washington, DC 20515

November 8th, 2007

The Honorable Patrick M. Browne
Chairman
Senate Finance Committee
Senate Box 203016
Harrisburg, PA 17120-3016

Dear Chairman Browne:

In July, the U.S. House of Representatives passed the Darfur Accountability and Divestment Act. This legislation protects the right of state and local governments that choose to divest from companies that conduct business operations in Sudan. Successful divestment actions can pressure the Sudanese government to end a campaign of violence in the Darfur region and fully cooperate with a joint United Nations/African Union peacekeeping force. Last month, the U.S. Senate Committee on Banking, Housing, and Urban Affairs marked up and unanimously reported a similar bill to the Senate floor. We strongly support this legislation and are working to secure its final passage into law.

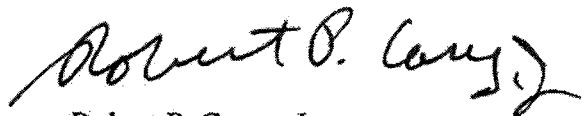
In June, the Pennsylvania House of Representatives passed HB 1140, legislation authored by Representative Babette Josephs that would divest Pennsylvania's pension funds from a carefully defined group of approximately thirty foreign companies that do business with the Sudanese government. The bill has now been referred to the Senate Finance Committee.

We are writing today to urge you to support the passage of HB 1140. Narrowly targeted divestment is one of the most effective tools for helping to bring an end to the atrocities in Darfur. We saw the successful results of a similar campaign twenty years ago with the South Africa divestment campaign. More than twenty states, over fifty colleges and universities, and a handful of cities, including both Philadelphia and Pittsburgh, have already successfully divested from companies with ties to Sudan. Our efforts on the Darfur Accountability and Divestment Act are intended to enhance the ability of Pennsylvania and other states to leverage effective pressure against the Sudanese government.

The increased attacks on civilians in Darfur in recent weeks and halting progress in peace talks are only further testament to the urgency of this legislation. We hope that the Commonwealth of Pennsylvania can quickly follow the lead of Philadelphia and Pittsburgh in ensuring that it is not indirectly supporting state-sponsored violence and

human rights outrages. We urge you to build support in your caucus for HB 1140 to help ensure swift passage of this critical bill.

Sincerely,



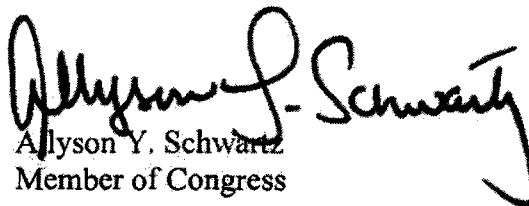
Robert P. Casey, Jr.
United States Senator



Joseph R. Pitts
Member of Congress



Christopher P. Carney
Member of Congress



Alyson Y. Schwartz
Member of Congress



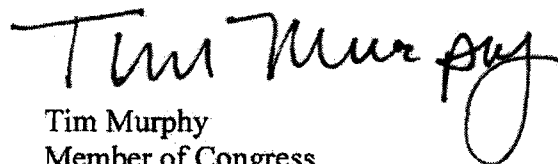
Jason Altmire
Member of Congress




Todd R. Platts
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Jim Gerlach
Member of Congress



Tim Murphy
Member of Congress



Mike Doyle
Member of Congress



Charlie Dent
Member of Congress





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Cc: Governor Edward Rendell


Robert A. Brady
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