

PLACEMENT AGENT STATEMENT FOR INVESTMENT MANAGERS (Issued: 12/11)

PERAC Guidelines require investment managers to submit information to the retirement board regarding relationships with placement agents. For purposes of this process, the following definitions apply:

“Manager”, investment partners with whom retirement boards do business, including, but not limited to, general partners, investment managers, sponsors of hedge funds, private equity funds, real estate funds, infrastructure funds and any entity which a retirement board delegates discretionary investment authority.

“Placement agent”, any person or entity hired, employed, engaged, retained by or acting on behalf of or otherwise receiving remuneration from a manager or another placement agent as a finder, solicitor, marketer, consultant, broker or other intermediary in relation to the investment of assets of Massachusetts public pension systems, including any person or entity which provides proactive consultant services concerning the changing political and policy environment in New England and nationally as it relates to retirement plans, notwithstanding the description of such services as informational consulting services only not involving the referral of investment advisory services, provided, however, this policy shall not apply with respect to in house employees of investment managers.

Name of Retirement Board

Name of Investment Manager/Fund

Reason for Submission (responding to an RFP or solicitation, commencing discussions relative to amending an agreement between the manager and the board or entering into discussion, other than informal, general discussions, that may lead to any of the above referenced actions).

PENALTIES

PERAC shall withhold regulatory approvals and acknowledgments if:

- a. The placement agent and/or entity acting as a placement agent information disclosure or other information reveals that the placement agent and/or entity acting as a placement agent that the manager has used is not registered with the Securities and Exchange Commission or the Financial Industry Regulatory Authority or, if appropriate, the Commodity Futures Trading Commission; and,
- b. The placement agent and/or entity acting as a placement agent information disclosure or other information reveals that the placement agent does not possess three years experience in the investment field.

PERAC shall prohibit any manager or placement agent from soliciting new investments from any board for a period to be determined by the Commission after the manager or placement agent has committed a material violation of this regulation.



In addition, under the mandatory provisions of contracts the following remedies are available to the retirement board if “the manager knew or should have known of any material inaccuracy or omission in the placement agent information disclosure or any other violation” of the Placement Agent Policy:

- a. The reimbursement of any management or advisory fees paid by the board for the prior two years or an amount equal to the amounts paid or promised to be paid to the placement agent as a result of the board investment whichever is greater.
- b. The authority to immediately terminate the investment management contract or other agreement with the manager without penalty, to withdraw without penalty from a limited partnership, limited liability company or other investment vehicle, or to cease making further capital contributions (and paying any fees on these recalled commitments) to the limited partnership, limited liability company or other investment vehicle without penalty.

COMPENSATION

(1) Has the Investment Manager or any, employee, agent or affiliate compensated or agreed to compensate, directly or indirectly any person or entity to act as a placement agent in connection with investment by the Massachusetts public pension systems?

Yes

No

(2) If **yes**, please provide (below or in an attachment) a description of any and all compensation of any kind provided or agreed to be provided to a placement agent and/or entity acting as a placement agent in connection with investment by Massachusetts’ public pension systems, including the nature, timing and value thereof.

(3) If **yes**, please provide a statement (below or in an attachment) that the placement agent has a minimum of three years experience in the investment field.

(4) If **yes**, please provide a statement (below or in an attachment) that the placement agent and/or entity acting as a placement agent is registered with the Securities and Exchange Commission or the Financial Industry Regulatory Authority, or, if appropriate, the Commodity Futures Trading Commission and the details of such registration.

(5) If **yes**, please attach a resume for each placement agent detailing the person’s education, professional designations, regulatory licenses and investment and work experience. If any such person is a current or former member of a retirement board, employee or consultant or immediate family of such a person that fact should be specifically noted.

(6) If **yes**, please provide a description of the services (below or in an attachment) to be performed by the placement agent and/or entity acting as a placement agent and a statement as to whether the placement agent is used by the manager with all prospective clients or only a subset of clients or only Massachusetts public pension fund clients.

(7) If **yes**, please attach a written copy of any and all agreements between the manager and the placement agent and/or entity acting as a placement agent in connection with investment by Massachusetts’ public pension systems.

(8) If **yes**, in the event that any current or former Massachusetts public pension system board members, employees, consultants or other service providers have suggested the retention of the placement agent, the names of any current or former Massachusetts public pension system board members, employees, consultants or other service providers who suggested the retention of the placement agent (below or in an attachment).

I attest under the pains and penalties of perjury that the above statements and statements provided in attachments, if any, are true.

Signature of Authorized Individual

Name of Authorized Individual (Print or Type)

Title of Authorized Individual

Date Signed