

MUNICIPAL FIRE & POLICE RETIREMENT SYSTEM OF IOWA

7155 Lake Drive Suite 201, West Des Moines, IA 50266

www.mfprsi.org

phone: (515) 254-9200
fax: (515) 254-9300
e-mail: pensions@mfprsi.org

October 1, 2013

Iowa General Assembly
State Capitol
Des Moines, IA 50309

Re: Iran Divestment (Iowa Code Chapter 12H)

Dear Iowa General Assembly:

The referenced statute was enacted in 2011 pertaining to the investment of public fund assets in companies doing business in or with the Country of Iran. Specifically, the statutory section provides that the retirement system actively engage with and ultimately may be required to divest its positions from companies which may be complicit in aiding and abetting the ongoing support of international terrorism.

The System is hereby complying with the requirements of the statute, 12H.5:

2. *Annual report. On October 1, 2012, and each October 1 thereafter, each public fund shall make available to the public, and file with the general assembly, an annual report covering the prior fiscal year that includes the following:*
 - a. *The scrutinized companies list as of the end of the fiscal year.*
 - b. *A summary of all written notices sent as required by section 12H.3 during the fiscal year.*
 - c. *All investments sold, redeemed, divested, or withdrawn as provided in section 12H.4 during the fiscal year.*

The Board of Trustees respectfully submits the attached annual report.

Sincerely,

Terry Slattery
Executive Director

Attachment – October 1, 2013 Report

MFPRSI

(Iran Divestment Report)

A. Total Universe of Companies Per IdealsWork, Inc.

B. Summary of all written notices sent

C. Total Positions Divested

As of: June 30, 2013

A. Total Universe of Companies Per IdealsWork Inc.

	COMPANY	Scrutinized Active/Scrutinized Plan of Substantial Action
1	Aban Offshore Ltd.	Scrutinized Active
2	Arabian Pipes Co	Scrutinized Active
3	Bharat Petroleum Corporation Ltd.	Scrutinized Active
4	BP plc	Scrutinized Active
5	Chadormalu Mineral & Ind. Co.	Scrutinized Active
6	China Nonferrous Metal Industry`s Foreign Eng. And Const. Co. Ltd.	Scrutinized Active
7	China Oilfield Services	Scrutinized Active
8	China Petroleum & Chemical Corp	Scrutinized Active
9	Daelim Industrial	Scrutinized Active
10	Daewoo Shipbuilding & Marine Engineering	Scrutinized Active
11	Dietswell Engineering	Scrutinized Active
12	Dominion Energy Plc	Scrutinized Active
13	Doosan Co., Ltd	Scrutinized Active
14	Doosan Heavy Industries and Construction	Scrutinized Active
15	Engineers India Ltd.	Scrutinized Active
16	Exmar SA	Scrutinized Active
17	Finmeccanica Spa	Scrutinized Active
18	Gail (India) Ltd.	Scrutinized Active
19	Gas Natural SDG	Scrutinized Active
20	GS Engineering & Construction Corp	Scrutinized Active
21	GS Holdings	Scrutinized Active
22	Ilyushin Aviation Complex	Scrutinized Active
23	Ina-Industrija Nafta DD	Scrutinized Active
24	Indian Oil Corporation Ltd.	Scrutinized Active
25	Johnson Matthey plc	Scrutinized Active
26	KEC International Ltd.	Scrutinized Active
27	Liquefied Natural Gas Ltd	Scrutinized Active
28	MAN SE	Scrutinized Active
29	Mangalore Refinery & Petrochemicals Ltd.	Scrutinized Active
30	Mitsui & Co. Ltd	Scrutinized Active
31	MMC Corp Bhd	Scrutinized Active
32	Motor Sich	Scrutinized Active
33	Nagarjuna Fertilizers & Chemicals Ltd.	Scrutinized Active
34	Oil & Natural Gas Corporation Ltd.	Scrutinized Active
35	Oil India Ltd	Scrutinized Active
36	OMV AG	Scrutinized Active
37	Outotec Oyj	Scrutinized Active
38	PetroChina Co. Ltd.	Scrutinized Active
39	Petrofac	Scrutinized Active
40	Petroleo Brasileiro S.A.	Scrutinized Active
41	Petronet LNG Ltd.	Scrutinized Active
42	Power Machines	Scrutinized Active
43	Poyry Plc	Scrutinized Active
44	PTT Public Company Limited	Scrutinized Active
45	Saipem Spa	Scrutinized Active
46	SK Networks Co. Ltd.	Scrutinized Active

A. Total Universe of Companies Per IdealsWork Inc.

	COMPANY	Scrutinized Active/Scrutinized Plan of Substantial Action
47	SNC - Lavalin Group Inc.	Scrutinized Active
48	Technip	Scrutinized Active
49	Toyo Engineering Corporation	Scrutinized Active
50	Tupolev Oao	Scrutinized Active
51	UCL Resources Limited	Scrutinized Active
52	United Aircraft Corporation	Scrutinized Active
53	Zio Podolsk Machinery Plant	Scrutinized Active
54	ABB Ltd.	Scrutinized - Plan of Substantial Action
55	Alstom	Scrutinized - Plan of Substantial Action
56	Dresser-Rand Group Inc	Scrutinized - Plan of Substantial Action
57	Eni Spa	Scrutinized - Plan of Substantial Action
58	Inpex Corporation	Scrutinized - Plan of Substantial Action
59	Japan Petroleum Exploration Co.,Ltd.	Scrutinized - Plan of Substantial Action
60	Lukoil Oil Co.	Scrutinized - Plan of Substantial Action
61	Maire Tecnimont S.p.A.	Scrutinized - Plan of Substantial Action

B. Summary of all written notices

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August 7th, 2012

MFPRSI mailed out letters to all firms below with the quarterly "scrutinized companies" list from the IW Financial with response date of August 31, 2012.

Firms:

State Street

DFA

Baillie Gifford

Mondrian

Artio

JP Morgan

GMO

HarbourVest

Siguler Guff

Adams Street

Intech

Neuberger Berman

September 14th, 2012

All firms responded to letter with any holdings of securities on "scrutinized companies" list.

September 14th, 2012

MFPRSI mailed out letters to following firms who hold Indirect securities informing them to consider divestment from the companies held.

Firms:

SSgA

September 14th, 2012

MFPRSI mailed letters to the following companies that were held indirectly in the portfolio informing them of possible divestment from the company and to respond within 90 days of the date of letter with any other information they were able to provide.

Following up annually with companies that remain on the list

Companies:

Danieli & C - Officine Meccaniche Spa

Exmar SA

Finmeccanica Spa

Maire Tecnimont S.p.A.

November 7th, 2012

MFPRSI mailed out letters to all firms below with the quarterly "scrutinized companies" list from the IW Financial with response date of November 30, 2012.

B. Summary of all written notices

Firms:
State Street
DFA
Baillie Gifford
Mondrian
Artio
JP Morgan
GMO
HarbourVest
Siguler Guff
Adams Street
Intech
Neuberger Berman

December 12th, 2012

All firms responded to letter with any holdings of securities on "scrutinized companies" list.

December 18th, 2012

MFPRSI mailed out letters to following firms who hold Indirect securities informing them to consider divestment from the companies held.

Firms:
GMO

February 5th, 2013

MFPRSI mailed out letters to all firms below with the quarterly "scrutinized companies" list from the IW Financial with response date of February 28, 2013.

Firms:
State Street
DFA
Baillie Gifford
Mondrian
Artio
JP Morgan
GMO
Intech

March 4th, 2013

All firms responded to letter with any holdings of securities on "scrutinized companies" list.

March 7th, 2013

MFPRSI mailed out letters to following firms who hold Indirect securities informing them to consider divestment from the companies held.

B. Summary of all written notices

Firms:

GMO

May 1st, 2013

MFPRSI mailed out letters to all firms below with the quarterly "scrutinized companies" list from the IW Financial with response date of May 15, 2013.

Firms:

State Street

DFA

Baillie Gifford

Mondrian

Artio

JP Morgan

GMO

Intech

May 23rd, 2013

All firms responded to letter with any holdings of securities on "scrutinized companies" list.

May 24th, 2013

MFPRSI mailed out letters to following firms who hold Indirect securities informing them to consider divestment from the companies held.

Firms:

DFA

GMO

SSgA

May 24th, 2013

MFPRSI mailed letters to the following companies that were held indirectly in the portfolio informing them of possible divestment from the company and to respond within 90 days of the date of letter with any other information they were able to provide.

Following up annually with companies that remain on the list

Companies:

Nagarjuna Fertilizers & Chemicals Ltd.

C. Total Positions Divested**FY 2013**

Company	Security	Manager	Category	Active/Inactive	Shares	Prior Qtr Value	Sales Proceeds	Gain/Loss
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No positions were divested in FY 2013