

MUNICIPAL FIRE & POLICE RETIREMENT SYSTEM OF IOWA

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October 1, 2016

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 - c. *All investments sold, redeemed, divested, or withdrawn as provided in section 12H.4 during the fiscal year.*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, 2016 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, 2016

A. Total Universe of Companies Per IdealsWork Inc.

	COMPANY	Scrutinized Active/Scrutinized Plan of Substantial Action
1	Aban Offshore Ltd.	Scrutinized Active
2	Alstom SA	Scrutinized Active
3	Arabian Pipes Co	Scrutinized Active
4	Bharat Petroleum Corporation Ltd.	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	Danielli & C - Officine Meccaniche Spa	Scrutinized Active
10	Doosan Co., Ltd	Scrutinized Active
11	Engineers India Ltd.	Scrutinized Active
12	Eni Spa	Scrutinized Active
13	F.L.Smidth & Co. AS	Scrutinized Active
14	Gail (India) Ltd.	Scrutinized Active
15	Gazprom OAO	Scrutinized Active
16	Glencore plc	Scrutinized Active
17	Indian Oil Corporation Ltd.	Scrutinized Active
18	Inpex Corporation	Scrutinized Active
19	Japan Drilling Co., Ltd.	Scrutinized Active
20	Japan Petroleum Exploration Co., Ltd.	Scrutinized Active
21	Linde AG	Scrutinized Active
22	Lukoil Oil Co.	Scrutinized Active
23	Maire Tecnimont S.p.A.	Scrutinized Active
24	Mangalore Refinery & Petrochemicals Ltd.	Scrutinized Active
25	Mitsubishi Materials Corporation	Scrutinized Active
26	Mitsui & Co. Ltd	Scrutinized Active
27	Motor Sich	Scrutinized Active
28	National Aluminium Co. Ltd.	Scrutinized Active
29	Oil & Natural Gas Corporation Ltd.	Scrutinized Active
30	Oil India Ltd	Scrutinized Active
31	OMV AG	Scrutinized Active
32	PetroChina Co. Ltd.	Scrutinized Active
33	Polskie Gornictwo Naftowe i Gazownictwo SA	Scrutinized Active
34	Power Construction Corporation of China, Ltd.	Scrutinized Active
35	Poyry Plc	Scrutinized Active
36	SK Networks Co. Ltd.	Scrutinized Active
37	Stroytransgaz OAO	Scrutinized Active
38	Technip	Scrutinized Active
39	Zio Podolsk Machinery Plant	Scrutinized Active
40	Bouygues SA	Scrutinized - Plan of Substantial Action
41	Shipping Corporation of India Ltd.	Scrutinized - Plan of Substantial Action

B. Summary of all written notices

B. Summary of all written notices

August 13th, 2015

MFPRSI mailed out letters to all firms below with the quarterly "scrutinized companies" list from the IW Financial with response date of August 31, 2014.

Firms:
 State Street
 DFA
 Baillie Gifford
 Mondrian
 Aberdeen
 JP Morgan
 GMO
 Intech
 Dodge & Cox
 Schroders

September 11th, 2015

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

September 16th, 2015

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:
 Aban Offshore Ltd.
 Bharat Petroleum Corporation Ltd.
 China Oilfield Services
 China Petroleum and Chemical
 Crompton Greaves Ltd.
 Doosan Corp
 Dragon Oil
 Gail India Ltd.
 Glencore Funding
 Oil & Natural Gas Corp Ltd
 Oil India Ltd.
 Outotec Oyj
 PetroChina Co. Ltd.
 Poyry Plc
 PTT Public Company Limited
 SK Networks Co. Ltd

October 2nd, 2015

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

Firms:
 SSgA
 JP Morgan
 Schroders

B. Summary of all written notices

October 5th, 2015

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:

Polskie Gornictwo Naftowe I Gazownictwo SA

B. Summary of all written notices

November 12th, 2015

MFPRSI mailed out letters to all firms below with the quarterly "scrutinized companies" list from the IW Financial with response date of November 30, 2015.

Firms:
 State Street
 DFA
 Baillie Gifford
 Mondrian
 Aberdeen
 JP Morgan
 GMO
 Intech
 Dodge & Cox
 Schroders

December 30th, 2015

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

January 12th, 2016

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

Firms:
 JP Morgan
 GMO
 Schroders
 SSgA

January 13th, 2016

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:
 Cnooc Ltd.
 Inpex Corp.
 Japan Drilling Co. Ltd.
 Mitsubishi Materials

February 11th, 2016

MFPRSI mailed out letters to all firms below with the quarterly "scrutinized companies" list from the IW Financial with response date of February 28, 2015.

Firms:
 State Street
 DFA
 Baillie Gifford
 Mondrian

B. Summary of all written notices

Artio
JP Morgan
GMO
Intech
Dodge & Cox
Schroders

April 28th, 2016

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

B. Summary of all written notices

April 28th, 2016

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

Firms:
GMO
Mondrian
SSgA

April 28th, 2016

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:
Engineers India Ltd.
Eni Spa
F.L. Smidth & Co. AS
Japan Petroleum Exploration Co., Ltd.
Lukoil Oil Co.

May 11th, 2016

MFPRSI mailed out letters to all firms below with the quarterly "scrutinized companies" list from the IW Financial with response date of May 31, 2016.

Firms:
State Street
DFA
Baillie Gifford
Mondrian
Aberdeen
JP Morgan
GMO
Intech
Dodge & Cox
Schroders

May 31st, 2016

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

C. Total Positions Divested

FY 2016

Company	Security	Manager	Category	Active/Inactive	Shares	Prior Qtr Value	Sales Proceeds	Gain/Loss
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No positions were divested in FY 2016