

MUNICIPAL FIRE & POLICE RETIREMENT SYSTEM OF IOWA

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October 1, 2017

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 - c. *All investments sold, redeemed, divested, or withdrawn as provided in section 12H.4 during the fiscal year.*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

RECEIVED

SEP 19 2017

HOUSE FINANCE

Attachment – October 1, 2017 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, 2017

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	Biancamano Spa	Scrutinized Active
5	Bouygues SA	Scrutinized Active
6	Capital Product Partners LP	Scrutinized Active
7	Chadormalu Mineral & Ind. Co.	Scrutinized Active
8	China Camc Engineering Co. Ltd	Scrutinized Active
9	China Nonferrous Metal Industry's Foreign Eng. And Const. Co. Ltd.	Scrutinized Active
10	China Oilfield Services	Scrutinized Active
11	China Petroleum & Chemical Corp	Scrutinized Active
12	China Railway Group Ltd	Scrutinized Active
13	Chiyoda Corporation	Scrutinized Active
14	Daelim Industrial	Scrutinized Active
15	Daewoo Engineering & Construction	Scrutinized Active
16	Danieli & C - Officine Meccaniche Spa	Scrutinized Active
17	DNO ASA	Scrutinized Active
18	Energy House Holding Company K.S.C.C.	Scrutinized Active
19	Engineers India Ltd.	Scrutinized Active
20	Eni Spa	Scrutinized Active
21	F.L.Smith & Co. AS	Scrutinized Active
22	Gazprom OAO	Scrutinized Active
23	Glencore plc	Scrutinized Active
24	Gruppo Waste Italia SpA	Scrutinized Active
25	Hyundai Engineering & Construction	Scrutinized Active
26	Hyundai Mobis	Scrutinized Active
27	Hyundai Motor	Scrutinized Active
28	Indian Oil Corporation Ltd.	Scrutinized Active
29	Inpex Corporation	Scrutinized Active
30	Inter Rao Ues JSC	Scrutinized Active
31	Japan Drilling Co., Ltd.	Scrutinized Active
32	Japan Petroleum Exploration Co.,Ltd.	Scrutinized Active
33	Korea Electric Power	Scrutinized Active
34	Kuwait Finance House	Scrutinized Active
35	Malre Tecnimont S.p.A.	Scrutinized Active
36	Marubeni Corporation	Scrutinized Active
37	Mitsubishi Materials Corporation	Scrutinized Active
38	Motor Sich	Scrutinized Active
39	National Aluminium Co. Ltd.	Scrutinized Active
40	Oil & Natural Gas Corporation Ltd.	Scrutinized Active
41	Oil India Ltd	Scrutinized Active
42	OMV AG	Scrutinized Active
43	PetroChina Co. Ltd.	Scrutinized Active
44	PJSC Lukoil	Scrutinized Active
45	PJSC Tatneft	Scrutinized Active
46	Polskie Gornictwo Naftowe i Gazownictwo SA	Scrutinized Active
47	Posco	Scrutinized Active
48	Posco Daewoo Corp	Scrutinized Active
49	Power Construction Corporation of China, Ltd.	Scrutinized Active
50	Poyry Plc	Scrutinized Active
51	Royal Dutch Shell Plc	Scrutinized Active
52	Shipping Corporation of India Ltd.	Scrutinized Active
53	Siemens AG	Scrutinized Active
54	Stroytransgaz OAO	Scrutinized Active
55	United Aircraft Corporation	Scrutinized Active
56	Zio Podolsk Machinery Plant	Scrutinized Active

B. Summary of all written notices

B. Summary of all written notices

July 19th, 2016

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

Firms:
SSgA
Schroders

July 19th, 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:
Linde AG

August 12th, 2016

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

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

September 6th, 2016

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

September 21st, 2016

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

Firms:
SSgA
GMO
Schroders

September 21st, 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:
Bouygues Sa
Daewoo Engineering & Construction
Inter Rao Ues JSC
Korea Electric Power
Siemens AG

B. Summary of all written notices

September 22nd, 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:

Alstom
 Bharat Petroleum Corporation Ltd.
 China Oilfield Services
 China Petroleum and Chemical
 Danieli & C - Officine Meccaniche Spa
 Doosan Corp
 Engineers India Ltd
 Eni Spa
 F.L. Smidth & Co. AS
 Gail India Ltd.
 Gazprom
 Glencore Funding
 Inpex Corp.
 Japan Drilling Co. Ltd.
 Japan Petroleum Exploration Co.,Ltd.
 Linde AG
 Lukoil Oil Co.
 Maire Tecnimont Spa
 Mitsubishi Materials
 Mitsui & Co.
 Oil & Natural Gas Corp Ltd
 OMV Ag
 PetroChina Co. Ltd.
 Polskie Gornictwo Naftowe i Gazownictwo SA
 SK Networks Co. Ltd
 Technip

November 17th, 2016

MFPRSI mailed out letters to all firms below with the quarterly "scrutinized companies" list from the IW Financial with response date of November 30, 2016.

Firms:

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

B. Summary of all written notices

November 30th, 2016

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

December 16th, 2016

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

Firms:

Mondrian

SSgA

December 16th, 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:

Chiyoda Corporation

Daelim Industrial

Hyundai Engineering & Construction

Hyundai Mobis

Hyundai Motor

Marubeni Corporation

Mitsubishi Materials Corporation

Shipping Corporation of India Ltd.

February 8th, 2017

MFPRSI mailed out letters to all firms below with the quarterly "scrutinized companies" list from the IW Financial with response date of February 28, 2017.

Firms:

State Street

DFA

Baillie Gifford

Mondrian

Artio

JP Morgan

GMO

Intech

Dodge & Cox

Schroders

March 15th, 2017

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

March 21th, 2017

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

Firms:

GMO

Mondrian

SSgA

B. Summary of all written notices

March 21th, 2017

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:

DNO ASA

Indian Oil Corp Ltd

May 12th, 2017

MFPRSI mailed out letters to all firms below with the quarterly "scrutinized companies" list from the IW Financial with response date of May 31, 2017.

Firms:

State Street

DFA

Baillie Gifford

Mondrian

Aberdeen

JP Morgan

GMO

Intech

Dodge & Cox

Schroders

May 31st, 2017

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

March 21th, 2017

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

Firms:

Mondrian

SSgA

June 8th, 2017

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:

Korea Electric Power

Posco Daewoo Corp.

Royal Dutch Shell Plc

C. Total Positions Divested

FY 2017

Company	Security	Manager	Category	Active/Inactive	Shares	Prior Qtr Value	Sales Proceeds	Gain/Loss
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No positions were divested in FY 2017