

October 1, 2018

Iowa General Assembly
State Capitol
Des Moines, IA 50309

Re: Anti-Israel Divestment (Iowa Code Chapter 12J)

Dear Iowa General Assembly:

The referenced statute was enacted in 2016 pertaining to the investment of public fund assets in companies that refuse to engage in commerce with Israel and boycott Israel or persons doing business in Israel or territories controlled by Israel. 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 boycotting Israel.

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

- 2. Annual report. On October 1, 2017, 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 12J.3 during the fiscal year.*
 - c. All investments sold, redeemed, divested, or withdrawn as provided in section 12J.4 during the fiscal year.*

The Board of Trustees respectfully submits the attached annual report.

Sincerely,



Terry Slattery
Executive Director

Attachment – October 1, 2018 Report

MFPRSI

Israel Divestment Report

A. Total Universe of Companies

B. Summary of all written notices sent

C. Total Positions Divested

As of: June 30, 2018

A. Total Universe of Companies

COMPANY	Scrutinized Active/Scrutinized Plan of Substantial Action
Dexia Israel Bank Ltd	Scrutinized Active
DNB ASA	Scrutinized Active

B. Summary of all written notices

B. Summary of all written notices

August 10th, 2017

MFPRSI mailed out letters to the following firms with the quarterly "scrutinized companies" list from the ISS Ethix with response date of August 31, 2017.

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

October 17th, 2017

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

November 20th, 2017

MFPRSI mailed out letters to the following firms with the quarterly "scrutinized companies" list from the ISS Ethix with response date of November 30, 2017.

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

December 13th, 2017

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

February 15th, 2018

MFPRSI mailed out letters to all firms above with the quarterly "scrutinized companies" list from the ISS Ethix with response date of February 28, 2018.

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

March 3rd, 2018

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

May 16th, 2018

MFPRSI mailed out letters to all firms above with the quarterly "scrutinized companies" list from the ISS Ethix with response date of May 31, 2018.

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

June 14th, 2018

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

C. Total Positions Divested

FY 2018

Company	Security	Manager	Category	Active/Inactive	Shares	Prior Qtr Value	Sales Proceeds	Gain/Loss
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No positions were divested in FY 2018