
FINANCIAL DISCLOSURE POLICY FOR IAC AND REAC

§1 Declaration of Policy

In order to ensure that the Comptroller, in discharging his responsibilities as sole trustee of the Common Retirement Fund and as the administrative head of the New York State and Local Employees' Retirement System and the New York State and Local Police and Fire Retirement System (Retirement Systems), will have the benefit of the advice of business leaders and of experts in various areas of finance, it is essential that the Investment Advisory Committee and the Real Estate Advisory Committee (the "Advisory Committees") to the Common Retirement Fund and the Retirement Systems attract the most qualified citizens from the public and private sectors to serve as members. The knowledge and expertise of members of the Advisory Committees must be applied solely for the benefit of the participants and beneficiaries of the Retirement Systems, and not to advance the personal interests of Advisory Committee members. It is vital, therefore, that the participants and beneficiaries of the Retirement Systems, as well as the public, are assured that Advisory Committee members will not engage in conduct that appears to be influenced by a desire for personal gain rather than a desire to protect the interests of the Fund and the Retirement Systems. It is also important to recognize, however, that Advisory Committee members volunteer their time and contribute their expertise without compensation in a spirit of public service. Accordingly, persons serving on the Advisory Committees to the Common Retirement Fund and the Retirement Systems should be free to pursue their personal financial interests without restriction unless those interests would foreseeably result in a conflict of interest with the interests of the Common Retirement Fund and the Retirement Systems.

The Comptroller has, therefore, adopted the following Financial Disclosure Policy setting forth disclosure requirements for the Advisory Committees. Copies of the Financial Disclosure Policy shall be provided to each person serving on or appointed to either Advisory Committee, and such persons shall acknowledge receipt of a copy of the Financial Disclosure Policy and shall be bound by the provisions thereof.

§2 Required Disclosures by Advisory Committee Members

An Advisory Committee member must disclose whether he or she or any Affiliated Entity or any Affiliated Person has:

- a. transacted business with the CRF or sought to do business with the CRF during the reporting period;
- b. has an ownership interest in a CRF vendor (as identified by CRF³) of the greater of 1% or \$25,000; or
- c. is indebted to any CRF vendor, other than on terms generally available to the public.

An "Affiliated Person" shall mean a spouse, dependent or member of the household of the member.

An "Affiliated Entity" shall mean:

- a. any corporation in which a member or an Affiliated Person has an ownership interest of 5% or greater;
- b. any trust, corporation, association or partnership (including not-for-profit entities) in which a member or an Affiliated Person is a trustee, board member, officer, director or general partner; or
- c. any entity that is a source of paid employment for a member or an Affiliated Person.

³ A list of current CRF vendors will be distributed to the Advisory Committee members no less than annually.

§3 Timing of Disclosure

Each IAC and REAC member must sign and file the Annual Financial Disclosure no later than thirty (30) days from the issuance of the Annual Financial Disclosure Requirements and Policy. A financial disclosure filing is required by newly-appointed IAC and REAC members within 30 days of appointment and no later than April 1st of each year. CRF should require a confidential "screening" in advance of appointment of a Committee member.

§4 Enforcement

Advisory Committee members agree that failure to comply with the Financial Disclosure Policy or any other policy applicable to them (including, but not limited to, the Code of Ethics and the Insider Trading Policy) allows the Comptroller to take action against the Advisory Committee member that s/he deems appropriate, up to and including the removal of the member from the Advisory Committee at the Comptroller's discretion.

§5 Interpretations: Meaning and Application of Policy

At the request of any Advisory Committee member or any officer or employee of the Office of the State Comptroller, the Special Counsel for Ethics shall render interpretations regarding the meaning and application of the provisions of this Financial Disclosure Policy. Such interpretations shall be binding upon the Advisory Committee members.