

# MEMORANDUM #07, 2014

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## MEMORANDUM

TO: All Retirement Boards

FROM: Thomas J. O'Donnell, Compliance Officer

RE: Tobacco Company List

DATE: January 17, 2014

On October 22, 1997 PERAC Memo #37/1997 informed you of the adoption of Chapter 119 of the Acts of 1997. That statute prohibits retirement systems from making any new investments in stocks, securities, or other obligations of any company which derives more than 15% of its revenue from the sale of tobacco products. On December 18, 1997 PERAC sent Memo #48 regarding the implementation of Chapter 119 and the first Tobacco Company List.

Enclosed please find a Tobacco Company List dated January 2014. This list replaces any other Tobacco Company List previously sent to your board and is effective upon receipt by the retirement boards. Most of these companies appeared on previous lists and such investments were prohibited from the time the companies first appeared on the list. Please forward a copy to your investment advisors or inform them that this list is available on the PERAC Home Page under the Investment Unit's 2014 Memo Index. In communicating with your investment advisors, please inform them that the Tobacco Company List is only for their Massachusetts public fund clients and that any other use of the list is strictly prohibited.

As part of its audit process, PERAC will assess the portfolio of each board to determine compliance. That review will determine if the board, after January 13, 1998, has purchased stock, securities, or other obligations of any company which derives more than 15% of its revenue from the sale of tobacco products. In the event a portfolio is not in compliance, the board must bring the portfolio into compliance by divesting in a prudent manner. Prior to taking any action, the board shall consult with PERAC.

In applying the statute to pooled funds, PERAC will assess the 15% rule against the entire pool as the board is purchasing shares in the pool not the individual holdings of the pool. Thus a pooled fund, if in violation of this standard, will be included on the list.

If you have any questions, please contact this office.

Enclosure

**TOBACCO COMPANY LIST**

**JANUARY 2014**

COMPANYCOUNTRY

22nd Century Group, Inc.

United States

Alliance One International Inc.

United States

Altria Group, Inc.

United States

AMCON Distributing Company

United States

Core-Mark Holding Company, Inc.

United States

Lorillard Inc.

United States

Philip Morris International Inc.

United States

Reynolds American Inc.

United States

Schweitzer Mauduit International Inc.

United States

Smokefree Innotec Inc

United States

Universal Corporation

United States

Vapor Corp.

United States

Vector Group Ltd.

United States

British American Tobacco Bangladesh Co. Ltd.

Bangladesh

Fabrika Duhana Sarajevo dd Sarajevo

Bosnia &amp; Herzegovina

Souza Cruz S.A.	Brazil
Bulgartabak Holding AD	Bulgaria
Gotse Delchev-Tabak AD Gotse Delchev	Bulgaria
Isperih BT AD Isperih	Bulgaria
Nicotiana BT Holding AD Sofia	Bulgaria
Pazardzhik BT Menidzhmant AD Pazardzhik	Bulgaria
Shumen Tabac AD Shumen	Bulgaria
Sila Holding AD	Bulgaria
Slantse Stara Zagora-Tabak AD Stara Zagora	Bulgaria
Sofia-Bulgartaback AD Sofia	Bulgaria
Stara Planina Hold AD Sofia	Bulgaria
Yuri Gagarin AD Plovdiv	Bulgaria
British American Tobacco Chile Operaciones SA	Chile
Mudanjiang Hengfeng Paper Co., Ltd.	China
Shenzhen Jinjia Color Printing Group Co., Ltd.	China
Shiner International Inc	China

COMPANYCOUNTRY

Adris Grupa dd

Croatia

Hrvatski Duhani dd

Croatia

Tvornica Duhana Zagreb dd

Croatia

Philip Morris CR AS

Czech Republic

Eastern Company SAE

Egypt

Karelia Tobacco Company Inc SA

Greece

Huabao International Holdings Ltd.

Hong Kong

Godfrey Phillips India Ltd.

India

Golden Tobacco Ltd.

India

I.T.C. Ltd.

India

NTC Industries Ltd.

India

Sinnar Bidi Udyog Ltd

India

Virat Crane Industries Ltd	India
VST Industries Ltd.	India
PT Bentoel Internasional Investama Tbk	Indonesia
PT Gudang Garam Tbk	Indonesia
PT Hanjaya Mandala Sampoerna Tbk	Indonesia
Wismilak Inti Makmur PT	Indonesia
Jerusalem Cigarette Co Ltd	Israel
Societe Ivoirienne des Tabacs SA	Ivory Coast
Carreras Limited	Jamaica
ITOCHU Corporation	Japan
Japan Tobacco Inc.	Japan
Mitsubishi Corporation	Japan
Jordanian Duty Free Shops PLC	Jordan

Sharikat Al Eqbal Lil Istethmar M.En.M	Jordan
Union Advanced Industries Co. PLC	Jordan
Union Tobacco & Cigarette Industries Co PLC	Jordan
British American Tobacco Kenya Ltd	Kenya
Tutunski Kombinat AD Prilep	Macedonia
<u>COMPANY</u>	<u>COUNTRY</u>
Press Corporation Ltd.	Malawi
British American Tobacco (Malaysia) Berhad	Malaysia
JT International Berhad	Malaysia
Duvanski Kombinat ad Podgorica u stecaju	Montenegro
Khyber Tobacco Company Ltd.	Pakistan
Pakistan Tobacco Company Ltd.	Pakistan

Philip Morris (Pakistan) Limited	Pakistan
British American Tobacco del Peru Holding SAA	Peru
LT Group Inc.	Philippines
BAT Vranje ad Vranje	Serbia
Duvanska ad Coka	Serbia
Duvanska industrija ad Bujanovac	Serbia
Philip Morris Operations ad Nis	Serbia
New Toyo International Holdings Limited	Singapore
KT&G Corporation	South Korea
Nongshim Holdings Co., Ltd.	South Korea
SK Chemicals Company, Ltd.	South Korea
Miquel y Costas & Miquel, S.A.	Spain
Ceylon Tobacco Company PLC	Sri Lanka

Swedish Match AB

Sweden

Taisun Enterprise Co. Ltd.

Taiwan

Taiwan FamilyMart Co., Ltd.

Taiwan

Tanzania Cigarette Company Ltd

Tanzania

West Indian Tobacco Company Ltd.

Trinidad and Tobago

Bizim Toptan Satis Magazalari AS

Turkey

Haci Omer Sabanci Holding A.S.

Turkey

British American Tobacco Uganda

Uganda

COMPANY

COUNTRY

Booker Group Plc

United Kingdom



British American Tobacco Plc

United Kingdom

Imperial Tobacco Group Plc

United Kingdom

Cat Loi Joint Stock Co.

Vietnam

Cong Ty Co Phan Ngan Son

Vietnam

Hoang Long Group

Vietnam

British American Tobacco Zambia Plc

Zambia

British American Tobacco Zimbabwe Holdings Ltd

Zimbabwe