

MEMORANDUM

TO: All Retirement Boards

FROM: Thomas J. O'Donnell, Compliance Officer

RE: Tobacco Company List

DATE: August 2, 2012

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 July 2012. 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 2012 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

JULY 2012

<u>COMPANY</u>	<u>COUNTRY</u>
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
Star Scientific, Inc.	United States
Universal Corporation	United States
Vapor Corp	United States
Vector Group, Ltd.	United States
British American Tobacco Bangladesh Co. Ltd.	Bangladesh
FDS dd Sarajevo	Bosnia & Herzegovina
Souza Cruz S.A.	Brazil
Asenovgrad Tabac AD Asenovgrad	Bulgaria
Blagoevgrad BT AD Blagoevgrad	Bulgaria
Bulgartabak Holding AD	Bulgaria
Gotse Delchev Tabak AD Gotse Delchev	Bulgaria
Isperih BT AD Isperih	Bulgaria
Nicotiana BT Holding AD Sofia	Bulgaria
Pazardzhik BT AD Pazardzhik	Bulgaria
Pleven – Bulgartabak AD Pleven	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

COMPANYCOUNTRY

Adris Grupa dd
Hrvatski Duhani dd
Tvornica Duhana Zagreb dd

Croatia
Croatia
Croatia

Philip Morris CR AS

Czech Republic

Eastern Company SAE

Egypt

Karelia Tobacco Company Inc SA

Greece

Dragonite International Limited
Huabao International Holdings Ltd.
Shanghai Industrial Holdings Limited

Hong Kong
Hong Kong
Hong Kong

Godfrey Phillips India Ltd.
Golden Tobacco Ltd.
I.T.C. Ltd.
NTC Industries Ltd.
Sinnar Bidi Udyog Ltd
Virat Crane Industries Ltd
VST Industries Ltd.

India
India
India
India
India
India
India

PT Gudang Garam Tbk
PT Bentoel Internasional Investama Tbk
PT Hanjaya Mandala Sampoerna Tbk

Indonesia
Indonesia
Indonesia

Jerusalem Cigarette Company Ltd

Israel

Societe Ivoirienne des Tabacs SA

Ivory Coast

Carreras Limited

Jamaica

FamilyMart Co. Ltd.
ITOCHU Corporation
Japan Tobacco Inc.
Lawson, Inc.
Mitsubishi Corporation

Japan
Japan
Japan
Japan
Japan

Aleqbal Investment Co PLC
Union Advanced Industries Co. PLC
Union Tobacco & Cigarette Industries Co

Jordan
Jordan
Jordan

British American Tobacco Kenya

Kenya

Tutunski Kombinat AD Prilep

Macedonia

COMPANYCOUNTRY

Press Corporation Ltd.	Malawi
British American Tobacco (Malaysia) Berhad	Malaysia
JT International Berhad	Malaysia
Grupo Carso, S.A.B. de C.V.	Mexico
Duvanski Kombinat AD Podgorica	Montenegro
Khyber Tobacco Company Ltd.	Pakistan
Pakistan Tobacco Co. Ltd.	Pakistan
Philip Morris (Pakistan) Ltd.	Pakistan
British American Tobacco del Peru Holding SAA	Peru
DIB ad Bujanovac	Serbia
Duvanska ad Coka	Serbia
Philip Morris Operations AD	Serbia
New Toyo International Holdings Limited	Singapore
KT&G Corporation	South Korea
Nongshim Holdings Co., Ltd.	South Korea
Pobis TNC 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 Co Ltd	Tanzania
West Indian Tobacco Company Ltd.	Trinidad and Tobago
Haci Omer Sabanci Holding A.S.	Turkey
British American Tobacco Uganda	Uganda
Booker Group Plc	United Kingdom
British American Tobacco, Plc	United Kingdom
Imperial Tobacco Group Plc	United Kingdom

COMPANY

COUNTRY

Cat Loi Joint Stock Co.
Cong Ty Co Phan Ngan Son

Vietnam
Vietnam

British American Tobacco (Zambia) Plc

Zambia

British American Tobacco Zimbabwe Holdings Limited
TSL Ltd

Zimbabwe
Zimbabwe