

MEMORANDUM

TO: All Retirement Boards

FROM: Joseph E. Connarton, Executive Director

RE: Vendor Disclosures

DATE: September 1, 2017

Pursuant to Section 23B of Chapter 32 of the General Laws, investment service providers to retirement boards must provide the board with Vendor Disclosures as part of the RFP process and each year during a contractual relationship. In the former case, the board submits these disclosures to PERAC as part of the Acknowledgement Process. Annual disclosures are to be submitted by the vendor to the board and to the Commission.

In the event that a vendor has a relationship with another person in connection with offering its services disclosures must be made directly to the board in accordance with Rule 206(4)-3(b) of the Investment Advisers Act of 1940. In addition, that Rule mandates that any person that has such a relationship with a vendor make disclosures to the retirement board regarding any relationship with another person to assist that person in fulfilling the duties provided to the vendor.

Examples of such documents are enclosed.

In conjunction with reviewing the Vendor Disclosures as part of the Acknowledgement Process the Commission must be able to review any such disclosures. Consequently, copies of such disclosures must be submitted to the Commission by the board for review prior to the issuance of any Acknowledgement. Submission can take place as an attachment in the PROSPER system.

Thank you for your cooperation.

Enclosures

