City of Boca Raton General Employees' Pension Plan

Investment Policy Statement

Approved: October 2, 2002

Last Amendment Effective: December 1, 2012

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Policy Perspectives

I. SCOPE AND PURPOSE OF THE INVESTMENT POLICY STATEMENT

This investment policy shall apply to all funds under the control of the Board.

The Pension Board of Trustees maintains that an important determinant of future investment returns is the expression and periodic review of the Plan's investment objectives. To that end, the Board has adopted this Statement of Investment Policy.

In fulfilling their fiduciary responsibility, the Board recognizes that the Plan is an essential vehicle for providing income benefits to retired participants or their beneficiaries. The Board also recognizes that the obligations of the Plan are long-term, and that the investment policy should be made with a view towards growth and income performance over a number of years.

The general investment objective is to obtain a total rate of return that achieves the actuarial interest rate assumption on an annual basis year after year. The total rate of return is defined as interest and dividend income plus realized and unrealized capital gains and/or losses.

II. FIDUCIARY STANDARDS AND RESPONSIBLITIES

In performing their investment duties, the Board of Trustees, its investment managers, and investment consultant shall comply with the fiduciary standards set forth in the Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1104 (a) (1) (A)-(C). That is, they must discharge their duties with respect to the Plan solely in the interest of the participants and beneficiaries and -

- for the exclusive purpose of providing benefits to participants and their beneficiaries and defraying reasonable expenses of administering the Plan;
- with the care, skill, prudence, and diligence under the circumstance then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aim; and
- by diversifying the investments of the Plan so as to minimize the risk of large loss, unless under the circumstances it is clearly prudent not to do so.

There are several parties acting as fiduciaries with responsibilities for the Plan as follows:

The ***Board of Trustees*** has the responsibility for managing the investment process. In fulfilling this responsibility, the Board of Trustees shall establish and maintain investment policies and procedures. Within this framework, the Board of Trustees shall select, monitor and evaluate the investment consultant, investment managers, bank custodian and other parties to ensure that actual results meet objectives. Board members are encouraged to attend continuing education seminars concerning matters related to investment and responsibilities of Board members.

The ***Investment Consultant*** has the responsibility to assist the Board of Trustees with the selection of investment managers and the monitoring of established investment guidelines. The Consultant shall, among other things, review asset allocations and performance and make recommendations to the Board of Trustees as necessary to achieve the general investment objective.

The ***Investment Managers*** have been delegated full discretion by the Board of Trustees to invest funds in accordance with the investment policy statement. The Investment Managers shall, among other things, buy and sell specific securities and can modify the asset mix within the guidelines. The Investment Manager must be an investment management company or investment advisor as defined by the Investment Advisors Act of 1940, an insurance company or a bank.

The ***Custodian*** is responsible, among other things, for the safekeeping of assets. The custodian shall hold cash and securities and provide detailed monthly reports of activity and holdings to the Board of Trustees. All securities purchased by, and all collateral obtained by the Board shall be properly designated as an asset of the Plan. No withdrawal of assets, in whole or in part, shall be made except upon authorization by the Board. Securities transactions between a broker-dealer and the custodian involving purchase or sale of securities by transfer of money or securities must be made on a "delivery vs. payment" basis to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction.

Investment Guidelines

III. AUTHORIZED INVESTMENTS

Investments shall be diversified among various asset classes (categories) to the extent practicable to control risk of loss resulting from over concentration in a specific maturity, issuer, industry, instrument, dealer or bank through which financial instruments are bought and sold. The Board recognizes the uncertainty that is associated with achieving the Plan's investment objectives in light of the volatility of capital markets. The following authorized and prohibited investments were determined based on these risk and diversification considerations.

A. ***Fixed Income Securities:***
The three major credit rating agencies used to monitor risk of loss are defined as Moody's, Standards & Poor's (S&P) and Fitch.

1. Time deposit account, demand deposit account or nonnegotiable certificate of deposit of a bank, savings bank/association which has been designated by the Florida Chief Financial Officer as a Qualified Public Depository in accordance with Chapter 280, Florida Statutes.

2. Obligations issued by the United States Government and its Agencies or obligations guaranteed as to principal and interest by the government of the United States.

3. Short term obligations purchased individually or in pooled accounts or other collective investment funds. Short term investments include short term investment funds (STIF) provided by the custodian, money market mutual funds limited to obligations of the United States Government or its Agencies, commercial paper and banker's acceptances.

   a. Short term obligations must have a minimum rating from two of the three major credit rating agencies of P-1 (Moody's), A-1 (S&P) or F1 (Fitch).
   b. The issuer's long-term debt rating must have a minimum long-term debt rating of A by two of the three major credit rating agencies.

4. Treasury Inflation Protected Securities (TIPS)
   a. Maturities are permitted up to ten (10) years.

5. Bonds or other evidences of indebtedness issued or guaranteed by a corporation organized under the laws of the United States or the District of Columbia.

   a. The obligation must have a minimum rating by two of the three major credit rating agencies of Baa2 (Moody's) or BBB (S&P/Fitch). In the event of a split rating, the lower rating shall prevail. In the event of a downgrade, the bonds shall be sold as soon as practicable but in no event later than ten (10) trading days.
   b. Obligations with a rating below A3 by Moody's rating agency or A- by S&P/Fitch rating agencies shall be limited to 15% of the total bond portfolio.

c. Investments in any one issuing company shall be limited to 1.5% of the total bond portfolio.

6. Pass-through Securities

   a. Commercial mortgage-backed securities rated a minimum of AAA by two of the three major credit rating agencies.
   b. Asset-backed securities rated a minimum of AAA by two of the three major credit rating agencies.

7. Repurchase agreements fully collateralized by obligations of the U.S. Government or its agencies

   a. The repurchase agreement collateral must be held by an authorized custodian approved by the Board.
   b. All approved institutions and dealers transacting repurchase agreements must execute a master repurchase agreement with the plan. The repurchase agreement transactions must then comply with the requirements of that agreement.

B. ***Equity Securities:***

Investments in equities shall not exceed 70% of the Plan's assets at market value. Equity securities include domestic and international common stocks, preferred stocks, convertible securities and real estate investment trusts.

1. Domestic stocks are issued by a corporation organized under the laws of the United States or the District of Columbia provided the corporation is listed on one or more of the recognized national stock exchanges and conforms with the periodic reporting requirements under the Securities Exchange Act of 1934.

   a. Not more than three percent (3%) of the market value of plan assets shall be invested in the securities of any one issuing company, except as follows:
      (1) To the extent a higher percentage of the same issue is included in a nationally recognized market index, based on market values, at least as broad as the Standard & Poor's Composite Index of 500 Companies, or
      (2) Upon a specific finding by the Board that such higher percentage is in the best interest of the Plan.
   b. The aggregate investment in one issuing company shall not exceed five percent (5%) of the outstanding capital stock of the company.

2. Domestic equity investment managers may only invest in foreign domiciled corporations whose shares are registered or are traded on either the New York Stock Exchange, the American Stock Exchange or are listed on the NASDAQ Stock Market. Such investments may not exceed five percent (5%) of the investment manager's account, based on market value.

3. The International equity manager shall invest in foreign securities and shall emphasize companies of developed countries. *Foreign securities are defined as a security issued by a corporation that is not organized under the laws of the United States, any state or organized territory of the United States, the District of Columbia, or not domiciled inside the United States.*

4. Convertible securities are generally considered, but not limited to, convertible bonds and convertible preferreds.

   a. Convertible securities are classified as equities and shall not be held to the rating standards of fixed income investments.

b. The following convertible security limitations are based on the market value of the investment manager's convertible portfolio:
   (1) 144 A Securities shall be limited to 35%
   (2) Cash shall not exceed 25%
   (3) Synthetic convertibles shall not exceed 30%
   (4) Not more than 10% shall be invested in any one issuer
   (5) Foreign convertibles, as defined in the international equity section above, shall be limited to 25%

5. Publically traded real estate shall be limited to real estate investment trust (REIT) funds.

C. ***Private Real Estate Securities:***
The private real estate shall be primarily invested through commingled investment funds. Investment in real estate properties shall be broadly diversified by geography, property type and number of properties.

D. ***Commingled Fund Securities:***
When the Board determines that it is in the best interest of the Plan, an investment in a commingled vehicle, such as a collective trust or institutional mutual fund is permitted, provided that:

1. The fund prospectus shall be reviewed to determine if the commingled fund policies are appropriate.
2. Commingled and mutual fund investments are dictated by the policies of those funds and may be in conflict with the investment objectives of the plan.
3. Commingled funds commonly include futures, securities lending and options in their investment strategy. The Board shall consider the utilization of such strategies in its determination to invest in the funds.

E. ***Prohibited Investments:***

1. Tax-exempt securities
2. Futures
3. Short sales
4. General obligations issued by a foreign government
5. Hedge funds
6. Insurance annuities
7. Limited partnerships
8. Margin purchase or lending or borrowing money
9. Options
10. Letter stock
11. Private mortgages
12. Securities lending
13. Private label residential mortgage-backed securities
14. Securities of the investment managers, their parents, subsidiaries or affiliates.

F. ***Maturity and Liquidity Requirements:***

The Plan's investment managers shall be kept informed of the liquidity requirements of the Plan. The investment portfolios shall be structured to provide sufficient liquidity to pay all benefit and expense obligations as they come due. Furthermore, the Plan shall maintain sufficient funding for unexpected developments, possible future increases in benefits and reduction of interest rates or total return from investments. To the extent possible, an attempt shall be made to match investment maturities with known cash needs and anticipated cash-flow requirements. The Board shall retain cash in such amount as it may deem advisable.

Bid requirement: The Board shall determine the approximate maturity date based on cash-flow needs and market conditions, analyze and select one or more optimal types of investment, and competitively bid the security in question when feasible and appropriate. Except as otherwise required by law, the most economically advantageous bid must be selected.

Valuation of Illiquid Investments: An illiquid investment is an investment for which a generally recognized market is not available or for which there is no consistent or generally accepted pricing mechanism. If illiquid investments are utilized, the expected benefits / risks and the methods for monitoring and measuring performance shall be determined. A detailed list of illiquid investments shall be maintained including security type, issuer, nature, extent, purpose, control acquired, voting rights, restrictions on material rights of ownership, and contract arrangements. The investment consultant shall provide expertise to properly evaluate and manage illiquid investments. For each actuarial evaluation, the Board shall verify the determination of the fair market value of illiquid investments, ascertain that the determination complies with all applicable state and federal requirements and disclose each illiquid investment to the Department of Management Services and the City of Boca Raton.

IV. ASSET ALLOCATION

The investment strategy of the Plan utilizes various separate investment approaches, as follows:

Investment Approach	Target Allocation	Minimum	Maximum
Equity			
Large cap core value equity	15%	07%	20%
Large cap core growth equity	15%	07%	20%
Small/Mid-cap core equity	09%	05%	15%
International equity	15%	10%	20%
Convertible Securities	06%	03%	10%
Real estate investment trust	03%	00%	07%
Fixed Income			
Treasury Inflation Protected Securities (TIPS)	06%	03%	10%
Fixed income (debt)	26%	18%	63%
Cash and cash equivalents	00%	00%	10%
Real Estate			
Private real estate	05%	03%	07%
Total	100%		

The benchmark objective of the total Plan is a hybrid index, as follows:

Russell 1000 stock index	30%
S&P 400 Mid-cap stock index	09%
Merrill Lynch All U.S. Convertible Index	06%
Morgan Stanley Capital International All Country World Index (MSCI ACWI ex-US)	15%
Wilshire U.S. Real Estate Securities index	03%
National Council of Real Estate Investment Fiduciaries Open-end Diversified Core Equity Index (NCREIF ODCE)	05%
Barclays Capital 1-10 Years TIPS	06%
BCA Custom Bond Benchmark*	26%
Total	100%

** <u>BCA Custom Bond Benchmark</u> is as follows:*

Barclays Capital Mortgage Backed Security Fixed Rate	*49%*
Citigroup Asset Backed	*11%*
Barclays Capital Intermediate Corporate	*40%*
Total	*100%*

Rebalancing:

Since market conditions will favor one approach over another, during 12 to 36 month time periods, the asset allocation shall require periodic rebalancing. Because the long-term approach of the Plan is to achieve blended returns of various separate investment approaches, it is essential that relative weightings do not become over or under-allocated for long periods of time. Accordingly, at least annually, each asset category shall be considered for rebalancing under the guidance of the investment consultant.

Portfolio Management

V. PERFORMANCE MEASUREMENT STANDARDS

The Plan's investment managers shall have full discretion in the selection and disposition of securities, but shall be limited by the investment standards and guidelines set forth in Section III Authorized Investments. The following performance measures shall be used as objective criteria for evaluating the effectiveness of each investment manager:

A. ***Total Plan Performance Standards***

1. The performance of the total Plan shall be measured over rolling three and five-year periods. These periods are considered sufficient to accommodate the market cycles experienced with investments. The performance shall be compared to the return of the hybrid benchmark defined in Section IV Asset Allocation.
2. The desired investment objective is a long term annual average compound rate of return on assets that is at least the actuarial interest rate assumption for the current year, for each of the next several years and for the long term thereafter.
3. The Board expects that the Plan shall rank in the top 40th percentile of a peer group representing public pension plans.
4. On a relative basis, the Board expects that each investment manager's performance shall rank in the top 40th percentile of an appropriate universe over three-year and five-year periods.

B. ***Investment Approach Performance Benchmarks***

Over a market cycle, the long-term objective for each manager is to add value to a market benchmark. Investment managers are expected to meet or exceed the return of the benchmark. The following are the benchmarks used to monitor each investment manager:

Style	***Benchmark Index***
Large Cap Growth	Russell 1000 Growth
Large Cap Value	Russell 1000 Value
Mid Cap Equity	S&P Midcap 400
International Equity	MSCI ACWI ex US
Convertible Securities	Merrill Lynch All U.S. Convertible
Publically Traded Real Estate	U.S. Real Estate Securities
Private Real Estate	NCREIF ODCE
TIPS	Barclays Capital 1-10 Year TIPS
Fixed Income	BCA Custom Bond Benchmark
Cash and Cash Equivalents	91 day U.S. Treasury Bills

VI. MONITORING OF INVESTMENT MANAGERS AND PERFORMANCE

A. ***Custodian Reporting***

The custodian shall fully inform the Board of all transactions:

1. The custodian shall forward all proxies to the investment managers as soon as practicable but in no event later than ten calendar days of receipt.

2. On a monthly basis, the custodian shall supply a statement of account that shall include a detail and summary of all receipts and disbursements and the cost and the market value of all assets.

B. ***Investment Manager Reporting***

Investment managers provide periodic reporting to evaluate performance and compliance with the investment policy.

1. On a quarterly basis, each investment manager shall provide a written report delivered to the Board within 30 days of the end of the quarter.

   a. Account balances and performance.
   b. A summary of common stock diversification for equity managers and attendant schedules.
   c. Forecast of the market and economy.
   d. Portfolio analysis and characteristics.
   e. Adherence to the investment policy including a statement affirming compliance with the authorized investments.
   f. Noncompliance with the investment policy:
      (1) Each manager shall disclose any securities that are not in compliance with authorized investments in each quarterly report.
      (2) Each investment manager's quarterly report shall list separately any security held or sold during the period whose value has diminished 15% from purchase price and explain in writing to the Board why such securities remain in the account.
2. On at least an annual basis, each investment manager shall communicate the following to the Board.

   a. Each investment manager shall present to the Board and review performance results, economic outlook, investment strategy and tactics and other pertinent matters affecting the Plan.
   b. Each equity investment manager shall report to the Board on an annual basis with respect to proxies, the issues, votes and dates. A written explanation is required for any vote not recommended by management or not voted.

3. Immediate communication with the Board is required for material events, including:

   a. The investment manager shall provide immediate written and telephone notice to the Board of any significant market related or non-market related event, specifically including, but not limited to, any deviation from the standards set forth in authorized investments.
   b. If an investment manager's account holds securities, which complied with authorized investments at time of purchase, but are subsequently downgraded while held, the investments are no longer authorized. The manager shall dispose of such securities as soon as practicable but in no event later than ten (10) trading days.

C. ***Investment Consultant Reporting/Board Monitoring***

Quarterly reports from the investment consultant shall evaluate the performance of the total Plan and each investment manager.

On at least a quarterly basis, the investment consultant shall present a monitoring report to the board which shall be discussed at a board meeting. The written report shall be delivered to the board within 30 days of the end of the quarter. The report shall include:

1. Evaluation of the rate of return and relative performance of the plan.

2. Each investment manager's adherence to this Investment Policy Statement. The total overall plan adherence to the Investment Policy Statement.

3. Material changes in the investment manager's organization, investment philosophy or personnel. Charges filed against the organization or communication from any government agency.

4. Comparisons of the investment manager's results to the index and peer group described in the benchmark objective.

5. The risk associated with each investment manager's portfolio shall be measured by the variability of quarterly returns (standard deviation). Such vulnerability shall not exceed that of the benchmark index and the peer group without a corresponding increase in performance above the benchmark index and peer group.

At least annually, the board shall review the investment consultant's reporting on the investment manager's performance relative to its peers of like investment style or strategy. Each investment manager shall be required to perform in accordance with the performance standards and the criteria for investment manager review.

VII. CRITERIA FOR INVESTMENT MANAGER REVIEW

The following are standards by which judgments of the ongoing performance of an investment manager shall be made.

A. Four consecutive quarters of the investment performance being below the 40^{th} percentile ranking.

B. Three-year or five-year rolling investment returns below that of the 40^{th} percentile manager.

C. A three-year or five-year period within the "southwest quadrant" of the risk/return scatter gram.

D. Standard deviation for the account in excess of the manager's index.

E. Any significant change in professional staff, a large loss or increase in business or changes in ownership or control.

F. A change in fundamental investment philosophy by the manager.

G. Failure to observe the security quality or allocation restrictions in Section V.

H. Failure to attain a 60% vote of confidence by the Board of Trustees.

If, at any time, any one of the foregoing conditions occurs, the investment manager shall be notified and advised of the Board's concern. An investment manager may be replaced at any time and for any reason or for no reason at all.

Compliance

VIII. INTERNAL CONTROLS

The Plan shall be governed by a set of written internal controls and operational procedures, which shall be periodically reviewed by the Plan's certified public accountant (CPA). At the time of every financial audit, the CPA shall review the controls that should be designed to prevent loss of funds that might arise from fraud, error, or misrepresentation by third parties or imprudent actions by the Board or the employees of the City of Boca Raton.

All investment activity has been delegated to professional investment managers and the securities are held in trust with the custodians. As a result, Board members and employees do not have direct access to the investments. A withdrawal of funds from the custodial account requires dual authorized signatures, one of which must be a board member. A repetitive transfer of funds to the plan's checking account for the payment of benefits and expenses or to another manager account within the Plan's group of funds requires one authorized signature. The Board maintains appropriate fiduciary liability insurance coverage. The Board approves benefit payments and Plan expenses. These are listed on Warrants that are subject to approval at each Board meeting.

IX. REPORTING

Financial Statement Reporting. Following the end of the fiscal year and completion of the financial statements, the City of Boca Raton shall be provided with a report that shall include a list of investments in the portfolio by class or type. This report shall show market value and income earned. Such report shall be available to the public.

Expected Annual Rate of Return Reporting. For each actuarial valuation, the Board shall determine the total expected annual rate of return for the current year, for each of the next several years, and for the long term thereafter. This determination must be filed promptly with the Department of Management Services and with the plan's sponsor and the consulting actuary. For purposes of this requirement, the Board has adopted the actuarial assumption as its expected rate of return.

X. POLICY REVIEW AND AMENDMENTS

It is the Board's intention to review this document periodically and to consider amending this statement to reflect any changes in philosophy, objectives, diversified strategies or guidelines. In this regard, the investment manager's interest in consistency in these matters is recognized and shall be taken into account when changes are being considered. If at any time any portfolio manager feels that the specific objectives defined herein cannot be met, or the guidelines constrict performance, the Board should be notified in writing. By initial and continuing acceptance of this Investment Policy Statement, the investment manager concurs with the provisions of this document.

The Plan attorney is responsible, among other things, to recommend updates to the Investment Policy Statement for changes in the applicable Florida Statutes. If at any time, this document is found to be in conflict with Chapter 112.661, Florida Statutes, or the applicable Boca Raton Code, the Statutes and Code shall prevail.

Filing of Policy. Once the Board has adopted the investment policy, the investment policy shall be promptly filed with the Department of Management Services, the plan sponsor, and the consulting actuary. The effective date of the Investment Policy Statement and any amendment thereto, shall be the 31st calendar day following the filing date with the plan sponsor.

XI. COMPLIANCE WITH FLORIDA STATUTES

Florida Statute 112.661 *Investment Policies* addresses specific requirements for investment of the assets of a local retirement plan that must be included in the investment policy adopted by the Board. Each of the 17 requirements is listed below with the corresponding reference to the investment policy sections and page numbers to demonstrate compliance with the state statute.

1. *Scope*. The policy scope is stated in section I first sentence, page 1.

2. *Investment Objectives*. The investment objectives are described in Section I forth paragraph, page 1.

3. *Performance Measurement*. Performance measurements are specified in Section V, pages 6 and 7.

4. *Investment and Fiduciary Standards*. Investment and fiduciary standards are described in Section II first paragraph, page 1.

5. *Authorized Investments*. Authorized investments are listed in Section III A through D, page 2 through page 4 and Section IV page 5. Limitations and conditions set forth in Florida Statute 215.47 sub-sections (1) – (8), (10) and (16) are addressed by the policy and are included in the authorized investment sections previously referenced. Florida Statute 112.661 sub-section (5)(b) is no longer applicable to the Plan.

6. *Maturity and Liquidity Requirements*. Liquidity and cash flow requirements are documented in Section III E first paragraph, page 4.

7. *Portfolio Composition*. Investment guidelines and limitations are outlined in Section III, page 2 through page 4, and Section IV, page 5.

8. *Risk and Diversification*. Diversification is used to control risk of loss and is discussed in Section III first paragraph, page 2. Diversification guidelines are periodically reviewed by the Board as required in Section X first paragraph, page 9.

9. *Expected Annual Rate of Return*. The Board's determination of the expected annual rate of return is located in Section IX Expected Rate of Return Reporting paragraph, page 9.

10. *Third-Party Custodial Agreements*. Arrangements for the safekeeping of assets by the custodian are noted in section II Custodian paragraph, page 2.

11. *Master Repurchase Agreement*. The use of Master Repurchase Agreements is incorporated in Section III A 7b, page 3.

12. *Bid Requirement*. Cash flow analysis and competitive bidding is described in Section III E Bid Requirement paragraph, page 5.

13. *Internal Controls*. Internal controls and operating procedures are provided in Section VIII, page 9.

14. *Continuing Education*. Board member education is encouraged in Section II Board of Trustee paragraph, page 1.

15. *Reporting*. Investment reporting is required annually in Section IX Financial Statement Reporting paragraph, page 9.

16. *Filing of Investment Policy*. Filing requirements of amendments to the investment policy are outlined in Section X Filing of Policy paragraph, page 9.

17. *Valuation of Illiquid Investments*. Determination of fair market value and disclosure of illiquid investments is discussed in Section III E Valuation of Illiquid Investments paragraph, page 4.

Appendix

City of Boca Raton General Employees' Pension Plan

DISCLOSURE OF PLACEMENT AGENT FEES POLICY

Effective August 1, 2009

I. PURPOSE

The City of Boca Raton General Employees' Pension Plan ("Plan") Investment Policy Statement sets forth the Plan's overarching investment purposes and objectives with respect to its investment programs.

This Policy sets forth the circumstances under which the Plan shall require the disclosure of payments to Placement Agents in connection with the Plan's investments in or through an Investment Manager. This Policy is intended to apply broadly to all of the types of investment partners with which the Plan does business, including the general partners, managers, investment managers and sponsors of hedge funds, private equity funds, real estate funds and infrastructure funds, as well investment managers retained pursuant to a contract. The Board adopts this Policy to require broad, timely, and updated disclosure of all Placement Agent relationships, compensation and fees. The goal of this Policy is to help ensure that the Board's investment decisions are made solely on the merits of the investment opportunity by those who owe a fiduciary duty to the Plan. This policy is intended to supplement any applicable provisions of state or federal law.

II. DEFINITIONS

Investment Consultant refers to individuals or firms, and includes key personnel of Consultant firms, who are contractually retained by the Board to provide investment advice to the Board.

Investment Manager means an investment management firm that is seeking to be, or has been, retained by the Board to manage a portfolio of assets (including securities) for a fee. The Investment Manager usually has full discretion to manage Plan assets, consistent with investment management guidelines provided by the Plan and consistent with fiduciary responsibility.

Placement Agent means any person or entity hired, engaged or retained by or acting on behalf of Investment Manager or on behalf of another Placement Agent as a finder, solicitor, marketer, consultant, broker, middleman or other intermediary to raise money or investments from or to obtain access to the Plan, directly or indirectly.

III. STRATEGIC OBJECTIVES

- Ensure that the Board's investment decisions are consistent with the Plan's Investment Policy Statement.

- Supplement the pool of information available to the Board of Trustees and the Investment Consultant when evaluating an investment opportunity.

- Prevent impropriety and the appearance of impropriety and provide transparency and confidence in the Board's investment decision making.

IV. APPLICATION

This Policy applies to all agreements with Investment Managers that are entered into prior to and after the date this Policy is adopted.

V. RESPONSIBILITIES

A. Each ***Investment Manager*** is responsible for:

1. Providing the following information (collectively, the "Placement Agent Information Disclosure") to the Board at the time investment discussions are initiated by Investment Manager. For agreements in existence at the time this policy is adopted, the Placement Agent Information Disclosure shall be made within thirty (30) days after request is made by the Board.

    a. A statement whether the Investment Manager, or any of its principals, employees, agents or affiliates has compensated or agreed to compensate, directly or indirectly, any person (whether or not employed by the Investment Manager) or entity to act as a Placement Agent in connection with any investment by the Plan.

    b. A resume for each officer, partner or principal of the Placement Agent (and any employee providing similar services) detailing the person's education, professional designations, regulatory licenses and investment and work experience. If any such person is a current or former Board member, employee or Investment Consultant or a member of the immediate family of any such person, this fact shall be specifically noted.

    c. A description of any and all compensation of any kind provided or agreed to be provided to a Placement Agent, including the nature, timing and value thereof. Compensation to Placement Agents shall include compensation to third parties as well as employees of the Investment Manager who are retained in order to solicit an investment from the Plan or who are paid based upon investment commitments secured by such employees.

    d. A description of the services to be performed by the Placement Agent and a statement as to whether the Placement Agent is utilized by the Investment Manager with all prospective clients or only with a subset of the Investment Manager's prospective clients.

    e. A copy of any and all agreements between the Investment Manager and the Placement Agent.

    f. The names of any current or former Board members, employees, or Consultants who suggested the retention of the Placement Agent.

    g. A statement whether the Placement Agent or any of its affiliates are registered with the Securities and Exchange Commission or the Financial Industry Regulatory Association or any similar regulatory agency in a country other than the United States and the details of such registration or explanation of why no registration is required.

    h. A statement whether the Placement Agent, or any of its affiliates, is registered as a lobbyist with any state or national government.

2. Representing and warranting the accuracy of the information included in the Placement Agent Information Disclosure in any final written agreement with a continuing obligation to update any such information within five (5) business days of any change in the information.

3. Providing an update of any changes to any of the information included in the Placement Agent Information Disclosure within five (5) business days of the occurrence of the change in information.

B. The ***Board of Trustees*** is responsible for:

1. Providing Investment Managers with a copy of this Policy at the time that due diligence in connection with a prospective investment or engagement begins. For agreements in existence at the time this policy is adopted, a copy of this Policy will be provided to Investment Managers as soon as practicable thereafter.

2. Confirming that the Placement Agent Disclosure has been received prior to the completion of due diligence and any recommendation to proceed with the engagement of the Investment Manager or the decision to make any investment.

3. For new contracts and amendments to contracts existing as of the date of this Policy, confirming that the final written agreement between the Board and the Investment Manager provides that the Investment Manager shall be solely responsible for, and the Plan shall not pay (directly or indirectly), any fees, compensation or expenses for any Placement Agent used by the Investment Manager.

4. Reviewing the Placement Agent Information Disclosure whenever it is necessary or appropriate under this Policy.

5. Reviewing periodic reports containing the names and amounts of compensation agreed to be provided to each Placement Agent by each Investment Manager as reported in the Placement Agent Information Disclosures.

6. Reporting any material violations of this Policy.

C. The ***Investment Manager*** shall comply with this Policy and cooperate with Board of Trustees in meeting their obligations under this Policy. If an Investment Manager intends not to comply with this Policy, written notice must be submitted to the Board.

D. All parties responsible for implementing, monitoring and complying with this Policy should consider the spirit as well as the literal expression of this Policy. In cases where there is uncertainty whether a disclosure should be made pursuant to this Policy, this Policy shall be interpreted to require disclosure.

Appendix

City of Boca Raton General Employees' Pension Plan

INVESTMENT MANAGER ADHERENCE TO INVESTMENT POLICY STATEMENT

Effective December 1, 2012

As an Investment Manager for the City of Boca Raton General Employees' Pension Plan, we accept the guidelines, terms and conditions of this Investment Policy Statement and agree to be bound by them.

____
Investment Management Firm

____
Investment Management Representative Name

____________________________________ ____________________
Investment Management Signature Date

Approval

BOARD OF TRUSTEES
CITY OF BOCA RATON GENERAL EMPLOYEES' PENSION PLAN

Debra Sears

Attest: Debra Sears

Approved at October 11, 2012
Board Meeting