

ATTORNEY GENERAL OF THE STATE OF NEW YORK

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: :
IN THE MATTER OF : :
JERRY A. WEISS : :
: :
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Investigation
No. 2010-160

**ASSURANCE OF DISCONTINUANCE
PURSUANT TO EXECUTIVE LAW § 63(15)**

In March 2007, the Office of the Attorney General of the State of New York (the “OAG”), commenced an industry-wide investigation (the “Investigation”), pursuant to Article 23-A of the General Business Law (the “Martin Act”), with respect to certain practices at public pension funds, including the New York State Common Retirement Fund. The Investigation revealed that private equity firms and hedge funds frequently use placement agents, finders, lobbyists, and other intermediaries (“placement agents”) to obtain investments from public pension funds, and that many of these placement agents do not hold the licenses and registrations generally required for placement agents. This Assurance of Discontinuance (“Assurance”) contains the findings of the OAG’s Investigation as relevant here and the relief agreed to by the OAG and Jerry A. Weiss (“Weiss”).

WHEREAS, the OAG finds that trillions of dollars in public pension funds in the United States are held in trust for millions of retirees and their families and these funds must be protected from manipulation for personal or political gain;

WHEREAS, the OAG finds that public pension fund assets must be invested solely in the best interests of the beneficiaries of the public pension fund;

WHEREAS, the OAG finds that public pension funds are a highly desirable source of investment for private equity firms and hedge funds;

WHEREAS, the OAG finds that private equity firms and hedge funds frequently use placement agents to obtain investments from public pension funds;

WHEREAS, the OAG finds that these placement agents are frequently politically-connected individuals;

WHEREAS, the OAG finds that the use of placement agents to obtain public pension fund investments is a practice fraught with peril and prone to manipulation and abuse;

WHEREAS, the OAG finds that the system must be reformed to eliminate the use of intermediaries, and to eliminate the practice of making campaign contributions to publicly-elected trustees of public pension funds while seeking and doing business before those public pension funds;

WHEREAS, Weiss embraces the OAG's Reform Code of Conduct attached to this Assurance and incorporated by reference herein; and

WHEREAS, Weiss has fully cooperated with the OAG's investigation.

I. WEISS

1. Weiss is a member of LW Strategies LLC, a consulting firm.

II. THE NEW YORK CITY OFFICE OF THE COMPTROLLER

2. The New York City Office of the Comptroller manages the assets of the five New York City Pension Funds ("NYC Pension Funds"): The New York City Employee Retirement System, The Teachers' Retirement System of the City of New York, The New York City Police Pension Fund, The New York City Fire Department Pension

Fund and The Board of Education Retirement System. Each Pension Fund is financially independent and has its own board of trustees. The New York City Comptroller is the custodian and investment advisor to the board of trustees of each of the NYC Pension Funds. The NYC Pension Funds cover more than 237,000 retirees and beneficiaries and more than 344,000 City and City-affiliated employees. As of the end of the fiscal year on March 31, 2010, the NYC Pension Funds had combined assets of \$103.77 billion.

3. The NYC Pension Funds are large and desirable sources of investment funds, and gaining access to and investments from them is a competitive process. Frequently, investment managers seeking an investment from the NYC Pension Funds have retained third parties known as “placement agents” or “finders” to introduce and market them to the NYC Pension Funds. By May 2009, the board of trustees of all five of the NYC Pension Funds had voted to suspend the use of placement agents.

4. Placement agents and other third parties who are engaged in the business of effecting securities transactions are required to be licensed and affiliated with broker-dealers regulated by an entity now known as the Financial Industry Regulatory Authority (“FINRA”). *See* §3(a)(4) and §15(b) of the Securities and Exchange Act of 1934. To obtain such licenses, the agents are required to pass the “Series 7” or equivalent examination administered by FINRA. In addition, the Martin Act requires that all dealers, brokers, or salesmen who sell or purchase securities within or from New York State must file broker-dealer registration statements with the OAG. *See* GBL § 359-e(3).

5. The Investigation also revealed that forty to fifty percent of the agents receiving placement fees for obtaining investments from the New York State Common Retirement Fund and the NYC Pension Funds were unlicensed agents. As a result of this finding, the OAG issued subpoenas to over 100 investment firms and their agents in May 2009 targeting the use of unlicensed agents.

III. FINDINGS AS TO WEISS

GF Capital Management

6. On January 8, 2007, Weiss signed an agreement with GF Capital Management & Advisors, LLC (“GF Capital”) under which GF Capital would compensate him for advisory services rendered in connection with an aggregate \$13,000,000.00 in investments made by the New York City Police and Fire pension funds in GF Capital Private Equity GP, LLC. Pursuant to this agreement, GF Capital agreed to pay Weiss an amount equal to 20% of the compensation (including management fees and carried interest) received by GF Capital Private Equity GP, LLC in connection with the New York City Police and Fire pension fund investments. GF Capital was to make these payments on an annual basis, within 30 days of its having received compensation from the New York City Police and Fire pension funds.

7. On behalf of GF Capital, Weiss contacted and met with members of the New York City Office of the Comptroller. Weiss arranged and attended a meeting between GF Capital and New York City Office of the Comptroller staff, including the New York City Deputy Comptroller for Pensions. Weiss did not interact with any outside consultants, known as gatekeepers, engaged by the public pension funds. Ultimately, the New York City Police Pension Fund and the New York City Fire Pension Fund invested an aggregate of \$13,000,000.00 in GF Capital Private Equity GP, LLC.

8. Weiss did not hold a securities license and was not affiliated with a broker-dealer when he introduced GF Capital Private Equity GP, LLC to the New York City Comptroller's Office. At the time, Weiss made inquiry of the New York State Temporary Commission on Lobbying as to whether he was required to register as a lobbyist for this activity and was told that he was not.

9. As a result of the investments made by the New York City Police and Fire Pension funds in GF Capital Private Equity GP, LLC, GF Capital has paid \$104,000.00 in fees to date, half of which Weiss retained; the remainder was paid to the other member of LW Strategies LLC.

AGREEMENT

WHEREAS, Weiss wishes to resolve the Investigation and is willing to abide by the terms of this Agreement set forth below;

WHEREAS, Weiss does not admit or deny the OAG's findings as set forth in this Assurance;

WHEREAS, the OAG is willing to accept the terms of the Assurance pursuant to New York Executive Law § 63(15), and to discontinue, as described herein, the Investigation of WEISS;

WHEREAS, the parties believe that the obligations imposed by this Assurance are prudent and appropriate;

IT IS HEREBY UNDERSTOOD AND AGREED, by and between the parties, as follows:

I. CODE OF CONDUCT

10. The OAG and Weiss hereby enter into the attached Public Pension Fund Reform Code of Conduct, which is hereby incorporated by reference as if fully set forth herein. Weiss agrees to fully abide by the terms of the Code of Conduct as it pertains to him.

II. LICENSING

11. Weiss agrees that henceforth, prior to engaging in any business effecting securities transactions, he will obtain all required licenses, will affiliate with a broker-dealer regulated by FINRA and will file any broker-dealer registration statements with the OAG as required under the Martin Act.

III. PAYMENTS DUE FROM GF CAPITAL

12. Weiss agrees to forgo any future payments due to him in connection with the New York City Police Pension Fund and New York City Fire Pension Fund investments in GF Capital Private Equity GP, LLC.

IV. PAYMENT

13. Within one hundred twenty (120) days of signing of this Assurance, Weiss will turn over the FIFTY-TWO THOUSAND (\$52,000.00) DOLLARS he received in fees, plus an additional TWENTY-SIX THOUSAND (\$26,000.00) DOLLARS to the Office of the OAG of the State of New York, which is the default formula applied to unlicensed agent dispositions by the OAG. This payment shall be made by wire transfer according to instructions to be provided by the OAG.

14. Weiss agrees that he shall not, collectively or individually, seek or accept, directly or indirectly, reimbursement or indemnification, including, but not limited to, payment

made pursuant to any insurance policy, with regard to any or all of the amounts payable pursuant to paragraph 14 above.

V. GENERAL PROVISIONS

15. Weiss admits the jurisdiction of the OAG. Weiss is committed to complying with relevant laws to include the Martin Act, General Business Law § 349, and Executive Law § 63(12).

16. The OAG retains the right under Executive Law § 63(15) to compel compliance with this Assurance. Evidence of a violation of this Assurance proven in a court of competent jurisdiction shall constitute prima facie proof of a violation of the Martin Act, General Business Law § 349, and/or Executive Law § 63(12) in any civil action or proceeding hereafter commenced by the OAG against Weiss.

17. Should the OAG prove in a court of competent jurisdiction that a material breach of this Assurance by Weiss has occurred, Weiss shall pay to the OAG the cost, if any, of such determination and of enforcing this Assurance, including without limitation legal fees, expenses and court costs.

18. If Weiss defaults on any obligation under this Assurance, the OAG may terminate this Assurance, at his sole discretion, upon 10 days written notice to Weiss. Weiss agrees that any statute of limitations or other time-related defenses applicable to the subject of the Assurance and any claims arising from or relating thereto are tolled from and after the date of this Assurance. In the event of such termination, Weiss expressly agrees and acknowledges that this Assurance shall in no way bar or otherwise preclude the OAG from commencing, conducting or prosecuting any investigation, action or proceeding, however denominated, related to the Assurance, against Weiss, or from

using in any way any statements, documents or other materials produced or provided by Weiss prior to or after the date of this Assurance, including, without limitation, such statements, documents or other materials, if any, provided for purposes of settlement negotiations, except as otherwise provided in a written agreement with the OAG.

19. Except in an action by the OAG to enforce the obligations of Weiss in this Assurance or in the event of termination of this Assurance by the OAG, neither this Assurance nor any acts performed or documents executed in furtherance of this Assurance: (a) may be deemed or used as an admission of, or evidence of, the validity of any alleged wrongdoing, liability or lack of wrongdoing or liability; or (b) may be deemed or used as an admission of or evidence of any such alleged fault or omission of Weiss in any civil, criminal or administrative proceeding in any court, administrative or other tribunal. This Assurance shall not confer any rights upon persons or entities who are not a party to this Assurance.

20. Weiss has fully and promptly cooperated in the Investigation and shall continue to do so. Such cooperation shall include, without limitation, and on a best efforts basis:

- a. Production, voluntarily and without service of a subpoena, upon the request of the OAG, of all documents or other tangible evidence requested by the OAG, and any compilations or summaries of information or data that the OAG requests that Weiss prepare, except to the extent such production would require the disclosure of information protected by the attorney-client and/or work product privileges;
- b. Without the necessity of a subpoena, having Weiss attend any Proceedings (as hereinafter defined) in New York State or elsewhere at which the presence of Weiss is requested by the OAG and having Weiss answer any and all inquiries that may be put by the OAG to him at any proceedings or otherwise; "Proceedings" include, but are not limited to, any meetings, interviews, depositions, hearings, trials, grand jury proceedings or other proceedings;

- c. Fully, fairly and truthfully disclosing all information and producing all records and other evidence in his possession, custody or control relevant to all inquiries made by the OAG concerning the subject matter of the Assurance, except to the extent such inquiries call for the disclosure of information protected by the attorney-client and/or work product privileges; and
- d. Making outside counsel reasonably available to provide comprehensive presentations concerning any internal investigation relating to all matters in the Assurance and to answer questions, except to the extent such presentations call for the disclosure of information protected by the attorney-client and/or work product privileges.

21. In the event Weiss fails to comply with paragraph 21 of the Assurance, the OAG shall be entitled to specific performance, in addition to other available remedies.

22. The OAG has agreed to the terms of this Assurance based on, among other things, the representations made to the OAG and his staff by Weiss, his counsel, and the OAG's Investigation. To the extent that representations made by Weiss or his counsel are later found to be materially incomplete or inaccurate, this Assurance is voidable by the OAG in his sole discretion.

23. Weiss shall, upon request by the OAG, provide all documentation and information reasonably necessary for the OAG to verify compliance with this Assurance.

24. All notices, reports, requests, and other communications to any party pursuant to this Assurance shall be in writing and shall be directed as follows:

If to Weiss:

Gabriel M. Nugent
Hiscock & Barclay, LLP
One Park Place
300 South State Street
Syracuse, NY 13202

If to the OAG:

Office of the Attorney General of the State of New York
120 Broadway, 25th Floor
New York, New York 10271
Attn: Linda Lacewell

25. This Assurance and any dispute related thereto shall be governed by the laws of the State of New York without regard to any conflicts of laws principles.

26. Weiss consents to the jurisdiction of the OAG in any proceeding or action to enforce this Assurance.

27. Weiss agrees not to take any action or to make or permit to be made any public statement denying, directly or indirectly, any finding in this Assurance or creating the impression that this Assurance is without factual basis. Nothing in this paragraph affects Weiss's: (a) testimonial obligations; or (b) right to take legal or factual positions in defense of litigation or other legal proceedings to which the OAG is not a party.

28. This Assurance may not be amended except by an instrument in writing signed on behalf of the parties to this Assurance.

29. This Assurance constitutes the entire agreement between the OAG and Weiss and supersedes any prior communication, understanding or agreement, whether written or oral, concerning the subject matter of this Assurance. No representation, inducement, promise, understanding, condition or warranty not set forth in this Assurance has been relied upon by any party to this Assurance.

30. In the event that one or more provisions contained in this Assurance shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Assurance.

31. This Assurance may be executed in one or more counterparts, and shall become effective when such counterparts have been signed by each of the parties hereto.

32. Upon execution by the parties to this Assurance, the OAG agrees to terminate, pursuant to Executive Law § 63(15), this Investigation as and against Weiss, both individually and as a member of LW Strategies LLC, solely with respect to his marketing of investments to public pension funds in New York State, but otherwise not as and against LW Strategies LLC or its other member.

33. Any payments and all correspondence related to this Assurance must reference
Investigation No. 10-160

WHEREFORE, the following signatures are affixed hereto on the dates set forth below.

Office of the Attorney General
of the State of New York

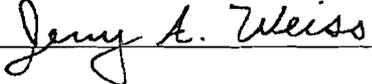
By: 

Steven M. Cohen

120 Broadway
25th Floor
New York, New York 10271
(212) 416-6199

Dated: December 8, 2010

JERRY A. WEISS

By: 

Dated: December 8, 2010

PUBLIC PENSION FUND REFORM CODE OF CONDUCT

In response to the New York Attorney General's investigation revealing widespread corruption in public pension fund management and the recent national crisis of public corruption involving widespread misuse of placement agents, lobbyists and other politically-connected intermediaries to improperly gain access to and influence the investment decision-making of state and local Public Pension Fund trustees, this Code of Conduct establishes a new, higher level of transparency and accountability for investment firms that seek to attract investment and Investment Management Services business from Public Pension Funds.

The Investment Firm acknowledges that the assets of all Public Pension Funds must be invested and managed for the sole and exclusive benefit of Public Pension Fund beneficiaries in accordance with the strictest fiduciary and public integrity standards. Accordingly, in addition to all applicable federal, state and local laws, rules and regulations that govern investment firms seeking to attract investment from or provide Investment Management Services to Public Pension Funds, the Investment Firm hereby agrees to implement this Code of Conduct to govern its future conduct in connection with all of its transactions with Public Pension Funds located in the United States.

The Public Pension Fund Reform Code of Conduct accomplishes the following:

- A. A Ban on Placement Agents and Lobbyists:** The Investment Firm is prohibited from using third-party intermediaries to influence the investment decision-making process at Public Pension Funds;
- B. A Ban on Campaign Contributions to Avoid Pay to Play:** The Investment Firm, its principals, agents, employees and their immediate family members are prohibited from making campaign contributions above \$300 to Officials of Public Pension Funds that the Investment Firm is soliciting for business or which have an investment in an Investment Firm's Sponsored Fund;
- C. Increased Transparency Through Disclosure:** The Investment Firm is required to disclose information necessary to make the interactions between the Investment Firms and the Public Pension Funds from which they seek business more transparent. The Code of Conduct will require disclosure of information relating to campaign contributions, investment fund personnel and payments to third-parties;
- D. A Higher Standard of Conduct In Connection With Public Pension Fund Business:** The Investment Firm is held to a higher, fiduciary standard of conduct with regard to its interactions with Public Pension Fund Officials and Public Pension Fund Advisors and is prohibited from, among other things, engaging in "revolving door" employment practices, misusing

confidential information, and providing improper gifts to employees of Public Pension Funds; and

- E. Strengthened Conflicts of Interest Policies:** The Investment Firm is required to promptly disclose any conflicts of interest, whether actual or apparent, to Public Pension Fund Officials or law enforcement authorities where appropriate.

PLACEMENT AGENTS AND LOBBYISTS PROHIBITED

1. No Placement Agents or Lobbyists. The Investment Firm shall not directly or indirectly hire, engage, utilize, retain or compensate any person or entity, including but not limited to any Placement Agent, Lobbyist, Solicitor, intermediary or consultant, to directly or indirectly communicate for any purpose with any Official, Public Pension Fund Official, Public Pension Fund Advisor, or other Public Pension Fund fiduciary or employee in connection with any transaction or investment between the Investment Firm and a Public Pension Fund, including but not limited to (a) introducing, finding, referring, facilitating, arranging, expediting, fostering or establishing a relationship with, or obtaining access to the Public Pension Fund, (b) soliciting an investment or Investment Management Services business from the Public Pension Fund, or (c) influencing or attempting to influence the outcome of any investment or other financial decision by a Public Pension Fund,.

2. Exception: Paragraph 1 shall not apply to: (a) any partner, Executive Officer, director or bona fide Employee of the Investment Firm who is acting within the scope of his or her standard professional duties on behalf of the Investment Firm, (b) any person or entity whose sole basis of compensation from the Investment Firm is the actual provision of legal, accounting, engineering, real estate or other

professional advice, services or assistance that is unrelated to any solicitation, introduction, finding, or referral of clients to the Investment Firm or the brokering, fostering, establishing or maintaining a relationship between the Investment Firm and a Public Pension Fund, or (c) lobbying of a government or legislature on issues unrelated to investment or other financial decisions by a Public Pension Fund, Public Pension Fund Officials or Public Pension Fund Advisors.

LIMITATION ON CAMPAIGN CONTRIBUTIONS

3. No Campaign Contributions or Solicitations: It shall be a violation of this Code of Conduct:
- (a) For the Investment Firm to accept, manage or retain an investment from, or provide Investment Management Services to, a Public Pension Fund within two years after a Contribution to an Official or Public Pension Fund Official is made by:
 - (i) The Investment Firm;
 - (ii) Any Related Party or Relative of a Related Party (including a person who becomes a Related Party within two years after a contribution to an Official or Public Pension Fund Official); or
 - (iii) Any political party to aid an Official or Public Pension Fund Official, or political action committee controlled by the Investment Firm, Related Party, or Relative of a Related Party of the Investment Firm; and
 - (b) For the Investment Firm, Related Party, or Relative of a Related Party:
 - (i) To solicit any person or political party or political action committee to make, solicit or coordinate any Contribution to an Official or Public Pension Fund Official of a Public Pension Fund from which the Investment Firm has accepted an investment or to which the Investment Firm is currently providing or seeking to provide Investment Management Services for compensation; or

- (ii) To do anything indirectly which, if done directly, would result in a violation of this section.
 - (c) Exception. Paragraph (3)(a) of this section does not apply to Contributions made by a Related Party or Relative of a Related Party to an Official or Public Pension Fund Official for whom the Related Party or Relative of a Related Party was entitled to vote at the time of the Contribution and that in the aggregate do not exceed \$300 from each person or entity to any one Official or Public Pension Fund Official, per election.
- 4. Exception: Any Contribution or solicitation of a Contribution made 14 days prior to the effective date of this Code of Conduct is exempt from the prohibitions contained in paragraph 3.
- 5. Internal Procedures: Within 90 days, the Investment Firm shall adopt internal written procedures to monitor and ensure compliance with paragraph 3 and provide a copy of those procedures to the Office of the New York Attorney General (the “OAG”).
- 6. Enforcement: In the documentation of an investment by a Public Pension Fund in the Investment Firm, the Investment Firm will certify to the Public Pension Fund that to its knowledge after due inquiry it is in compliance with paragraph 3 of this Code of Conduct and that it will comply with paragraph 3 during the term of such investment.

DISCLOSURES

- 7. Disclosure of Political Contributions:
 - (a) As soon as practicable prior to the closing of an investment or engagement to provide Investment Management Services for compensation to a Public Pension Fund, the Investment Firm shall disclose all Contributions by the

Investment Firm, Executive Officers, Relatives of Executive Officers, investor relations personnel of the Investment Firm, and any other Investment Firm personnel primarily responsible for communicating with, or responsible for soliciting, the Public Pension Fund, in the previous two calendar years in any amount made to or on behalf of any Official, Public Pension Fund Official, fiduciary of the Public Pension Fund, political party, state or county political committee, political action committee or candidate for state or federal elected office.

- (b) During the term of an investment or engagement to provide Investment Management Services for compensation to a Public Pension Fund, the Investment Firm shall by January 31, disclose all Contributions made pursuant to paragraph 3(c) above in the prior calendar year, regardless of amount, made to or on behalf of any Official, Public Pension Fund Official, fiduciary of the Public Pension Fund, political party, state or county political committee, political action committee or candidate for state or federal elected office.
- (c) For all such Contributions, the Investment Firm shall disclose:
 - (i) The name and address of the contributor and the connection to the Investment Firm;
 - (ii) The name and title of each person receiving the contribution and the office or position for which her or she is a candidate;
 - (iii) The amount of the contribution; and
 - (iv) The date of the contribution.

8. Disclosure of Investment Fund Personnel

The Investment Firm shall, 15 days or as soon as practicable prior to the closing of any investment with, or engagement to provide Investment Management Services to, a Public Pension Fund, and semi-annually by the last day of July and January during the term of such engagement, disclose the following information to the Public Pension Fund regarding Executive Officers, investor relations personnel of the Investment Firm, and any other Investment Firm personnel primarily responsible for communicating with, or responsible for soliciting, with the Public Pension Fund, Public Pension Fund Advisors, Public Pension Fund Officials or other Public Pension Fund fiduciaries or employees:

- (a) The names and titles for each person at the Investment Firm, other than administrative personnel, whose standard professional duties include contact with the Public Pension Fund, Public Pension Fund Officials, Public Pension Fund Advisors or other Public Pension Fund fiduciaries or employees. If any such person is a current or former Official, Public Pension Fund Official, Public Pension Fund Advisor, or Public Pension Plan fiduciary or employee, advisor, or a Relative of any such person, that must be specifically noted. Upon the Public Pension Fund's request, the Investment Firm will provide the resume, of any professional employee on that list, detailing the person's education, professional designations, regulatory licenses and investment and work experience.
- (b) A description of the responsibilities of each person at the Investment Firm with respect to the transaction;
- (c) Whether each person has been registered as a Lobbyist with any state or the federal government in the past two years;
- (d) An update of any changes to any of the information included in the disclosure will be included in the next semi-annual report; and
- (f) A certification of the accuracy of the information included in the semi-annual disclosures.

9. Disclosure of All Third-Party Compensation: The Investment Firm shall provide, 15 days or as soon as practicable prior to the closing of any investment by or engagement to provide Investment Management Services to a Public Pension Fund, the names and addresses of all third parties that the Investment Firm compensated in any way (including without limitation any fees, commissions, and retainers paid by the Investment Firm to such third parties) and the amounts of such compensation paid in connection with the investment or transaction with the Public Pension Fund, including but not limited to all fees paid by the Investment Firm, Sponsored Fund, and Related Parties for legal, government relations, public relations, real estate or other professional advice, services or assistance. The Investment Firm shall update all disclosed information in the first semi-annual following the closing of such investment or engagement.
10. Publication of Investment Firm Disclosures: On a semi-annual basis, the Investment Firm shall publish all disclosures and certifications required by this Code of Conduct on the Investment Firm's website. The Investment Firm consents to publication of the disclosures and certifications on the OAG website or other website designated by the OAG.
11. Affirmative Representation to the Pension Fund: In its disclosures to a Public Pension Fund in connection with an investment in the Investment Firm or contract for Investment Management Services, the Investment Firm will certify that all the provisions of this Code are in full force and effect and that it is in compliance therewith.

STANDARDS OF CONDUCT

12. No “Revolving Door” Employment. The Investment Firm is prohibited from employing or compensating in any way any Public Pension Fund Official, employee or fiduciary of a Public Pension Fund for two years after termination of such person’s relationship with the Public Pension Fund unless such person will have no contact with or provide services to his or her former Public Pension Fund.
13. No Relationships. The Investment Firm and Related Parties may not have any direct or indirect financial, commercial or business relationship with any Public Pension Fund Official, Public Pension Fund Advisor, employee or fiduciary of a Public Pension Fund, or any Relatives of such persons, unless the Public Pension Fund consents after full disclosure by the Investment Firm.
14. No Contact Policy: Upon the release of any Request for Proposal (RFP), Invitation for Bid (IFB), or comparable procurement vehicle for any investment or Investment Management Services by a Public Pension Fund, the Investment Firm shall not cause or agree that a third party will communicate or interact with the Public Pension Fund, any Public Pension Fund Official, Public Pension Fund Advisor, employee or fiduciary of the Public Pension Fund concerning the subject of the procurement process until the process is completed. Requests for technical clarification regarding the procurement process itself are permissible and must be directed to the Chief Investment Officer or other person designated by the Public Pension Fund. Nothing in this provision shall preclude the Investment Firm from complying with any request for information by the Public Pension Fund during this period.

15. Confidential Information.

- (a) The Investment Firm may not make unauthorized use or disclosure of confidential or sensitive information of a Public Pension Fund acquired as a result of the relationship between the Investment Firm and a Public Pension Fund. The Investment Firm receiving or having access to such sensitive or confidential information must use its best efforts to protect such information and may use such information only for performing the services for which the Investment Firm has been engaged and for legitimate Public Pension Fund or Sponsored Fund business purposes in accordance with the relevant contract or agreement.
- (b) The Investment Firm may not use confidential or sensitive information derived from a relationship with a Public Pension Fund in a manner that might reasonably be expected to diminish the value of such Public Pension Fund's investment or contemplated investment and would provide advantage or gain to the Investment Firm or any third party.
- (c) The foregoing clauses (a) and (b) shall not restrict:
 - (i) disclosure of such information (A) to comply with law, rule or regulation or (B) to respond to inquiries or investigations by governmental or regulatory bodies;
 - (ii) unless otherwise provided for in the governing documents of a Sponsored Fund, disclosure of the Public Pensions Fund's investment in such Sponsored Fund to investors and prospective

investors in connection with their investment or prospective investment therein; and

- (iii) use and disclosure of such information in connection with the activities of a Sponsored Fund permitted or otherwise contemplated by its governing documents.

16. No Gifts. Neither the Investment Firm, a Related Party nor a Relative of a Related Party shall offer or confer any gift having more than a nominal value, whether in the form of money, service, loan, travel, lodging, meals, refreshments, gratuity, entertainment, discount, forbearance or promise, or in any other form, upon any Public Pension Fund Official, employee or fiduciary of a Public Pension Fund, including any Relative of such persons, under circumstances in which it could reasonably be inferred that the gift was intended to influence the person, or could reasonably be expected to influence the person, in the performance of the person's official duties or was intended as a reward for any official action on the person's part.
17. The Investment Firm may not participate in, advise or consult on a specific matter before a Public Pension Fund, other than in connection with an investment in a Sponsored Fund or the investment activities of a Sponsored Fund as provided in the governing documents of such Sponsored Fund, that involves a business, contract, property or investment in which the Investment Firm has a pecuniary interest if it is reasonably foreseeable that action by or on behalf of such Public Pension Fund on that matter would be likely to, directly or indirectly, confer a

benefit on the Investment Firm by reason of the Investment Firm's interest in such business, contract, property or investment.

18. The Investment Firm must observe (1) accounting and operating controls established by law, and (2) with respect to a Public Pension Fund, such Public Pension Fund's regulations and internal rules and policies, including restrictions and prohibitions on the use of such Pension Fund's property for personal or other non-Public Pension Fund purposes, unless otherwise provided for in the governing documents of a Sponsored Fund.

CONFLICTS OF INTEREST

19. Disclosure of Conflicts of Interest. The Investment Firm must promptly disclose any apparent, potential or actual Conflict of Interest in writing to the Public Pension Fund, including without limitation any relationship (without regard to whether the relationship is direct, indirect, personal, private, commercial, or business), if any, between the Investment Firm, a Related Party or a Relative of a Related Party with any Public Pension Fund Official, Public Pension Fund Advisor, employee or any fiduciary of the Public Pension Fund, including any Relative of such persons. Should the Investment Firm or any other person or entity with a duty to disclose a Conflict of Interest reasonably believe that disclosure to the Public Pension Fund would be ineffective to mitigate a Conflict of Interest, the person or entity shall disclose the conflict to the Office of the Attorney General in New York or appropriate law enforcement official in the jurisdiction of the Public Pension Fund.

20. If the Investment Firm is aware, or reasonably should be aware, of an apparent, potential or actual Conflict of Interest, it has a duty not only to disclose that conflict, but to cure it by promptly eliminating it. If the Investment Firm cannot or does not wish to eliminate the conflict, it must terminate its relationship with such Public Pension Fund as promptly as responsibly and legally possible. If the Investment Firm may prudently refrain or withdraw from taking action on a particular Public Pension Fund matter in which a Conflict of Interest exists, the Investment Firm may cure the conflict in that manner provided that
- (a) the conflicted person or entity may be and is effectively separated from influencing the action taken;
 - (b) the action may properly and prudently be taken by others without undue risk to the interests of such Public Pension Fund; and
 - (c) the nature of the conflict is not such that the conflicted person or entity must regularly and consistently withdraw from decisions that are normally his or its responsibility with respect to the services provided to such Public Pension Fund.

The Public Pension Fund's General Counsel, or other person designated by the Public Pension Fund, may determine that the Investment Firm need not take further action to cure a conflict, provided the disclosures by the Investment Firm are deemed sufficient under the circumstances to inform such Public Pension Fund of the nature and extent of any bias and to form a judgment about the credibility or value of the Investment Management Services provided by the Investment Firm. In such event, the Investment Firm may continue to provide such Investment Management Services without taking further action to cure the disclosed conflict.

21. If the Investment Firm is uncertain whether it has or would have an apparent, potential or actual Conflict of Interest under a particular set of circumstances then existing or reasonably anticipated to be likely to occur, the Investment Firm should promptly inform the Public Pension Fund, which shall determine whether an actual conflict exists under the circumstances presented.
22. If the Investment Firm discloses a Conflict of Interest to a Public Pension Fund, it must refrain from providing Investment Management Services concerning any matters affected by the conflict until such Public Pension Fund expressly waives this prohibition or until the conflict of interest is otherwise cured.
23. The Investment Firm is committed to collaborate in good faith with the OAG to adopt appropriate protocols to implement the conflicts of interest principles set forth in Paragraphs 19 through 22.
24. Conflicts of Interests Arising in the Activities by a Sponsored Fund. The Investment Firm shall ensure that the governing documents of each Sponsored Fund in which a Public Pension Fund invests contain provisions for how to address material conflicts of interest between the Investment Firm and the Related Parties on the one hand and the Sponsored Fund on the other hand that may arise out of the investment and other activities of such Sponsored Fund, which provisions shall be disclosed to and agreed to by each Public Pension Fund prior to such Public Pension Fund's investment in a Sponsored Fund. For example, such provisions may provide that the Investment Firm shall disclose any such material conflicts of interest in any transaction, other than those contemplated or otherwise provided for by the governing documents of the relevant Sponsored

Fund, of which it has knowledge to an investor advisory committee composed of third party investors unaffiliated with the Investment Firm, one of the roles of which is to review and approve or disapprove any potential conflicts of interest that are brought before it.

EDUCATION AND TRAINING

25. Dissemination of Code of Conduct. Within one week of the effective date of this Code of Conduct, the Investment Firm shall provide a copy of this Code of Conduct to all of its partners, Executive Officers, directors and Employees and shall publish the Code of Conduct on its internal computer network where it can be accessed by its partners, executive officers, directors and employees.

26. Training. Within 90 days after the effective date of this Code of Conduct, the Investment Firm shall conduct one or more seminars for all of its partners, Executive Officers, directors and Employees who might interact with a Public Pension Fund in the course of their official duties about the requirements described herein. The Investment Firm agrees that it will train all new partners, Executive Officers, directors and Employees who might interact with Public Pension Fund personnel in the course of their official duties. The Investment Firm shall also require annual retraining of all relevant Investment Firm personnel on the provisions of this Code of Conduct and require an annual certification from those personnel attesting to their having completed the annual training.

COMPLIANCE

27. The Investment Firm will file annually a Certificate of Compliance with the terms of this Code of Conduct with respect to all Public Pension Funds with the OAG. The Investment Firm will also send a Certification of Compliance to any other Public Pension Fund that annually requests such certification from the Investment Firm.
28. Upon a Public Pension Fund's request, this Code of Conduct, or any part thereof, shall be incorporated into any subscription material, side letter or equivalent document for each Sponsored Fund. A material violation of this Code of Conduct by the Investment Firm shall be grounds for a Public Pension Fund to (a) withdraw from the Sponsored Fund, (b) be excused from participating in all future portfolio company investments made by the Sponsored Fund in accordance with the governing documents of such Sponsored Fund, which terms shall have been appropriately disclosed to and agreed in writing with the Public Pension Fund prior to its investment in the Sponsored Fund, or (c) seek any other applicable remedies provided for under the rules, regulations, or governing laws of the Public Pension Fund.
29. In addition to any other possible criminal, civil and administrative action, if the Investment Firm's business relationship with a Public Pension Fund is terminated by a Public Pension Fund because of a violation of this Code of Conduct, the Investment Firm may be disqualified from having any further business relationship with such Public Pension Fund for a period of time up to ten years, as solely determined by the Public Pension Fund, commencing from the date of the termination of the contract or business relationship.

30. Jurisdiction. The Investment Firm consents to personal jurisdiction of the state of the Public Pension Fund with respect to any criminal, civil or administrative action or proceeding, including but not limited to compliance with subpoenas from state law enforcement and regulatory authorities, arising from or related to any investment by the Public Pension Fund with the Investment Firm and any contractual relationship between the Investment Firm and the Public Pension Fund.
31. To the extent that a provision of this Code would cause the Investment Firm to violate a statute, rule, regulation or policy governing any particular Public Pension Fund, the Investment Firm and the OAG will confer to resolve the conflict. If the conflict cannot be resolved, the OAG reserves the right to nullify the Assurance of Discontinuance with the Investment Firm and re-open the Investigation if due to this paragraph the Investment Firm cannot materially comply with this Code.
32. Any determinations, disclosures and certifications to be made by the Investment Firm pursuant to this Code of Conduct shall be made to the best of the Investment Firm's knowledge after inquiry based on the Investment Firm's best efforts.

DEFINITIONS

33. "Conflict of Interest" A conflict of interest exists where circumstances create a conflict with the Investment Firm's duty (consistent with fiduciary standards of care) to act solely and exclusively in the best interest of a Public Pension Plan's members and beneficiaries. For example, a conflict of interest exists when the Investment Firm knows or has reason to know that it or a Related Party has a

financial or other interest that is likely to be material to the Investment Firm's evaluation of or advice with respect to a transaction or assignment on behalf of the Public Pension Fund. For the avoidance of doubt, conflicts of interest arising in the activities by a Sponsored Fund shall be governed specifically by Paragraph 24.

34. "Contribution" means any gift, subscription, loan, advance, or deposit of money or anything of value made for:
- (i) The purpose of influencing any election for State or local office;
 - (ii) Payment of debt incurred in connection with any such election; or
 - (iii) Transition or inaugural expenses of the successful candidate for any such election.
35. "Employee" means a person employed directly by the Investment Firm and who would be considered an employee for federal tax purposes. An Employee is not a person who is hired, engaged, utilized or retained by the Investment Firm for the purpose of securing or influencing a particular transaction, investment or decision of a Public Pension Fund, Public Pension Fund Official or Public Pension Fund Advisor or other Pension Fund fiduciaries or employees.
36. "Executive Officer" means the president, any vice president in charge of a principal business unit, division or function (such as sales, administration or finance), any other officer who performs a policy-making function, or any other person who performs similar policy-making functions, for the Investment Firm.
37. "Government entity" means the state or political subdivision of the state, including:
- (i) Any agency, authority, or instrumentality of the state or a political subdivision;
 - (ii) Plan or pools of assets controlled by the state or a political subdivision or any agency, authority or instrumentality thereof; and

- (iii) Officers, agents, or employees of the state or political subdivision or any agency, authority or instrumentality thereof, acting in their official capacity.
38. “Investment Firm” means the signatory of this Code of Conduct as well as its subsidiaries and any affiliates over which it exercises exclusive control, but shall not include any Sponsored Funds or portfolio companies of Sponsored Funds or any third party investors in any Sponsored Funds.
39. “Investment Management Services” means:
- (a) The business of making or recommending investment management decisions (including making recommendations for the placement or allocation of investment funds) for or on behalf of a Government Entity or Public Pension Plan;
 - (b) The business of advising or managing a separate entity that makes or recommends investment management decisions (including making recommendations for the placement or allocation of investment funds) for or on behalf of a Government Entity or Public Pension Plan; or
 - (c) The provision of any other financial advisory or consultant services to a Government Entity or Public Pension Plan, such as money management or fund management services, investment advice or consulting, and investment support services (including market research, fund accounting, custodial services, and fiduciary advice).
40. “Lobbyist” shall mean any person or organization retained, employed or designated by any client to engage in Lobbying. A Lobbyist does not include a bona fide Employee of the Investment Firm.

41. "Lobbying" shall mean, for the purposes of this Code of Conduct, any attempt to directly or indirectly influence a determination by a (1) Public Pension Fund Official, (2) Official, (3) any fiduciary of a Public Pension Fund, (4) Public Pension Fund Advisor, or (5) any other person or entity working in cooperation with any of the above, related to a procurement of Investment Management Services by a Public Pension Fund, including without limitation a determination by a Public Pension Fund to place an investment with the Investment Firm.
42. "Official" means any person (including any election committee for the person) who was, at the time of a Contribution, an incumbent, candidate or successful candidate:
- (a) For an elective office of a government entity, if the office is directly or indirectly responsible for, or can directly influence the outcome of, the Public Pension Fund's investment with or engagement of the Investment Firm; or
 - (b) For any elective office of a government entity, if the office has authority to appoint any person who is directly or indirectly responsible for, or can directly influence the outcome of, the Public Pension Fund's investment with or engagement of the Investment Firm.

Communication with an Official includes communications with the employees and advisors of such Official.

43. "Placement Agent" means any third-party intermediary that is directly or indirectly hired, engaged, utilized, retained or compensated (regardless of whether upon a fixed, contingent or any other basis) or otherwise given any other tangible or intangible item or benefit having monetary value by the Investment Firm for facilitating the placement of an investment with the Investment Firm. A Placement Agent does not include a bona fide Employee of the Investment Firm or any person whose sole basis of compensation from the Investment Firm is the

actual provision of legal, accounting, engineering, real estate or other professional advice, services or assistance unrelated to soliciting, introducing, finding, or referring clients to the Investment Firm or attempting to influence in any way an existing or potential investment in or business relationship with the Investment Firm.

44. "Public Pension Fund" means any retirement plan established or maintained for its employees (current or former) by the Government of the United States, the government of any State or political subdivision thereof, or by any agency or instrumentality of any of the foregoing.
45. "Public Pension Fund Official" means any elected or appointed trustee or other official, staff member or employee whose official duties involve responsibility for a Public Pension Fund.
46. "Public Pension Fund Advisor" means any external firm or individual engaged by a Public Pension Fund to assist in the selection of investments or Investment Management Services for the Public Pension Fund.
47. "Related Party" means any partner, member, executive officer, director or Employee of the Investment Firm or Sponsored Fund, including any agents of such person. Limited partners of a Sponsored Fund or a managed account and portfolio companies are not Related Parties.
48. "Relative" means a person related by blood or affinity (including a domestic partner) who resides in the same household. A person adopted into a family is considered a relative on the same basis as a natural born family member.

49. "Solicitor" means any person or entity who in any way, directly or indirectly, solicits, finds, introduces or refers any client to the Investment Firm, including without limitation any intermediary, consultant, broker, introducer, referrer, finder, public- or government-relations expert, or marketer. A Solicitor does not include any bona fide Employee of the Investment Firm or any person whose sole basis of compensation from the Investment Firm is the actual provision of legal, accounting, engineering, real estate or other professional advice, services or assistance that is unrelated to any solicitation, introduction, finding, or referral of clients to the Investment Firm or the brokering, fostering, establishing or maintaining a relationship between the Investment Firm and a Public Pension Fund.
50. "Sponsored Fund" means an investment fund sponsored, managed or advised by the Investment Firm.