

**EL PASO FIREMEN & POLICEMEN'S PENSION FUND**  
**COMMUNICATION AND DISCLOSURE POLICY**

**PREAMBLE**

The trustees of the El Paso Firemen & Policemen's Pension Fund serve as co-fiduciaries and are obliged to act solely and exclusively for the benefit of the Pension Fund's members and beneficiaries. The Board of Trustees is granted full power to collectively direct the Pension Fund's management, staff, advisers, and consultants on matters concerning Pension Fund operations and administration, and the delegated investment management of plan assets. No individual trustee or committee speaks for or binds the Board or the Pension Fund unless expressly authorized by the Board. Open meetings and public access to Board deliberations under Texas law is based on the premise that the administration and conduct of Pension Fund business by the Board will be made in public, where all trustees have an opportunity to participate, advise staff, and make decisions on equal footing and as a body. Individual communications by trustees with staff, consultants, advisers, and those interested in influencing Pension Fund actions or doing business with the Pension Fund create the potential for misunderstanding, misinformation, and conflicting instructions, priorities, and expectations, and are inconsistent with a proper and open governance of the Pension Fund by its Board of Trustees.

## **DISCLOSURE REQUIREMENT:**

General Rule: To promote fairness and transparency in the operation and management of the Pension Fund, and in keeping with the responsibilities and duties of the trustees as co-fiduciaries, it is the policy of the Board that each trustee shall disclose to the Board as a whole all material information known to a trustee that would be relevant and useful information for the other trustees to take into consideration in the deliberations of the Board or its committees. The duty to disclose material information exists whether or not a trustee has abstained or recused himself from a Board or committee vote on a Pension Fund matter.

Specific Rules Relating to Trustee Communications: In addition to the above General Rule, a trustee shall disclose to the Board each of the following communications in accordance with the procedures outlined in this Policy, unless an exception or exclusion applies, regardless of whether the communication would be deemed "material information" required to be disclosed to the Board under the General Rule:

1. Disclosure of Third Party Communications: Any communication between a trustee and a Third Party regarding a Pension Fund matter shall be disclosed by the trustee in accordance with the procedures set out under "Timing, Nature and Maintenance of the Disclosure" below:

### Exceptions to Third Party Communications Disclosure:

- a. Any communication that, although it may involve the Pension Fund, or its business, or a board or staff member's role as a Fund official–

- i. is general in nature and content, either with regard to the character of the party's business or interests, or with regard to wholly public information regarding the Pension Fund; or
- ii. consists of a strictly limited introductory expression of the party's interest in doing business with the Pension Fund, or having the Pension Fund invest in or with the party communicating with the trustee,

may be considered incidental and is not required to be documented and disclosed, provided the communication occurs at a seminar, conference, social setting, or unplanned meeting, and the trustee does not allow the party to make a specific presentation or does not introduce the party to Pension Fund staff, or communicate with Pension Fund staff regarding the incident or content of the communication except as may be required herein.

- b. Any communication between a trustee and either a member, retiree, or beneficiary expressing general observations regarding concerns about the Pension Fund involving an individual claim or appeal need not be documented and disclosed if the trustee refers the concern to the Executive Director or other appropriate management-level staff of the Pension Fund without recommendation in accordance with standard procedure.
- c. Any routine inquiry that does not involve an individual's claim or appeal, or a pending rule or other pending matter before the Board, but rather seeks only general information concerning the Pension Fund or its functions and processes, or other inquiry that the trustee refers without recommendation to the Executive Director or the appropriate executive management-level staff within the Pension Fund need not be documented and disclosed.

2. Disclosure of Staff Communications: A trustee shall disclose, in accordance with the procedures outlined below, any communication initiated by the trustee with a Pension Fund employee regarding a Fund matter. This applies whether or not the intent of the trustee is to influence the actions or thinking of the staff with regard to such matter.

Exceptions to Staff Communication Disclosure:

a. A routine discussion between a committee chair and a management staff member assigned to assist the chair with agenda development need not be documented if the purpose is limited to requesting an agenda item or receiving an explanation of an agenda item to finalize the agenda for an imminent meeting. This exception also includes communications between the Chairman of the Board and the Executive Director regarding agenda development.

b. Any communication between a trustee and the Executive Director or with staff through or with participation by the Executive Director need not be documented by the trustee (although the Executive Director shall disclose to the Board any such communications if and when such may be material to the deliberations of the Board or its committee(s) with respect to any Pension Fund).

3. Disclosure of Communications with Others Having a Pension Fund Relationship: A trustee shall disclose, in accordance with the procedures outlined below, any communication regarding a Pension Fund matter initiated by the trustee with a Pension Fund investment consultant or advisor, or a principal with an investment firm or general partner affiliated with an

existing investment made by the Pension Fund. This applies whether or not the intent of the trustee is to influence the actions or thinking of the consultant, advisor, or investment firm/general partner, with regard to a Fund matter.

Exceptions to Consultant/Other Communications Disclosures:

Any communication that, although it may broadly involve the Pension Fund or its business, or the Board or a staff member's role as a Fund official, if general in nature and content – either with regard to the nature of the party's business or interests with the Pension Fund, or with regard to public information regarding the Pension Fund – may be considered incidental and need not be documented, provided the communication occurs at a seminar, conference, social setting, or unplanned meeting, and the trustee does not make a specific suggestion or request related to the Pension Fund or related to the opinions, services or investment discretion of the person with whom the trustee is communicating.

It is understood that any communication that does not involve the Pension Fund or its business, or the Board member's role as a Fund official, and is either exclusively social or otherwise wholly unrelated to the Pension Fund, need not be documented.

**TIMING, NATURE, AND MAINTENANCE OF THE DISCLOSURE:**

A written disclosure of non-exempt ex parte communications described above, in a form or manner meeting with the approval of the Board, shall be sent to the Executive Director by the trustee as soon as practicable but not later than the 3rd day following the subject communication.

The disclosure shall include:

- the name or names of persons (staff member, consultant, Third Party) involved in the communication;
- the date of the contact; and
- a brief description of the communication and subject of the contact.

The Executive Director shall make all such documented ex parte communications available to any trustee upon request, and shall periodically include such written disclosure as an informational item in those materials distributed to trustees prior to each regular meeting of the Board. A ledger containing a record of all such written disclosures, sorted by the month of receipt, shall be maintained by the Executive Director as a permanent record of the Pension Fund.

**DEFINITIONS :**

For purposes herein, the following definitions shall apply:

Communications regarding a "*Pension Fund matter*" shall mean and include, but not be limited to, communications involving or relating to Pension Fund business and responsibilities, including policies, administration of benefits or programs or operations, current or prospective

contracts, procurements or contracting opportunities, employees or employment opportunities, proceedings such as rule making and appeals, investments and investment opportunities, and legislation relating to or affecting the Pension Fund.

*"Third Party"* shall mean and include, but not be limited, to a person or entity that is seeking action, opportunity, or a specific outcome from the Pension Fund regarding a Fund matter. The Third Party may be seeking the action, opportunity, or outcome for his or its own behalf, or the Third Party may be seeking it on behalf of another person or entity in a capacity as a representative, solicitor, agent, placement agent, subplacement agent, or intermediary, or may be an advocate for a cause or group of individuals or entities. Pursuant to the above definition, and under appropriate circumstances, a Third Party may include by way of illustration:

- a provider of goods or services, such as a contractor, vendor, broker, consultant, or manager that desires to do business with the Pension Fund, or that the Pension Fund is doing business with or a business relationship is under consideration;
- an investment manager or investment firm that desires to have the Pension Fund invest in or with the manager or firm, or that the Pension Fund has invested in or with, or is considering investing in or with;
- a Pension Fund member or retiree, or one purporting to be a beneficiary or dependent of a member or retiree;
- a lobbyist or placement agent;
- an attorney representing a client other than the Pension Fund;
- an organization representing members, retirees, or beneficiaries of the Pension Fund.

Genuine doubt as to whether a trustee communication may or should be documented and disclosed under this Policy shall be resolved in favor of disclosure in full accordance with the terms, policies and procedures stated herein.