

Division of Investment  
Placement Agent Policy

The purpose of this policy is to set forth the policy and procedures regarding the use of any intermediary or consultant (“placement agent”) to be compensated in connection with facilitating investment from the New Jersey Division of Investment (“DOI”) and the terms of such compensation.

During the comprehensive due diligence phase, the DOI Staff will require full disclosure by the general partner regarding its use of placement agents. The disclosure would also include any “indirect” intermediary that may be compensated by the primary placement agent. It is during this phase that the general partner will also complete the campaign contribution disclosure form required by N.J.A.C. 17:16-4. In the event the due diligence process identifies the use of placement agent(s) by the general partner with respect to a potential investment by DOI, the following additional disclosures and requirements must be met before any investment can be considered:

1. The placement agent must be registered with an appropriate regulatory body (e.g., SEC, FINRA, and/or state or foreign regulators)
2. The placement agent firm’s professionals should hold the requisite licenses (e.g. ,Series 7 and 63), including the more stringent certifications for those in a supervisory capacity (e.g., Series 24)
3. The placement agent’s supervisory or senior personnel should have a minimum of three years in the securities industry
4. The fee arrangement between the placement agent, the GP and any other third party should be disclosed
5. A detailed contract specifying the scope of services the placement agent will perform for the GP, including reasonable due diligence by the placement agent on the GP to the potential LP, should be disclosed
6. These requirements (or the relevant sub-set) should be made part of any engagement letter between the placement agent, the GP and any other third party

If the general partner and/or its placement agent cannot satisfy the disclosures and requirements, no investment will be made by DOI. If these disclosures are satisfied, the above will be documented and the disclosures will be part of the material to be reviewed by the Investment Policy Committee and the State Investment Council.