**Section 4430.20 Required Disclosures**

No pension fund shall engage an investment advisor, registered broker-dealer, bank, insurer or any other person for the purpose of providing investment services unless the following written disclosure requirements are met:

a) A description, expressed as a set amount or range in dollars or as a percentage of the dollar value of a particular transaction or transactions, of any and all commissions, fees, penalties, or any other items of compensation related to a particular transaction that may be received by any such person from the pension fund. The written description must be furnished by any such person effectuating any transaction with a pension fund, and the written description need not be furnished with respect to each subsequent transaction to which the description applies.

b) If the investment service contemplated is one which might result in the pension fund acquiring an asset from any inventory held by an investment advisor, registered broker-dealer, bank, insurer, or other person, the written engagement or contract must also include a statement disclosing:

1) The possibility that the investment advisor, registered broker-dealer, bank or insurer may obtain a financial benefit from such sale beyond the items listed under subsection (a) above; and

2) That the realization and extent of any such benefit is dependent upon market valuations as of the date the inventoried asset was acquired as compared to the price at which the pension fund acquires the asset; and

3) That the pension fund should take steps to familiarize itself with the market in which any such acquisitions or investments are to be made.