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## People/Industry

### Marketing Association Responds To Placement Agent Bans

Institutional bans on placement agents and other paid intermediaries "[are] grossly unfair to the vast majority of independent brokers and other sales and marketing professionals who operate in an ethical manager," according to a position paper from the **Third Party Marketers Association**.

The paper, written in response to bans by institutions such as the **New York State Common Retirement Fund** and **New York City Retirement Systems**, said 3PM does not condone nor defend the wrongdoings, however the bans fail to distinguish between services provided by a variety of different individuals and/or organizations and "tarnishes the image, perception and reputation of the vast majority of third party marketers who are professional, ethical and provide invaluable services to stakeholders who include investment managers, potential investors and consultants."

The **New York State Common Retirement Fund** and **New York City Retirement Systems** instituted bans last month on placement agents following charges filed against political advisor **Hank Morris** and former New York State Deputy Comptroller and CIO **David Loglisci** by the *Securities and Exchange Commission* alleging the pair extracted millions of dollars in kickbacks from money managers seeking to manage assets for the retirement fund (**FINdaily**, 3/19).

"Since its inception 3PM has worked to enhance our profession's standards, integrity and business practices," said **Donna DiMaria**, president of 3PM, in a statement. "We believe a general ban on the use of legitimate third party marketers is an unreasonable and unjustified response that affects an entire industry segment as a result of the alleged illegal misconduct of a few."

The full paper is available [here](#).