

**MINUTES OF MEETING  
OF THE  
KENTUCKY RETIREMENT SYSTEMS  
SPECIAL CALLED INVESTMENT COMMITTEE  
MARCH 07, 2017 AT 9:00 A.M., E.T.  
BOARD ROOM, 1270 LOUISVILLE ROAD  
FRANKFORT, KENTUCKY 40601**

At the meeting of the Kentucky Retirement Systems Special Called Investment Committee held on March 07, 2017, the following Investment Committee members were present: David Harris, John Farris, William Cook and Thomas Elliott. Other Board of Directors present were Mary Helen Peter. Staff members present: Rich Robben, Joe Gilbert, Alane Foley, Andy Kiehl, Anthony Chiu, Ann Case, Natalie Young, Blake Atkinson, Connie Davis, Leigh Taylor, Carmine Iaccarino, Joseph Bowman and Dave Eager (via telephone). Also present; Tony Johnson with RVK and Ed Schwartz and Yichao Mark with ORG.

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Mr. David Harris called the meeting to order and. Ms. Alane Foley called roll.

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Mr. Cook moved and was seconded by Mr. Farris to approve the meeting minutes from the February 7, 2017 Investment Committee meeting. The motion passed unanimously.

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Mr. Carmine Iaccarino updated the committee members on Board Training Requirements. This was for informational purposes only.

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Mr. Robben updated the committee members on the Code of Conduct. This was for informational purposes only.

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Mr. Andy Kiehl along with Ed Schwartz from ORG provided an overview of two Real Estate Managers, Fundamental Partners and Lubert Adler.

*Laurence Gottlieb, Justin Vinci and Jonathan Stern from Fundamental Partners entered the meeting and provided a presentation on Fundamental Partners III, L.P. They answered questions from the committee and then exited the meeting.*

*Dean Adler and Gerry Ronon from Lubert Adler entered the meeting and provided a presentation on Lubert Adler Real Estate Fund VII-B, L.P. They answered questions from the committee and then exited the meeting.*

Mr. Farris moved and was seconded by Mr. Cook to invest up to \$100 million or up to 15% of the total fund value to Fundamental Partners III, L.P. **and** up to \$45 million or 15% of the total fund value to Lubert Adler Real Estate Fund VII-B, L.P. This motion passes unanimously.

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Mr. Harris called for a short recess.

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Mr. Harris called the meeting back in session.

Mr. Cook and Mr. Robben provided an Asset Allocation update.

Mr. Harris moved and was seconded by Mr. Cook to trim equities by 4%, moving the funds in to U.S. corporate credit with a 3-10 year time frame. This motion passed unanimously.

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Mr. Farris moved and was seconded by Mr. Harris to enter in to closed session. The motion passed unanimously. Mr. Harris read the following statement: A motion having been made in open session to move into closed session for a specific purpose, and such motion having carried by majority vote in open, public session, the Board shall now enter closed session to discuss litigation, pursuant to KRS 61.810(1)(c), because of the necessity of protecting the confidentiality of the Systems' litigation strategy and preserving any available attorney-client privilege. The meeting moved into closed session.

All public attendees exited the meeting.

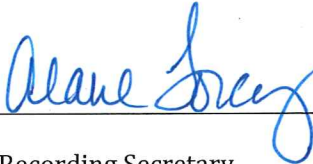
No action was taken on any items discussed in closed session.

Mr. Cook moved and was seconded by Mr. Farris to come out of Closed Session.

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There being no further business, Mr. David Harris adjourned the meeting at 11:28 a.m. The next scheduled meeting of the Investment Committee is April 4, 2017 at 9:00 a.m. Copies of all documents presented are incorporated as part of the minutes of the Investment Committee meeting as of March 07, 2017.

I do certify that I was present at this meeting and I have recorded above the action of the Committee on the various items considered by it at this meeting. Further, I certify that all requirements of KRS 61.805-61.850 were met in connection with this meeting.



Recording Secretary

I, Chair of the Investment Committee of the Board of Trustees of the Kentucky Retirement Systems, do certify that the Minutes of the meeting held on March 7, 2017 were approved by the Investment Committee on April 4, 2017.



Investment Committee Chair

I have reviewed the Minutes of the Investment Committee Meeting held on March 7, 2017 for form, and legality.

  
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General Counsel

**AMENDMENT TO MINUTES OF MEETING OF THE  
KENTUCKY RETIREMENT SYSTEMS  
SPECIAL CALLED INVESTMENT COMMITTEE MEETING  
MARCH 07, 2017**

Mr. Farris moved and was seconded by Mr. Cook to invest up to \$100 million or up to 15% of the fund allocation to Fundamental Partners III, L.P. **and** up to \$45 million or 15% of the fund allocation to Lubert Adler Real Estate Fund VII-B, L.P. This motion passes unanimously.

**Is amended to read:**

Mr. Farris moved and was seconded by Mr. Cook to invest **up to \$100 million but not to exceed 15% of the fund** allocation to Fundamental Partners III, L.P. and **up to \$45 million but not to exceed 15% of the fund** allocation to Lubert Adler Real Estate Fund VII-B, L.P. This motion passed unanimously.

**AMENDMENT TO MINUTES OF MEETING OF THE  
KENTUCKY RETIREMENT SYSTEMS  
SPECIAL CALLED INVESTMENT COMMITTEE MEETING  
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I do certify that I was present at this meeting and I have recorded above the action of the Committee on the various items considered by it at this meeting. Further, I certify that all requirements of KRS 61.805-61.850 were met in connection with this meeting.



Recording Secretary

I, Chair of the Investment Committee of the Board of Trustees of the Kentucky Retirement Systems, do certify that the Amendment to Minutes of the meeting held on March 7, 2017 were approved by the Investment Committee on May 16, 2017.



Investment Committee Chair

I have reviewed the Minutes of the Investment Committee Meeting held on March 7, 2017 for form, and legality.



General Counsel