

**MINUTES OF MEETING  
OF THE  
KENTUCKY RETIREMENT SYSTEMS  
INVESTMENT COMMITTEE  
NOVEMBER 05, 2014 AT 9:00 A.M., E.T.  
BOARD ROOM, 1270 LOUISVILLE ROAD  
FRANKFORT, KENTUCKY 40601**

At the meeting of the Kentucky Retirement Systems Investment Committee held on November 5, 2014, the following members were present: Dr. Daniel Bauer, Chair; Sec. Timothy Longmeyer, Tommy Elliott, JT Fulkerson, Mary Helen Peter, Joseph Hardesty and Bill Summers. Staff members present were: David Peden, Brent Aldridge, Christopher Schelling, Joe Gilbert, Bill Murnighan, Lisa Watkins, Terry Metcalf, Alane Foley, Erica Bradley, Brian Thomas, Karen Roggenkamp and Bill Thielen. Also present: Tony Johnson of R.V. Kuhns & Associates, Inc.; Ahman Dirks, Tad Furgesson and Desiree Jablonski of PCA; Jonathon Berns and Ed Schwartz of ORG.

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Dr. Bauer called the meeting to order, Alane Foley called roll then Dr. Bauer introduced the agenda item Approval of Minutes. Mr. Elliott moved and was seconded by Sec. Longmeyer to approve the minutes of the August 5, 2014 meeting. The motion passed unanimously.

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Mr. David Peden introduced our new employees, Lisa Watkins and Terry Metcalf.

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Ms. Erica Bradley reviewed the Compliance Report. This was provided for informational purposes only.

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Mr. David Peden reviewed the Standard Reports. These reported were provided for informational purposes only.

Mr. Peden provided an update regarding Lubert-Adler Real Estate Fund VII. L.P. It is recommended that an additional commitment of \$10 million be made to the fund because they have offered a fee-reduction tier that would be favorable to KRS. Mr. Fulkerson moved and was seconded by Mr. Hardesty to invest the additional \$10 million for a total of \$50 million. The motion passed unanimously.

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Mr. Christopher Schelling provided an overview on Nuveen Real Asset Income Fund.

Clint Doroff and Jay Rosenberg from Nuveen Asset Management entered the meeting and provided their presentation on Nuveen Real Asset Income Fund and answered any questions presented by the board. Mr. Doroff and Mr. Rosenberg exited the meeting.

Mr. Elliott moved and was seconded by Mr. Fulkerson to invest 2% of fund allocation to Nuveen Real Asset Income Fund. The motion passed unanimously.

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Mr. Brent Aldridge and Mr. Bill Murnighan introduced Tad Furgesson from PCA. They provided an overview of two Private Equity funds, BDCM Opportunity Fund IV, L.P. and Ares Special Situations Fund IV, L.P. It is recommended that KRS invest \$60 million in BDCM Opportunity Fund IV, L.P. and \$40 million in Ares Special Situation Fund IV, L.P.

Mr. Hardesty moved and was seconded to invest \$60 million in BDCM Opportunity Fund IV, L.P. Mr. Elliott abstained. The motion passed.

Sec. Longmeyer moved and was seconded by Mr. Elliott to invest \$40 million in Ares Special Situations Fund IV, L.P. The motion passed unanimously.

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Dr. Bauer called for a short recess and the room emptied.

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Dr. Bauer called the meeting back in session. Mr. Brent Aldridge along with Tad Furgesson and Ahman Dirks from PCA provided the Private Equity Annual Review. This was provided for informational purposes only.

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Mr. Brent Aldridge along with Jonathon Berns and Ed Schwartz from ORG provided the Real Estate Annual Review. This was for informational purposes only.

Jonathon Berns and Ed Schwartz from ORG provided an educational piece on co-investments. This was for informational purposes only.

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Dr. Bauer called for a short recess and the room emptied.

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Dr. Bauer called the meeting back in session. Mr. David Peden reviewed recommended changes to the Investment Policy. Mr. Elliott moved and was seconded by Sec. Longmeyer to amend the Investment Policy per the recommendations. The motion passed unanimously.

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Mr. David Peden reviewed recommended changes to the Investment Transaction Procedures Policy. Mr. Hardesty moved and was seconded by Mr. Elliott to amend the Investment Transaction Procedures Policy per the recommendations. The motion passed unanimously.

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Mr. David Peden and Ms. Erica Bradley recommended changes to the Securities Trading Policy for Trustees and Employees. This was discussed but no changes were approved.

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Mr. Tony Johnson provided Fixed Income Annual Reviews. This was for informational purposes only.

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There being no further business, Dr. Bauer adjourned the meeting at 1:50 p.m. The next scheduled quarterly meeting of the Investment Committee is February 3, 2015 at 9:00 a.m. Copies of all documents presented are incorporated as part of the minutes of the Investment Committee meeting as of November 5, 2014.

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.

A handwritten signature in black ink, appearing to read "Alane Gray", written over a horizontal line.

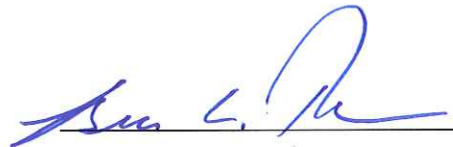
Recording Secretary

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 November 5, 2014 were approved by the Investment Committee on February 3, 2015.

A handwritten signature in black ink, appearing to read "A. B. Cam", written over a horizontal line.

Investment Committee Chair

I, Brian Thomas, have reviewed the Minutes of the Investment Committee Meeting held on November 5, 2014, for form, and legality.

A handwritten signature in blue ink, appearing to read "Brian Thomas", written over a horizontal line.

General Counsel