The Investment Committee met on Tuesday, November 26, 2013 at 8:30 a.m.

Those Investment Committee members present were:

   Chairman: Richard Riebeling  
   Members: Christine Bradley and G. Thomas Curtis

Other attendees:

Summit Strategies Group: Eric Ralph  
Office of the Treasurer: Lannie Holland, Treasurer; Fadi BouSamra, CIO; Tom Eddlemon, Deputy Treasurer and Katherine Martin  
Metro Legal: Margaret Darby and Jason Bobo, Metro Assistant Attorneys  
ING Representatives: Jamie Wewetzer and Katherine Schoeff  
Other attendees: Stuart Nicholson, Doris Ann Hendrix and Dr. Erick Huth

- **Establish a quorum:** Mr. Riebeling established that a quorum was present and the meeting was called to order.

- **Approval of minutes from the August 27, 2013 meeting:** Ms Bradley made a motion to approve the August 27 minutes. Mr. Curtis seconded the motion. The motion passed unanimously.

- **Review Metro pension 3rd quarter 2013 performance:** Mr. Ralph reviewed Summit Strategies’ economic summary and the Metro Plan’s performance. The total fund returned 5.14% for the quarter, outperforming the Policy Index of 4.68%. The Plan ranked in the 42nd percentile among peers for the quarter. The total fund returned 15.22% for the trailing 12 months, outperforming the Policy Index of 11.54% and ranking in the 9th percentile among peers.

- **Recommendations:** Mr. Ralph and Staff presented four investment recommendations for consideration.

  - **Alternative Fixed Income:** Staff and Summit recommended three commitments as part of the Alternative Fixed Income allocation.

  - **Anchorage Illiquid Opportunities IV Fund:** Mr. Ralph reviewed a two-page presentation regarding Anchorage Illiquid Opportunities IV Fund. Mr. Curtis made a motion to accept
Staff’s written recommendation to make a $30-50 million commitment to Anchorage Illiquid Opportunities IV Fund. Ms Bradley seconded the motion. The Committee voted unanimously in favor.

**Courage Credit Opportunities Fund III, LP:** Mr. Ralph reviewed a two-page presentation regarding Courage Credit Opportunities Fund III. The Plan is invested in Courage Credit Opportunities II Fund. Mr. Curtis made a motion to accept Staff’s written recommendation to make a $25 million commitment to Courage Credit Opportunities III Fund. Ms Bradley seconded the motion. The Committee voted unanimously in favor.

**Hayfin Direct Lending Fund:** Mr. Ralph reviewed a two-page presentation regarding Hayfin Direct Lending Fund. Mr. Curtis made a motion to accept Staff’s written recommendation to make a $60 million commitment to Hayfin Direct Lending Fund and to execute a Euro currency hedge. After considerable discussion regarding the opportunity and risks along with the benefits of hedging out the currency risk. Ms Bradley seconded the motion. The Committee voted unanimously in favor.

**Private Equity:** Summit and Staff recommended a private equity fund of funds.

**Fort Washington Private Equity Investors VIII:** Mr. Ralph reviewed the Fort Washington Private Equity Investors VIII Fund. Mr. Curtis made a motion to accept Staff’s written recommendation to commit $60 million to Fort Washington Private Equity Investors VIII Fund. Ms Bradley seconded the motion. The Committee voted unanimously in favor.

- **CBRE Capital Partners Main and Special Situation Funds:** Mr. BouSamra explained that CBRE Capital Partners funds (Main and Special Situation) have been undergoing a change as a result of the departure of Jenna Gerstenlauer triggering the “Key Man” provision in the Limited Partnership agreement. The Limited Partners in the two CBRE funds have elected to retain a Liquidator to take over the management of the assets in the funds. We would like Committee approval to sell our interest in the funds should the opportunity present itself. Ms Bradley made a motion to accept Staff’s written recommendation to sell the Main Fund at NAV or higher. Mr. Curtis seconded the motion. The Committee voted unanimously in favor.

- **General Updates:** Mr. BouSamra handed out a general update list and highlighted the following items:

1. Mr. BouSamra reviewed the Operational Due Diligence Report summarizing Management fees and other fund expenses incurred during the past year.
2. PIMCO EqS Dividend strategy and the Unconstrained Bond strategy were implemented in the third quarter.
3. The Nashville.gov data room website access for Investment Committee members is up and running. The new site will allow us to efficiently distribute and update meeting documents and act as a depository for important Committee documents.
4. Staff will be submitting an additional commitment of $5 million to the ING Mortgage fund.
5. Staff is exploring engaging Summit or a third party to provide the Plan with risk analytics.
6. The $25 commitment with Marinus Capital Advisors will be implemented soon. The customized separate account will be named Opry One.
7. Jason Bobo has replaced Catherine Dundon as a Metro Assistant Attorney for the Committee assisting Ms. Darby with contracting.

- **MetroMax 457 Plan review**: Ms Wewetzer distributed and reviewed the 3rd quarter 2013 MetroMax 457(b) Deferred Compensation Plan Report.

  **The March 11 Lunch and Learn was rescheduled to March 18, 2014 at 11:00 a.m. or immediately after the Benefit Board meeting.**

  The meeting was adjourned at 9:40 a.m. The next meeting is on February 26, 2014 at 8:00 am. The next Lunch and Learn is on January 15, 2014 at noon.

Approved [Signature] by [Signature]  
(Date)  Richard Riebeling, Chairman