

**City of Grand Rapids
General Retirement System**

Investment Policy Statement

Wilshire Associates Incorporated

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City of Grand Rapids General Retirement System

Investment Policy Statement

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City of Grand Rapids General Retirement System

Investment Policy Statement

Introduction and Purpose

The purpose of this Investment Policy Statement is to establish the investment goals, objectives and guidelines for the City of Grand Rapids General Retirement System (the “Plan” or “GRS”). This document was developed in a joint effort by the City of Grand Rapids General Retirement Board of Trustees (the “Board”) and the Investment Consulting Division of Wilshire Associates Incorporated (“Wilshire”).

The purpose of developing an Investment Policy Statement is twofold: First, the document is intended to be a written communication tool between the Board, the investment managers and the investment consultant of the Plan. The development, implementation and execution of investment strategies requires a thorough understanding of the Plan’s investment policies. Therefore, the basic purpose of this document is to clarify these policies and to provide a framework for a continuing dialogue. Second, the document defines market benchmarks and establishes expectations which will be used to measure and evaluate both composite and individual managers’ results on an ongoing basis.

Individual investment guidelines have been presented to each investment manager in draft form. Once complete, this process will establish a mutual understanding of the expectations of the Board and identify the role each manager is expected to play in the overall investment structure. Final copies of each of the managers’ guidelines are included from Tab III to Tab XI of this document.

This Investment Policy Statement is intended to be flexible. The investment goals, objectives and guidelines may be amended to reflect material or sustained changes in the financial condition of the Plan, the economic environment, state regulations or the opportunities available in the financial markets. Suggested changes to this document will be subject to Board approval and will be made on an as needed basis.

City of Grand Rapids General Retirement System

Investment Policy Statement

Total Plan Policies

Delegation of Responsibilities

General

The City of Grand Rapids General Retirement System (the “Plan” or “GRS”) is a tax-exempt retirement plan qualified under Section 401 (a) of the Internal Revenue Service Code (the “Code”). The Plan must be managed and administrated in accordance with Act 314 of the Public Acts of 1965, as amended by 1996 Public Act 485, 2002 Public Act 728 and 2012 Act 347, as amended from time to time by the State of Michigan (MCL 38.1132 et seq).

City of Grand Rapids General Retirement System Board of Trustees

The Board of Trustees has been appointed to review the investment performance and other matters of the Plan. The Board acknowledges and accepts its responsibility as a fiduciary of the Plan. In this capacity, the appointed representatives must conduct the business of the Plan in a prudent manner and for the exclusive benefit of the participants and beneficiaries of the Plan.

Specifically, the investment responsibilities of the Board include the following:

- Development of investment policies and strategies for the Plan.
- Selection of qualified investment management organizations whose philosophy and approach supports the overall strategy of the Plan. These management organizations are expected to fulfill specific “roles” within the Plan’s investment structure by executing the investment strategies of the Plan.
- Communicate the investment policies of the Plan to the investment managers. This information -- investment guidelines and performance objectives -- is included in this document.
- Monitor and evaluate the results generated by the investment managers in the context of their respective investment guidelines and performance objectives.
- Take corrective action if the investment management organization fails to follow investment policy, deviates from the expected role within the investment structure, or fails to perform as expected.

The Board has determined the appropriate investable asset classes and defined specific target weights within the investment structure of the Plan. Further, the Board has retained a number of qualified investment managers to execute a variety of investment strategies. Therefore, it is neither the intention nor the responsibility of the Board to involve itself in the direct investment of individual securities. However, the Board has established specific investment goals, objectives and guidelines to monitor and evaluate the ongoing progress of each investment management organization relative to their role within the overall investment structure of the Plan.

Investment Managers

The investment managers, in recognition of their role as co-fiduciaries of the Plan, must assume certain responsibilities. Specifically, the Board delegates discretionary authority to the investment managers to invest a specific allocation of the Plan subject to the parameters set forth in the individual manager guidelines section of this Investment Policy Statement.

Therefore, the investment managers are charged with the following responsibilities:

Comply with all relevant provisions contained in Act 314 of the Public Acts of 1965, as amended by 1996 Public Act 485, 2002 Public Act 728 and 2012 Act 347, as amended from time to time by the State of Michigan (MCL 38.1132 et seq)

- Support the overall investment policies of the Plan.
- Understand and accept the designated “role” within the Plan’s investment structure.
- Construct a portfolio of securities that reflect the execution of their assigned investment strategy.
- Adhere to the guidelines of this document and / or any additional written instructions that amend this Investment Policy Statement.

Investment Consultant

- The Board has retained a qualified investment consulting organization to assist in the overall strategic investment direction of the Plan. The consultant, in recognition of its role as co-fiduciary of the Plan, assumes specific duties. These duties include:
- Evaluate the financial condition of the Plan every two years.
- Define and recommend appropriate investment strategies based on the financial condition of the Plan.
- Implement approved strategies. This includes setting asset allocation, building investment structure and identifying qualified investment managers to execute investment strategy.

- Monitor and evaluate the ongoing progress of the Plan toward stated investment goals and objectives.
- Recommend corrective action should an investment strategy or investment manager(s) fail to meet expectations.
- Recommend strategy changes in response to material changes in either the financial condition of the Plan or the capital market environment.

Finally, investment managers and the investment consultant must request in writing and receive approval from the Board before adopting an investment strategy that represents a deviation from the policies outlined in this document.

General Policies

Meeting Policy

The Board and / or Investment Consultant should meet periodically with the investment managers of the Plan. Meetings should occur at both the regular Retirement Board meetings and, if necessary, in the managers' offices. The general policy is that the investment managers are expected to attend at least one Board meeting per year.

Reporting Policy

On a monthly basis, the Executive Director and Investment Consultant are expected to receive statements of investment activity from the investment managers. These statements should include, but are not limited to, the following items:

- **Market Values** -- Month-end market values by individual security and total portfolio.
- **Transaction Statement** -- A statement that captures all activity (purchases, sales and income) generated during a month.
- **Performance** -- A report that captures the total performance of the account during the month and for extended time periods.

On a quarterly basis, the Board and the Executive Director are expected to receive an Executive Summary and Performance Analysis Report from the Investment Consultant. These Reports should focus on the following issues:

- **Asset Allocation**
- **Investment Structure**
- **Performance** (Composites and Individual Managers)
- **Performance Attribution**

In addition, on an ongoing basis, the Investment Consultant is expected to provide the Executive Director with market research on investment-related issues.

Communication Policy

The Board and / or Executive Director must be advised within 24 hours if, at any time, any of the following circumstances occur to either the investment management or investment consulting firms:

- A substantial change in the ownership of the firm or a purchase or affiliation with another entity.
- The departure of key personnel.
- Any conflict of interest.
- A change in the philosophy or approach.
- Any situation that has the potential to impact either the professionalism, financial position or integrity of the Plan or the organizations designated to serve the Plan.

Asset Allocation Policy

Introduction

Asset allocation refers to the strategic, long-term deployment of assets among the major classes of investments such as equity, fixed income and cash equivalents. The objective of the asset allocation strategy is to defuse the liabilities of the Plan. The Board assumes the responsibility for the asset allocation decision. The asset allocation decision reflects the Plan's return requirements as well as the Board's tolerance for return variability (risk).

Risk Policies

Interest Rate Risk: This portfolio structures its fixed income allocation to be approximately neutral in duration and interest rate risk to that of the benchmark. This should mitigate the relative over- or under-performance of the fixed income composite as a result of changing interest rates.

Credit Risk: The fixed income portfolio invests in both investment grade bonds as well as high yield bonds. However the overall credit rating for the composite is not to be below an "A" rating.

Concentration of Credit Risk: No single holding will represent more than 5% of the Total Fund.

Foreign Currency Risk: In general, the foreign currency exposure resulting from international investments is not hedged. This exposes the portfolio to foreign currency risk, which is not expected to harm or help the performance of the fund in a significant way over the long term.

Custodial Credit Risk: This portfolio will minimize Custodial Credit Risk, which is the risk of loss due to the failure of the security issuer or backer, by limiting investments to those permitted by Act 314 of the Public Acts of 1965, as amended by 1996 Public Act 485, 2002 Public Act 728 and 2012 Act 347, as amended from time to time by the State of Michigan (MCL 38.1132 et seq) which include: **a)** United States Treasury and Agency; **b)** Mortgages (Collateral and CMOs); **c)** Corporate Bonds (industrial, finance, asset backed, utilities, telephone and Yankee); **d)** Derivatives (futures, swaps, option contracts on the S&P 500 Index and U.S. Interest Rates and futures and option contracts on U.S. Treasury and Agency securities); **e)** American Depository Receipts; **f)** Non-Dollar Bonds; **g)** Emerging Market Debt; **h)** Cash equivalent investments (including repurchase agreements); **i)** Short-term investment funds; **j)** International Depository Receipts; **k)** Global Depository Receipts; **l)** Convertible Bonds; **m)** Open and closed-end country funds; **n)** Warrants.

In addition, the City of Grand Rapids General Retirement System will only conduct business with investment management firms that will: comply with all relevant provisions contained in Act 314 of the Public Acts of 1965, as amended by 1996 Public Act 485, 2002 Public Act 728 and 2012 Act 347, as amended from time to time by the State of Michigan (MCL 38.1132 et seq); support the overall investment policies of the Plan; understand and accept their designated “role” within the Plan’s investment structure; construct a portfolio of securities that reflect the execution of their assigned investment strategy; and adhere to the guidelines of this document and/or any additional written instructions that amend this Investment Policy Statement.

Asset Allocation Policy

Based on the Asset / Liability Analysis and Investment Structure Recommendations report conducted by Wilshire in April, 2014 and the ongoing goals of the Plan, the following asset allocation policy was adopted. The recommended long-term asset allocation policy is identified by strategic target weights to each of the major asset classes. The long-term asset allocation policy adopted by the Board is shown below. In addition, minimum and maximum allocations are provided to serve as guidelines for the range of the asset classes. The asset classes may fluctuate within the bands established by the minimum and maximum allocation ranges before the Board must consider reallocating resources from one asset class to another. This asset allocation policy will remain in effect until there is a meaningful change in either the financial condition of the Plan, the investment goals of the Plan or a change in capital market conditions.

<u>Asset Class</u>	<u>Target Policy</u>	<u>Allocation Range</u>	
		<u>Minimum</u>	<u>Maximum</u>
Domestic Equity	22.5%	17.5%	27.5%
Fixed Income	25	20	30
International Equity	22.5	17.5	27.5

Real Estate	5	3	7
Private Markets	5	0	7
Commodities	5	3	7
TIPS	10	5	15
MLPs	5	3	7
Cash and Equivalents	0	0	5

Investment Structure

Introduction

Investment structure refers to the diversification of investment strategies (or investment philosophies) and styles (or investment focus) within the broad asset categories.

Investment Structure Policy

As part of the financial condition analysis and asset allocation recommendations, the Board adopted investment structure assignments and target weights to specific investment structure categories. The following table highlights these specific target weights both on a total fund and market segment basis. The domestic equity segment is further broken down by style factors (active core / passive index) and by size factors (large versus small). The fixed income segment is broken down into core fixed income and specialty core target allocations. Since no recommendation has been made to further diversify the GRS international exposure, no breakdown is necessary. Again, this investment structure policy will remain in effect until there is a change in either the financial condition or the investment goals of the Plan or a change in capital market conditions.

<u>Investment Structure</u>	<u>Total Plan Target Weight</u>	<u>Market Segment Target Weight</u>
Domestic Equity Managers	22.5%	100.0%
Style Factor Breakdown	22.5%	100.0%
Active Core	5.5	25.0
Passive / Index	14.5	64.0
Enhanced Indexing	2.5	11.0
Size Factor Breakdown	22.5%	100.0%
Large Stocks	17.0	75.0
Small Stocks	5.5	25.0
Fixed Income Managers	25.0%	100.0%
Core Fixed Income	12.5	50.0
Specialty Core	12.5	50.0
International Equity Manager	22.5%	100.0%
International Market Stocks	22.5	100.0
Global Real Estate	5.0%	100.0%
Global REIT Market	5.0	100.0
Private Markets	5.0%	100.0%
Buyouts/Venture/Other	5.0	100.0

Commodities		5.0%	100.0%
TIPS		10.0%	100.0%
MLPs	5.0%	100.0%	

Investment Goals

Introduction

Investment goals are designed to provide a broad or general statement of the long-term purpose of the investment program. Investment goals are provided for the total fund and each of the individual manager assignments.

Total Plan

The GRS' investment goal is to generate sufficient returns to provide for current and future benefit payments to plan participants while simultaneously covering all administrative and investment management costs incurred in its operation. Because the liabilities of the Plan are long-term in nature, the assets will be invested in long-term strategies and be evaluated within the context of a long-term investment horizon.

Investment Objectives

Introduction

Investment objectives are designed to provide quantifiable standards to measure and evaluate the progress of both the total fund and each individual investment manager. For the purpose of monitoring and evaluating the ongoing investment activity and results, both relative performance standards and primary and secondary objectives are defined.

Relative Standards

Relative standards define the benchmarks that will be used to measure and compare the results of the total fund and each individual manager. The relative standard for the total fund is defined as the target policy index that will be constructed from the relative market indices weighted by the target allocation to each asset class. Each individual investment manager will be evaluated relative to an appropriate market benchmark. An appropriate benchmark is defined as an identifiable market index that best represents the universe of securities from which the investment manager makes investment decisions. Benchmarks for each investment manager are identified in the Individual Manager section of this document.

Primary and Secondary Objectives

Primary objectives are established to measure the long-term results of the total fund and each investment manager. Long-term is defined as a three to five year period.

Secondary objectives are designed to measure short-term results (less than 3 years). The Board recognizes the limitations of reviewing results over short-term horizons. However, secondary objectives can serve as an early indication of the Plan's progress toward meeting the more fundamental primary objectives. Meeting secondary objectives will not necessarily ensure that all long-term objectives will be achieved.

Total Fund Objectives

Effective January 1, 2013, the relative standard for the total fund comparison is based on a Target Policy Index (“TPI”), composed of 22.5% Wilshire 5000 Index, 22.5% MSCI ACWI ex US Index, 5% FTSE EPRA/NAREIT Global Real Estate Index, 5% Wilshire 5000 Index + 2.5%, 5% Dow Jones UBS Commodity Index, 10% Barclays U.S. TIPS Index, 5% S&P MLP Index and 25% Barclays Aggregate Bond Index. The relative standard for measuring increases to the cost of living or inflation is the Consumer Price Index (“CPI”).

The primary objectives (3 to 5 years) for the total fund are as follows:

- Generate an annualized total return of 1.0% (net of fees) greater than the TPI.
- Generate a total return that exceeds the actuarial discount rate (7.5%).
- Achieve a 5% “real” rate of return (adjusted relative to the CPI).

Secondary objectives (less than 3 years) for the Total Plan include:

- Generate a total return (net of fees) greater than the TPI.
- Exceed the annual increase of the CPI.

Domestic Equity Pool Objectives

The relative standard for Domestic Equity Pool is the Wilshire 5000 Index, which represents the entire US equity market.

The primary objectives (3 to 5 years) for the Domestic Equity Pool are as follows:

- Generate an annualized total return of 1.0% (net of fees) greater than the Wilshire 5000 Index.
- Achieve a real return of at least 6%.

Secondary objectives (less than 3 years) for the Domestic Equity Pool include:

- Generate a total return (net of fees) greater than the Wilshire 5000 Index.
- Exceed the annual increase of the CPI.

Fixed Income Pool Objectives

The relative standard for Fixed Income Pool comparison is the Barclays Aggregate Bond Index, which represents a broad sample of the domestic fixed income market.

The primary objectives (3 to 5 years) for the Fixed Income Pool are as follows:

- Generate an annualized total return of 0.75% (net of fees) greater than the Barclays Aggregate Bond Index.
- Achieve a real return of at least 3%.

Secondary objectives (less than 3 years) for the Fixed Income Pool include:

- Generate a total return (net of fees) greater than the Barclays Aggregate Bond Index.
- Exceed the annual increase of the CPI.

International Equity Pool Objectives

The relative standard for International Equity Pool is the MSCI ACWI ex US Index, which represents the investment opportunities available in the international stock markets, both developed and emerging countries, outside of the United States.

The primary objectives (3 to 5 years) for the International Equity Pool are as follows:

- Generate an annualized total return of 2.0% (net of fees) greater than the MSCI ACWI ex US Index.
- Achieve a real return of at least 6%.

Secondary objectives (less than 3 years) for the Equity Pool include:

- Generate a total return (net of fees) greater than the MSCI ACWI ex US Index.

Global Real Estate Investment Trust (REIT) Objectives

The relative standard for the Global REIT Pool is the FTSE EPRA/NAREIT Global Real Estate Index, which represents the listed real estate companies and REITs worldwide.

The primary objectives (3 to 5 years) for the Global REIT Pool are as follows:

- Generate an annualized total return of 2.0% (net of fees) greater than the FTSE EPRA/NAREIT Global Real Estate Index
- Achieve a real return of at least 5%.

Secondary objectives (less than 3 years) for the Global REIT Pool include:

- Generate a total return (net of fees) greater than the FTSE EPRA/NAREIT Global Real Estate Index

Private Market Objectives

The relative standard for the Private Markets Pool is the Wilshire 5000 Index, which represents the entire US equity market. The Private Markets Pool will represent a diversified private markets portfolio consisting of US and non-US Buyouts, Venture Capital, Mezzanine Debt and Distressed Debt.

The primary objective (7 to 10 years) for the Private Markets Pool are as follows:

- Generate an annualized return equivalent to the Wilshire 5000 Index plus 250 basis points.
- Achieve a real return of at least 8.5%

Commodities Objective

The relative standard for the Commodities Pool is the Dow Jones UBS Commodities Index, which represents a broadly diversified basket of the commodities market via exchange-traded futures on physical commodities. The primary objectives are as follows:

- Generate a total return of 100 basis points (net of fees) over the Dow Jones-UBS Commodities Index over a three- to five-year horizon.
- Generate a total return that ranks in the top 30% of the peer group of comparable managers over a three- to five-year horizon.

Treasury Inflation-Protected Securities (“TIPS”) Objective

The relative standard for the TIPS Pool is the Barclays U.S. TIPS Index, which represents inflation-protected securities issued by the U.S. Treasury. The primary objectives are as follows:

- Generate a total return of 25 basis points (net of fees) over the Barclays U.S. TIPS Index over a three- to five-year horizon
- Generate a total return that ranks in the top 40% of the peer group of comparable managers over a three- to five-year horizon.

Master Limited Partnerships (“MLPs”) Objective

The relative standard for the MLPs Pool is the S&P MLP Index, which represents the leading partnerships that trade on major U.S. exchanges and focused on companies in the GICS Energy Sector and GICS Gas Utilities Industry. The primary objectives are as follows:

- Generate a total return of 200 basis points (net of fees) over the S&P MLP Index over a three- to five-year horizon.
- Generate a total return that ranks in the top 30% of the professionally managed accounts from the Wilshire database.

Investment Guidelines and Restrictions

In recognition of the fiduciary purpose of the City of Grand Rapids General Retirement System, investments will be made for the exclusive benefit of the participants and beneficiaries of the Plan. The assets must be invested with the due care and diligence and in the same manner that a prudent person would act in discharging similar duties. All investments will be made within the guidelines of quality, marketability and diversification mandated by Act 314 of the Public Acts of 1965, as amended by 1996 Public Act 485, 2002 Public Act 728 and 2012 Act 347, as amended from time to time by the State of Michigan (MCL 38.1132 et seq) In addition, specific investment restrictions have been developed to guide the investment of the funds held by the Plan. This section concludes

with an overview of the GRS' investment managers and segment assignments. Tabs III through X continue by including the investment policy statements specifically written for each manager. These investment policy statements describe in detail the guidelines and restrictions the managers must adhere to. They are used to evaluate investment manager performance and ensure proper administration of the Plan on a ongoing basis. Tabs XIV and XV contain the investment manager fee schedules and the manager contact list, respectively

City of Grand Rapids General Retirement System

Investment Policy Statement

Manager Assignments

Investment Managers

Assignment

Domestic Equity Managers

- | | |
|---|----------------------------------|
| • Wellington Management Company* | Small Stock /
Core-Oriented |
| • | |
| • Northern Trust Global Investments | S&P 500 Index /
Core-Oriented |
| • Pacific Investment Management Company | Large Stock /
Core-Oriented |

Fixed Income Managers

- | | |
|----------------------------|----------------|
| • Baird Advisors | Core-Oriented |
| • Western Asset Management | Specialty Core |

International Equity Manager

- | | |
|-------------------------|---------------------------|
| • Neuberger Berman, LLC | ACW ex-US / International |
| • Harding Loevner LP | International Equity ADR |

Real Estate Manager

- | | |
|--|--------------------|
| • CBRE Clarion Real Estate Securities, LLC | Global Real Estate |
|--|--------------------|

City of Grand Rapids General Retirement System

Investment Policy Statement

Wellington Management Company Small Core-Oriented Equity Portfolio

Precursor

Although the following guidelines are specific to the City of Grand Rapids General Retirement System (“GRS”), the plan’s current allocation is invested through a collective fund. The fund is currently managed by Wellington Trust Company, NA. The use of a portfolio, the WTC-CIF Small Cap 2000 (the “Portfolio”) as an investment vehicle does not allow the GRS to directly implement its guidelines upon the investment manager. However, the GRS fully intends to use this Investment Policy Statement to evaluate the fund’s management and performance and make appropriate adjustments to the GRS’ small capitalization equity exposure.

Goal

The investment goal of the portfolio is to provide the City of Grand Rapids General Retirement System (“GRS”) with a strategic allocation to the small stock segment of the domestic equity market. Wellington Management Company (“Wellington”) has been selected by the GRS as portfolio manager of this strategic allocation. Wellington’s portfolio assignment is to manage the portfolio in an active manner and to add value (net of management fees) relative to the return that could be achieved through a passive exposure to this market segment. Furthermore, the GRS will evaluate the Wellington Portfolio with respect to all relevant provisions contained in Act 314 of the Public Acts of 1965, as amended by 1996 Public Act 485, 2002 Public Act 728 and 2012 Act 347, as amended from time to time by the State of Michigan (MCL 38.1132 et seq). A copy of the Act is attached.

Objective

The portfolio is expected to add value through a fundamental stock selection process that selects stocks with attractive valuation and earnings prospects. This involves a bottom-up decision making process. Specific investment objectives are intended to define quantifiable measures by which the results of the portfolio will be measured and evaluated on an ongoing basis. The performance results and investment characteristics of the portfolio will be measured and evaluated relative to the small stock segment of the domestic equity market and a universe of other professionally managed small stock managers. The relative overall domestic equity market benchmark is defined as the Russell 2000 Index. The Wilshire Small Core Manager Universe will be used for peer group comparisons.

The portfolio will be measured and evaluated relative to these benchmarks on a quarterly basis. Investment performance will be measured for the following time periods: Three months, year-to-date, one year, three years, five years and since management inception. Performance during up markets (trough to peak) and down markets (peak to trough) will be appraised.

Therefore, the portfolio is expected to meet or exceed the following performance objectives:

- Generate a total return of 200 basis points or 2.0% (net of fees) over the Russell 2000 Index over a three- to five-year horizon.
- Generate a total return that ranks in the top 40% of the Wilshire Small Core Manager Universe over a three- to five-year horizon.

Guidelines

The following points highlight the investment guidelines that have been established for the ongoing management of the portfolio. The investment manager is expected to follow these guidelines carefully while implementing and executing portfolio strategy.

- **Asset Allocation**

The portfolio is expected to be fully invested in U.S. equity securities. Any cash equivalent investments should represent “frictional” or operational amounts and not strategic allocations. Therefore, cash equivalents should not exceed 5% of the portfolio at any time. Should market conditions suggest a hostile environment where this guideline may be detrimental to the financial well being of the GRS, the manager should communicate suggested tactical adjustment to this guideline with authorized representatives of the GRS.

- **Diversification**

The portfolio is expected to achieve value-added results through active management decisions. However, the portfolio is expected to be broadly diversified with respect to the exposures to economic sectors, industries and individual stocks. Therefore, the following diversification guidelines apply to the construction of the portfolio:

- No single economic sector is expected to exceed 40% of the portfolio.
- No single issue is expected to exceed 5% (at market) of the GRS’ pro rata share of the investment pool.
- The portfolio is expected to be constructed with between 150 to 220 individual stocks.
- No single issue is expected to exceed 5% of its common shares outstanding.

- **Market Capitalization**

The portfolio is expected to be invested in small companies with market capitalization over \$50 million and within the capitalization range of the Russell 2000 Index.

- **Other Transactions**

- **American Depositary Receipts (ADRs)** may be used to construct the portfolio. However, because of the strategic role of the portfolio, positions in stocks traded as ADRs are limited to no more than 15% of the portfolio market value. Foreign securities not listed on a US exchange may not be purchased without written approval.
- **Prohibited Transactions** include investment in fixed income securities (not including short-term investment funds “STIF” or securities with less than one year to maturity), non-marketable securities, non-US Dollar denominated securities, convertible or preferred securities, private equity securities, private or direct placement, options, futures, commodities, real estate investments (excluding real estate investment trusts “REITs”), short sales, margin purchases. Futures are expected to be primarily used for equitizing cash or as a bona fide hedging instrument. The use of any form of derivative security or investment strategy that leverages the portfolio is prohibited unless otherwise approved in writing by authorized representatives of the GRS.

Communications

In addition to regular meetings with the investment committee of the Trustees, Wellington is required to provide the Trustees with written monthly reports. Reports should specify significant actions taken in the portfolio, any expected changes to the portfolio, the manager’s current market outlook and expected performance of the portfolio. Each month’s report ending a quarter (March, June, September and December) should address the criteria established by the GRS.

The client must be informed promptly (within 24 hours if possible) if any of the following events occur:

- A substantial change in the ownership of the firm or a purchase or affiliation with another entity.
- Any loss of key investment personnel involved with the management of either the investment process or the portfolio.
- A change in investment philosophy that represents a material deviation from this policy statement. Any significant deviation from the manager’s stated style will require written approval.

- Any material adverse development in the ability of Wellington to manage the portfolio either in accordance with the standards of a prudent investment manager or within the context of this statement of investment policy.
- Any situation that has the potential to impact the professionalism, financial position or integrity of either Wellington or the GRS.

Annual Review

Trustees of the GRS will review these guidelines annually. Exceptions to this investment policy statement may be made at any time with the approval of the Trustees.

Agreement

Peggy Korzen
Executive Director
City of Grand Rapids
General Retirement System

Date

Wellington Management Company

Date

City of Grand Rapids General Retirement System

Investment Policy Statement

Pacific Investment Management Company

StocksPlus Enhanced Index Equity Portfolio

Goal

The investment goal of the portfolio is to provide the City of Grand Rapids General Retirement System ("GRS") with a strategic allocation to the large capitalization segment of the domestic equity market. Although the following guidelines are specific to the GRS, the plan's current allocation is invested through a limited partnership. The limited partnership is currently managed by the Pacific Investment Management Company ("PIMCO"). The use of this portfolio, the StocksPLUS Limited Partnership, Class A units (the "Portfolio") as an investment vehicle does not allow the GRS to directly implement its guidelines upon the investment manager. The investment guidelines disclosed in the Offering Memorandum for the StocksPLUS Limited Partnership, as may be amended from time to time, shall govern the account relationship in all instances. However, the GRS fully intends to use this Investment Policy Statement to evaluate the Portfolio's management and performance and make appropriate adjustments to the GRS' domestic equity exposure, as necessary. Furthermore, PIMCO will be evaluated with respect to all relevant provisions contained in Act 314 of the Public Acts of 1965, as amended by 1996 Public Act 485, 2002 Public Act 728 and 2012 Act 347, as amended from time to time by the State of Michigan (MCL 38.1132 et seq). A copy of the Act 485 of the public acts of 1996 as amended (Michigan Compiled Laws 38.1132 et seq) is attached.

Objective

The investment objective of the Portfolio is to enhance the returns of the S&P 500 Index. The GRS has determined that this objective shall be achieved through the use of an alpha-transfer strategy (replicating the return and risk of the S&P 500 Index through the use of derivatives and adding alpha through investment in core-oriented fixed income securities). Therefore, the GRS expects the Portfolio to generate a competitive total rate of return relative to a market benchmark with a total risk profile that is approximately equal to the total risk profile of the market benchmark. The market benchmark for the portfolio is defined as the S&P 500 Index. Specific investment objectives are intended to define quantifiable measures by which the results of the portfolio will be measured and evaluated on an ongoing basis. The portfolio will be measured and evaluated relative to the benchmark on a quarterly basis. Investment performance will be measured for the following time periods: Three months, year-to-date, one year, three years, five years and since management inception. Performance during up markets (trough to peak) and down markets (peak to trough) will be appraised.

- Generate a total rate of return of 50 basis points (net of fees) over the total return generated by the benchmark.

Guidelines

The following points highlight the specific investment guidelines that the GRS will utilize to evaluate the PIMCO Portfolios.

- **Asset Allocation**

The strategic purpose of this investment in the Portfolio is to use S&P 500 Index futures and swaps to obtain price exposure to the equity market and short-term, fixed income instruments to enhance income returns. On occasion, physical stocks and / or S&P 500 Index options may be used in place of futures to obtain equity market exposure. The use of cash equivalents is unlimited as long as the portfolio maintains full market exposure.

- **Diversification**

The Portfolio is expected to be invested in equity market substitutes (S&P 500 Index futures, S&P 500 Index swaps, physical stocks or options) and fixed income securities. The use of leverage as a tool to either gain access to the market or to add value is not allowed. PIMCO is expected to achieve value added results through active fixed income management decisions; however, in an effort to minimize an over exposure to any single sector, industry or individual security, PIMCO is expected to manage and control risk through adequate diversification to the various segments of the fixed income market. Based on market value, the portfolio is expected to be managed within the following sector, industry and individual security constraints:

- | <u>Sector Allocation</u> | <u>Minimum</u> | <u>Maximum</u> |
|----------------------------------|----------------|----------------|
| U.S. Treasury and Agency | 0% | 100% |
| Mortgages (Collateral and CMO's) | 0% | 80% |
| Corporate: | | |
| • Industrial | 0% | 30% |
| • Finance (including banks) | 0% | 30% |
| • Utilities | 0% | 30% |
| • Telephone | 0% | 30% |
| Yankee | 0% | 20% |

- No single issue may represent more than 5% of the portfolio (based on market value). U.S. Treasury and Agency issues are excluded from this portfolio guideline.

- **Quality**

PIMCO is expected to invest the portfolio in a prudent manner and to avoid exposure to fixed income securities of any company with deteriorating quality features or questionable business and / or financial practices. The weighted average credit quality of the portfolio is expected to

maintain a minimum rating of single A using either Moody's or Standard and Poor's credit ratings. Individual securities rated Baa or BBB by Moody's or Standard and Poor's, respectively, may be used in the portfolio strategy as long as the total portfolio maintains a single A rating. In the case of a split-rating by the agencies, the higher quality rating will be observed.

The following table highlights the maximum quality range exposures that apply to the portfolio (at time purchase):

<u>Quality Rating</u>	<u>Maximum</u>
Aaa / AAA	100%
Aa / AA	100%
A / A	75%
Baa / BBB	40%
Below Baa / BBB	0%

- **Duration / Maturity**

PIMCO is expected to add value relative to the benchmark through security and sector selection. Additionally, the portfolio is expected to be actively managed with respect to interest rate risk; therefore, the effective duration of the portfolio is not expected to exceed 1.0 years.

- **Other Transactions**

- **Prohibited Transactions** include the investment in non-dollar denominated securities (except Canadian debt), municipal bonds (excluding taxable municipals) and other tax-exempt securities, public or private equity securities, uncovered options, warrants, commodities, direct real estate investments, Real Estate Investment Trusts ("REIT's"), short sales and securities lending.
- **Derivatives Policy** -- PIMCO is authorized to use derivative securities (defined as futures, swaps and option contracts on the S&P 500 Index and U.S. interest rates). U.S. interest rate futures, swaps and options may be used to create synthetic positions, increase or reduce exposure to credit sectors, or to adjust the duration of the portfolio. In addition, PIMCO may write covered options (both put and call options) on portfolio positions to enhance income. PIMCO may utilize the covered options program at their discretion. Finally, PIMCO is prohibited from using any form of derivative security that effectively leverages the portfolio.

Communications

In addition to regular meetings with the investment committee of the Trustees, PIMCO is required to provide, at a minimum, quarterly written reports to the Trustees. Reports should specify significant actions taken in the portfolio, any expected changes to the portfolio, the manager's

current market outlook and expected performance of the portfolio. Each report ending a quarter (March, June, September and December) should address the criteria established by the GRS.

The client must be informed promptly (within 24 hours if possible) if any of the following events occur:

- A substantial change in the ownership structure of PIMCO.
- Any loss of key investment personnel involved with the management of the portfolio.
- A change in investment philosophy that represents a deviation from this policy statement.
- Any material adverse development in the ability of PIMCO to manage the portfolio either in accordance with the standards of a prudent investment manager or within the context of this statement of investment policy.
- Any situation that has the potential to impact either the professionalism, financial position or the integrity of either the GRS or PIMCO.

Agreement

Peggy E. Korzen
Executive Director
City of Grand Rapids
General Retirement System

Date

Sabrina C. Callin
Vice President
Pacific Investment Management Company

Date

City of Grand Rapids General Retirement System

Investment Policy Statement

CBRE Clarion Real Estate Securities, LLC

Global Real Estate Investment Trust (REIT)

Precursor

Although the following guidelines are specific to the City of Grand Rapids General Retirement System (“GRS”), the plan’s current allocation is invested through a collective fund. The fund is currently sub-advised by CBRE Clarion Real Estate Securities, LLC (CBRE Clarion). The use of the Global Real Estate Investment Trust (the “Portfolio”) as an investment vehicle does not allow the GRS to directly implement its guidelines upon the collective fund or the sub-adviser. However, the GRS fully intends to use this Investment Policy Statement to evaluate the fund’s management and performance and make appropriate adjustments to the GRS’ REIT exposure.

Goal

The investment goal of the portfolio is to provide the City of Grand Rapids General Retirement System (“GRS”) with a strategic allocation to the global REIT market. CBRE Clarion has been selected by the GRS as the portfolio manager of this strategic allocation. CBRE Clarion’s portfolio assignment is to manage the portfolio in an active manner and to add value (net of management fees) relative to the return that could be achieved through a passive exposure to the global REIT markets. Furthermore, the GRS will evaluate the CBRE Clarion Portfolio with respect to all relevant provisions contained in Act 314 of the Public Acts of 1965, as amended by 1996 Public Act 485, 2002 Public Act 728 and 2012 Act 347, as amended from time to time by the State of Michigan (MCL 38.1132 et seq). A copy of the Act is attached.

Objective

The Portfolio is expected to achieve long-term capital growth by investing in publicly traded common stock and convertible securities of companies engaged in the real estate business. Specific investment objectives are intended to define quantifiable measures by which the results of the Portfolio will be measured and evaluated on an ongoing basis. The performance results and investment characteristics of the Portfolio will be measured and evaluated relative to the FTSE EPRA/NAREIT Global Real Estate Index and a peer group of comparable managers.

The Portfolio will be measured and evaluated relative to the benchmark on an on-going basis. The Portfolio is expected to meet or exceed the following performance objectives as established by the GRS:

- Generate a total return of 200 basis points (net of fees) over the FTSE EPRA/NAREIT Global Real Estate Index over a three- to five-year horizon.
- Generate a total return that ranks in the top 30% of the peer group of comparable managers over a three- to five-year horizon.

Guidelines

The following points highlight the investment guidelines that have been established for evaluating the current global REIT allocation. While carefully implementing and executing portfolio strategy, CBRE Clarion will be evaluated on the basis of these guidelines.

- **Asset Allocation**

The GRS prefers that the Portfolio be fully invested in global REIT securities. Any cash equivalent investments are expected to represent operational or residual amounts and not market timing decisions. Therefore, cash equivalents should not exceed 5% of the portfolio market value, except in transitional periods (i.e., significant cash flows).

- **Region / Country Allocation**

The GRS expects the Portfolio to remain diversified across the global markets. In an effort to control risk, CBRE Clarion is expected to maintain the Portfolio's country allocations within a range of +/- 10% of the FTSE EPRA/NAREIT Global Real Estate Index.

- **Diversification Guidelines**

The portfolio is to remain diversified by property type. Following are the portfolio diversification guidelines:

- The portfolio is to invest in securities with market capitalizations of \$100 million or greater at time of purchase.
- The maximum amount of the portfolio that can be invested in any one issue shall be the greater of 10.0% of the portfolio or 150% of the issuer's index weight.
- At no time shall the Account own more than 5.0% of the outstanding voting securities of any one issuer.
- No more than 50% in any one property type, including Regional Malls, Strip Shopping Centers, Apartments, Offices, Industrial, Healthcare, Manufactured Homes, Factory Outlets, and Other.
- The portfolio will generally hold between 80 and 110 individual securities.

- **Other Transactions and Policies**

- It is expected the Portfolio will invest in primarily real estate companies that are fully integrated, with expertise in specific property types, track record of creating value while also having management and financial expertise to ensure flexibility in many market environments.

Communications

In addition to regular meetings with the investment committee of the GRS Trustees, CBRE Clarion is required to provide the Trustees with written monthly reports. Reports should specify significant actions taken in the Portfolio; any expected changes to the portfolio, the manager's current market outlook and expected performance of the Portfolio. Each month's report ending a quarter (March, June, September and December) should address the criteria established by the GRS.

The GRS must be informed promptly (within 24 hours if possible) if any of the following events occur:

- A substantial change in ownership of the firm or a purchase or affiliation with another entity.
- Any loss of key investment personnel involved with the management of either the investment process or the portfolio.
- A change in investment philosophy that represents a deviation from this policy statement. Any significant deviation from the manager's stated style will facilitate reassessment by the GRS.
- Any development precluding the ability of CBRE Clarion to manage the portfolio either in accordance with the standards of a prudent investment manager or within the context of this statement of investment policy.
- Any situation that has the potential to impact either the professionalism, financial position or the integrity of either the GRS or CBRE Clarion.

Annual Review

Trustees of the GRS will review these guidelines annually. Exceptions to this investment policy statement may be made at any time with the approval of the Trustees.

Agreement

Peggy Korzen
Executive Director
City of Grand Rapids General Retirement System

Date

T. Ritson Ferguson
Chief Investment Officer
CBRE Clarion Real Estate Securities, LLC

Date

City of Grand Rapids
General Retirement System
Investment Policy Statement

Northern Trust Global Investments
S&P 500 Index Portfolio

Goal

The investment goal of the portfolio is to provide the City of Grand Rapids General Retirement System (“GRS”) with a strategic allocation to the overall US equity market. The GRS has previously directed the Northern Trust Company, as custodian for the GRS, to invest certain assets of the GRS in units of the NTGI-QM Collective Daily S&P 500 Equity Index Fund – Lending (“NTGI Portfolio”). The GRS will evaluate the NTGI Portfolio with respect to all relevant provisions contained in Act 314 of the Public Acts of 1965, as amended by 1996 Public Act 485, 2002 Public Act 728 and 2012 Act 347, as amended from time to time by the State of Michigan (MCL 38.1132 et seq). A copy of Act 314 is attached and incorporated by reference.

Objectives

The investment objective of the NTGI Portfolio is to approximate the risk and return characteristics of the S&P 500 Index. The GRS has determined that this objective shall achieve long-term capital growth by investing in marketable US common stocks with a risk profile of the market benchmark. Specific investment objectives are intended to define quantifiable measures by which the results of the portfolio will be measured and evaluated on an ongoing basis. The performance results and investment characteristics of the portfolio will be measured and evaluated by the GRS relative to the S&P 500 Index.

The Portfolio will be measured and evaluated by the GRS relative to the benchmark on a quarterly basis. Investment performance will be measured for the following time periods: Three months, year-to-date, one year, three years, five years and since management inception.

Therefore, the GRS will evaluate the portfolio’s return with reference to the following performance objectives:

- Generate a total return that falls within a band of + / - 15 basis points or 0.15% of the return of the S&P 500 Index over both short (one to three years) and long (three to five years) term investment horizons.

Guidelines

GRS will, among other things, consider asset allocation, diversification, market capitalization, investment limitations and use of derivatives in evaluating the NTGI Portfolio.

- **Asset Allocation**

The portfolio is expected to be fully invested in a manner that approximates the risk and return characteristics of the S&P 500 Index.

- **Diversification**

The portfolio is expected to be diversified in a manner similar to that of the S&P 500 Index.

- **Market Capitalization**

The portfolio is expected to have a market capitalization profile similar to that of the S&P 500 Index.

Communications

The client must be informed promptly if any of the following occur:

- A substantial change in ownership of the firm or a purchase or affiliation with another entity.
- Any loss of key investment personnel involved with the management of either the investment process or the portfolio.
- A material change in investment philosophy that represents a deviation from the investment objective contained in the Fund Declaration for the Portfolio.
 - Any adverse development in the ability of Northern Trust Investments to manage the Portfolio either in accordance with the standards of a prudent investment manager or within the context of the provisions of the Fund Declaration for the Portfolio.

Annual Review

Trustees of the GRS will review these guidelines annually. Exceptions to this investment policy statement may be made at any time with the approval of the Trustees.

Agreement

Peggy Korzen
Executive Director
City of Grand Rapids
General Retirement System

Date

David H. Smith
Relationship Manager
Northern Trust Global Investments,
A Division of The Northern Trust Company

Date

City of Grand Rapids General Retirement System

Investment Policy Statement

Baird Advisors

Core-Oriented Fixed Income Portfolio

Goal

The investment goal of the portfolio is to provide the City of Grand Rapids General Retirement System (“GRS”) with a strategic allocation and exposure to the general investment characteristics of the core US fixed income market. Baird Advisors (“Baird”) has been retained by the GRS Board as the portfolio manager of this strategic allocation. Baird’s portfolio assignment is to manage the portfolio in an active manner and to add value (net of management fees) relative to the returns that could be achieved through a passive exposure to this market segment. Furthermore, Baird is expected to comply with all relevant provisions contained in Act 314 of the Public Acts of 1965, as amended by 1996 Public Act 485, 2002 Public Act 728 and 2012 Act 347, as amended from time to time by the State of Michigan (MCL 38.1132 et seq). A copy of the Act is attached.

Objectives

The portfolio is expected to provide the GRS with capital preservation and income generation by investing in a diversified portfolio of marketable US fixed income securities. Specific investment objectives are intended to define quantifiable measures by which the results of the portfolio will be measured and evaluated on an ongoing basis. The performance results and investment characteristics of the portfolio will be measured and evaluated relative to a broad measure of the overall US fixed income market and a universe of other professionally managed core fixed income managers. The relative market benchmark is defined as the Lehman Aggregate Bond Index. The universe of other professionally managed accounts is defined as the Wilshire Core Fixed Income Manager Universe. Both short and long-term performance will be monitored; however, the investment objectives outlined in this document are intended to address the evaluation process from a long-term perspective.

The portfolio will be measured and evaluated relative to the benchmark on a quarterly basis. Investment performance will be measured for the following time periods: Three months, year-to-date, one year, three years, five years and since management inception. Performance during up markets (trough to peak) and down markets (peak to trough) will be appraised.

Therefore, the portfolio is expected to meet or exceed the following performance objectives:

- Generate a total return between 25 and 50 basis points (net of fees) over the Lehman Aggregate Bond Index over a three- to five-year horizon.
- Observe a risk profile as measured by the tracking error relative to the Lehman Aggregate Bond Index of 75 basis points or 0.75% or less over a three- to five-year horizon.
- Generate a total return that ranks in the top 40% of the Wilshire Core Fixed Income Manager Universe over a three- to five-year horizon.

Guidelines

Investment guidelines establish the parameters for Baird to follow while constructing and maintaining the portfolio. The following points highlight the investment guidelines that have been established for the portfolio. Baird is expected to follow these guidelines carefully while implementing and executing portfolio strategy.

- **Asset Allocation**

The portfolio is expected to be fully invested in US fixed income securities. Cash equivalent investments may be used as an expression of portfolio strategy; however, cash equivalents may not exceed 20% of the portfolio at any time. Should market conditions suggest a hostile environment where the cash equivalents allocation guideline may be detrimental to the financial well being of the GRS, the investment manager should communicate suggested tactical adjustments to this guideline with authorized representatives of the GRS and Wilshire Associates.

- **Diversification**

The portfolio is expected to achieve value added results through active management decisions. In addition, the portfolio is expected to be broadly diversified to minimize a dramatic exposure to any single economic sector, industry or individual security.

Therefore, with respect to sector and industry diversification, the portfolio is limited by the following maximum percentage allocation guidelines for both sector and industry:

Sector / Industry Allocation

Treasury / Agency Sector	100%
US Government Obligations (Including Zero Strips)	100%
US Agency Obligations (Full Faith and Credit)	50%

Corporate Sector	50%
Industrial	30%
Finance	30%
Asset Backed	25%
Utilities (including Telephone)	30%
Yankee	25%

Mortgage Sector **50%**

Note: Investments in mortgage interest only (IO), principal only (PO), and inverse floaters or other CMO derivatives that have similar, uncertain or volatile duration or price movements are prohibited.

- Except for US Treasury and Agency securities, no single security position may exceed 5% (at market) of the portfolio.

- **Quality**

The portfolio is expected to be invested in investment grade fixed income securities and avoid exposure to securities with deteriorating quality features. The portfolio is expected to maintain a minimum weighted average credit quality of either AA or Aa using either Standard & Poor's or Moody's credit ratings, respectively. All fixed income securities at the time of purchase must be rated BBB / Baa or better by Moody's or Standard and Poor's. No split-rated securities rated below BBB / Baa will be allowed in the portfolio. Authorized representatives of the GRS should be notified if any issue is downgraded below a BBB / Baa rating by either major rating service after purchase. The issue may be held in the portfolio; however, its suitability will be reviewed at quarterly investment review meetings.

The following maximum quality constraints will apply to the portfolio:

AAA / Aaa	100%
AA / Aa	100%
A / A	50%
BBB / Baa	20%
Below BBB / Baa	0

- **Duration / Maturity**

The portfolio is expected to minimize the risk of interest rate exposure relative to the benchmark. Therefore, the duration of the portfolio is expected to vary no more than between 75% and 125% of the Lehman Aggregate Bond Index.

- **Liquidity Needs**

The portfolio may be required to provide a source of liquidity to the GRS; however, the required level of liquidity is not expected to be a major constraint on the portfolio. The portfolio will be reallocated or “rebalanced” periodically to maintain strategic target weights between asset classes and investment styles. Therefore, Baird may be requested to raise specific cash levels or to accept additional funding in order to execute the reallocation strategy.

- **Derivatives Policy**

- Exposure to risk by use of derivatives must be consistent with the overall investment guidelines.
- Investments in mortgage derivatives and structured notes are permitted subject to the following restrictions:
 1. No mortgage derivative will be purchased in the portfolio which would create an effective portfolio duration or exposure to mortgage prepayments outside the normal range established for the account.
 2. Structured notes shall not be purchased if payments are linked to indices or assets inconsistent with the letter or spirit of the portfolio’s investment guidelines. No structured note will be purchased in the portfolio which would create an effective portfolio duration or other risk exposure outside the normal range established for the account.
- Exchange-traded financial futures are not permissible fixed income investments and options on those futures are not allowed.
- Swaps and other over-the-counter derivatives which require an ISDA swap agreement are not permitted.
- No use of leverage is permitted.

- **Other Transactions and Policies**

- Prohibited Transactions include investment in equity-oriented securities, non-marketable securities (does not include 144A class securities); commingled funds including mutual funds, non-US Dollar denominated securities, convertible securities, private equity securities, commodities, real estate investments (including real estate investment trusts “REITs”), short sales, margin purchases, reverse repurchase agreements and securities lending.

Communications

In addition to regular meetings with the investment committee of the Trustees, Baird is required to provide, at a minimum, quarterly written reports to the Trustees. Reports should specify significant actions taken in the portfolio, any expected changes to the portfolio, the manager's current market outlook and expected performance of the portfolio. Each report ending a quarter (March, June, September and December) should address the criteria established by the GRS.

The GRS must be informed promptly (within 24 hours if possible) if any of the following events occur:

- A substantial change in ownership of the firm or a purchase or affiliation with another entity.
- Any loss of key investment personnel involved with the management of either the investment process or the portfolio.
- A change in investment philosophy that represents a material deviation from this policy statement. Any significant deviation from the manager's stated style will require written approval.
- Any material adverse development in the ability of Baird to manage the portfolio either in accordance with the standards of a prudent investment manager or within the context of this statement of investment policy.
- Any situation that has the potential to impact either the professionalism, financial position or integrity of either Baird or the GRS.

Annual Review

Trustees of the GRS will review these guidelines annually. Exceptions to this investment policy statement may be made at any time with the approval of the Trustees.

Agreement

Peggy Korzen
Executive Director
City of Grand Rapids
General Retirement System

Date

Charles B. Groeschell
Managing Director
Baird Advisors

Date

City of Grand Rapids General Retirement System

Investment Policy Statement

Western Asset Management Company

Core Plus LLC Fixed Income Portfolio

Goal

The investment goal of the portfolio is to provide the City of Grand Rapids General Retirement System (“GRS”) with a strategic “core-oriented” allocation to the overall US fixed income market, while opportunistically adding value in certain non-core sectors. The portfolio is designed to add value through active management decisions. Western Asset Management (“WAM”) has been selected by the Retirement Board as the portfolio manager for this strategic allocation. WAM’s assignment is to construct and actively manage the portfolio and to add value relative to the return that could be achieved through a passive exposure to this market segment. Furthermore, WAM is expected to comply with all relevant provisions contained in Act 314 of the Public Acts of 1965, as amended by 1996 Public Act 485, 2002 Public Act 728 and 2012 Act 347, as amended from time to time by the State of Michigan (MCL 38.1132 et seq). A copy of the Act is attached.

Objectives

The portfolio is expected to provide GRS with capital preservation and generate income by investing in a diversified portfolio of marketable fixed income securities. The specific investment objectives are outlined in the Western Asset US Core Plus LLC Offering Memorandum. The Lehman Aggregate Bond Index will be used as the market-oriented benchmark and the Wilshire Core Fixed Income Universe will be used as a measure of other comparable accounts. Both short and long-term performance will be monitored; however, the investment objectives outlined in this document are intended to address the evaluation process from a long-term perspective.

The portfolio is expected to meet or exceed the following performance objectives:

- Generate a total return of 75 basis points or 0.75% (net of fees) over the Lehman Aggregate Bond Index over a three- to five-year horizon.
- Generate a total return that ranks in the top 30% of the Wilshire Core Fixed Income Manager Universe over a three- to five-year horizon.

Eligible Securities

- ◆ WAM is authorized to invest in the Western Asset US Core Plus LLC commingled fixed income vehicle.

Communications

In addition to regular meetings with the investment committee of the Trustees, WAM is required to provide the Trustees with written monthly reports. Reports should specify significant recent actions or expected changes in the portfolio and the manager's current market outlook. Each month's report ending a quarter (March, June, September and December) should address this criteria established by the GRS.

The GRS must be informed promptly (within two business days) if any of the following events occur:

- A substantial change in ownership of the firm or a purchase or affiliation with another entity.
- Any loss of key investment personnel involved with the management of either the investment process or the portfolio.
- A change in investment philosophy that represents a material deviation from this policy statement. Any significant deviation from the manager's stated style will require written approval.
- Any material adverse development in the ability of WAM to manage the portfolio either in accordance with the standards of a prudent investment manager or within the context of this statement of investment policy.
- Any situation that has the potential to impact either the professionalism, financial position or the integrity of either WAM or the GRS.

Annual Review

Trustees of the GRS will review these guidelines annually. Exceptions to this investment policy statement may be made at any time with the approval of the Trustees.

Agreement

Peggy Korzen
Executive Director
City of Grand Rapids
General Retirement System

Date

Gavin James
Director of Client Service
Western Asset Management

Date

General Retirement System

Investment Policy Statement

Neuberger Berman, LLC

International Equity Portfolio

Goal

The investment goal of the portfolio is to provide the City of Grand Rapids General Retirement System (General Retirement System) (“GRS”) with a long-term, strategic allocation to non-US equity markets. It is the intention of Grand Rapids to be broadly diversified by country exposure, market exposure (both established and emerging stock markets may be used to achieve the goal of the Portfolio) and capitalization exposure. Neuberger Berman, LLC (“Neuberger”) has been selected by the GRS as the portfolio manager for this international equity allocation. Neuberger’s assignment is to construct and actively manage the portfolio to add value relative to the return that could be achieved through a passive exposure to the international markets. Furthermore, Neuberger is expected to comply with all relevant provisions contained in Act 314 of the Public Acts of 1965, as amended by 1996 Public Act 485, 2002 Public Act 728 and 2012 Act 347, as amended from time to time by the State of Michigan (MCL 38.1132 et seq). A copy of Act 314 is attached and incorporated by reference.

Objective

The portfolio is expected to achieve long-term capital growth by investing primarily in marketable common stocks of international corporations traded in non-US markets. Specific investment objectives are intended to define quantifiable measures by which the results of the portfolio will be measured and evaluated on an ongoing basis. The performance results and investment characteristics of the portfolio will be measured and evaluated relative to the overall international equity market and a universe of other professionally managed international equity accounts. The market benchmark is defined as the Morgan Stanley Capital International (“MSCI”) All Country World ex-US (“ACW ex-US”) Index. The universe of other professionally managed accounts is defined as the Wilshire International Equity Manager Universe.

The portfolio will be measured and evaluated relative to the benchmark on a quarterly basis. Investment performance will be measured for the following time periods: Three months, year-to-date, one year, three years, five years and since management inception. Performance during up markets (trough to peak) and down markets (peak to trough) will be appraised.

The portfolio is expected to meet or exceed the following performance objectives as established by the GRS:

- Generate a total return of 200 basis points (net of fees) over the MSCI ACW ex-US Index over a three- to five-year horizon.
- Generate a total return that ranks in the top 30% of the Wilshire International Equity Manager Universe over a three- to five-year horizon.

Guidelines

The following points highlight the investment guidelines that have been established for the current international equity allocation. While carefully implementing and executing portfolio strategy, Neuberger will be evaluated on the basis of these guidelines.

- **Asset Allocation**

The GRS prefers that the portfolio be fully invested in non-US or international equity securities. Any cash equivalent investments are expected to represent operational or residual amounts and not market timing decisions. Therefore, cash equivalents should not exceed 10% of the portfolio market value, except in transitional periods (i.e., significant cash flows).

- **Region / Country Allocation**

The GRS expects the portfolio to remain diversified across the non-US developed and emerging markets. In an effort to control risk, Neuberger is expected to maintain the Portfolio's country allocations within a range of +/- 10% of the MSCI ACW ex-US Index. Emerging Markets exposure is expected to remain within a range of +/- 10% of the MSCI ACW ex-US Index.

- **Diversification Guidelines**

The portfolio is to remain diversified by economic sector, industry and individual security. Following are the portfolio diversification guidelines:

- The portfolio is to invest in securities with market capitalizations of \$400 million or greater.
- No more than 4% of the total portfolio (at market value) may be invested in any single security.
- No more than 10% of the total portfolio may be invested in countries not included in the MSCI ACW ex-US Index.
- Economic sector weighting of the portfolio will fall within a range of +/- 15% of the MSCI ACW ex-US Index sector weighting.
- The portfolio will generally hold between 70 and 100 individual securities.

- **Currency Management**

The primary role of the portfolio is to provide the GRS with a strategic long-term exposure to international equity markets. In the context of long-term investing, currency management is a secondary consideration. However, in recognition of the risk associated with short-term exchange rate fluctuations, the responsibility for currency management is delegated to Neuberger. Grand Rapids prefers that no more than 20% of the portfolio (at market value) be hedged into the base currency (US Dollars).

- **Other Transactions and Policies**

- Based on the strategic purpose of the portfolio, the GRS expects Neuberger to make direct investments in marketable common stocks of international corporations traded in non-US markets. However, in recognition of the continued “globalization” of world equity markets and other types of equity substitutes available, Neuberger may invest in American Depositary Receipts (ADRs), International Depositary Receipts, Global Depositary Receipts (GDRs), convertible bonds, preferred stocks and warrants. The Grand Rapids Board prefers these categories in aggregate be limited to no more than 25% of the portfolio market value.
- Forward contracts may be used to manage the currency exposure of the portfolio. The use of options and futures to gain exposure either to individual stocks or aggregate markets is prohibited.
- The use of any form of derivative security or investment strategy that effectively leverages the portfolio is prohibited.

Communications

In addition to regular meetings with the investment committee of the GRS Trustees, Neuberger is required to provide the Trustees with written monthly reports. Reports should specify significant actions taken in the portfolio, any expected changes to the portfolio, the manager’s current market outlook and expected performance of the portfolio. Each month’s report ending a quarter (March, June, September and December) should address the criteria established by the GRS.

The GRS must be informed promptly (within 24 hours if possible) if any of the following events occur:

- A substantial change in ownership of the firm or a purchase or affiliation with another entity.
- Any loss of key investment personnel involved with the management of either the investment process or the portfolio.
- A change in investment philosophy that represents a deviation from this policy statement. Any significant deviation from the manager’s stated style will facilitate reassessment by the GRS.

- Any development precluding the ability of Neuberger to manage the portfolio either in accordance with the standards of a prudent investment manager or within the context of this statement of investment policy.
- Any situation that has the potential to impact either the professionalism, financial position or the integrity of either the GRS or Neuberger.

Annual Review

Trustees of the GRS will review these guidelines annually. Exceptions to this investment policy statement may be made at any time with the approval of the Trustees.

Agreement

Peggy Korzen
Executive Director
City of Grand Rapids
General Retirement System

Date

Benjamin Segal
Managing Director
Neuberger Berman, LLC

Date

General Retirement System

Investment Policy Statement

Wellington Management Company (Commodities)

Commodities

Precursor

Although the following guidelines are specific to the City of Grand Rapids General Retirement System (“GRS”), the plan’s current allocation is invested through a collective fund. The fund is currently managed by Wellington Management. The use of a collective fund as an investment vehicle does not allow the GRS to directly implement its guidelines upon the investment manager. However, the GRS fully intends to use this Investment Policy Statement to evaluate the fund’s management and performance and make appropriate adjustments to the GRS’ Commodities exposure.

Goal

The investment goal of the portfolio is to provide the City of Grand Rapids General Retirement System (“GRS”) with a strategic allocation to the global commodities market. Wellington has been selected by the GRS as the portfolio manager of this strategic allocation. Wellington’s portfolio assignment is to manage the portfolio in an active manner and to add value (net of management fees) relative to the return that could be achieved through a passive exposure to the global commodities markets. Furthermore, the GRS will evaluate the Wellington Portfolio with respect to all relevant provisions contained in Act 314 of the Public Acts of 1965, as amended by 1996 Public Act 485, 2002 Public Act 728 and 2012 Act 347, as amended from time to time by the State of Michigan (MCL 38.1132 et seq). A copy of the Act is attached.

Objective

The portfolio is expected to achieve long-term capital growth by investing predominantly through futures. Specific investment objectives are intended to define quantifiable measures by which the results of the portfolio will be measured and evaluated on an ongoing basis. The performance results and investment characteristics of the portfolio will be measured and evaluated relative to the Dow Jones-UBS Commodities Index and a peer group of comparable managers.

The portfolio will be measured and evaluated relative to the benchmark on an on-going basis. The portfolio is expected to meet or exceed the following performance objectives as established by the GRS:

- Generate a total return of **100** basis points (net of fees) over the Dow Jones-UBS Commodities Index over a three- to five-year horizon.
- Generate a total return that ranks in the top 30% of the peer group of comparable managers over a three- to five-year horizon.

Communications

In addition to regular meetings with the investment committee of the GRS Trustees, Wellington is required to provide the Trustees with written monthly reports. Reports should specify significant actions taken in the portfolio; any expected changes to the portfolio, the manager's current market outlook and expected performance of the portfolio. Each month's report ending a quarter (March, June, September and December) should address the criteria established by the GRS.

The GRS must be informed promptly (within 24 hours if possible) if any of the following events occur:

- A substantial change in ownership of the firm or a purchase or affiliation with another entity.
- Any loss of key investment personnel involved with the management of either the investment process or the portfolio.
- A change in investment philosophy that represents a deviation from this policy statement. Any significant deviation from the manager's stated style will facilitate reassessment by the GRS.
- Any development precluding the ability of Wellington to manage the portfolio either in accordance with the standards of a prudent investment manager or within the context of this statement of investment policy.
- Any situation that has the potential to impact either the professionalism, financial position or the integrity of either the GRS or Wellington.

Annual Review

Trustees of the GRS will review these guidelines annually. Exceptions to this investment policy statement may be made at any time with the approval of the Trustees.

Agreement

Peggy Korzen

Executive Director

The City of Grand Rapids General Retirement System

Date

Name

Title

Wellington Management

Date

General Retirement System

Investment Policy Statement

Brown Brothers Harriman

Treasury Inflation-Protected Securities

Precursor

Although the following guidelines are specific to the City of Grand Rapids General Retirement System (“GRS”), the plan’s current allocation is invested through a collective fund. The fund is currently managed by Brown Brothers Harriman (“BBH”). The use of a collective fund as an investment vehicle does not allow the GRS to directly implement its guidelines upon the investment manager. However, the GRS fully intends to use this Investment Policy Statement to evaluate the fund’s management and performance and make appropriate adjustments to the GRS’ Treasury Inflation-Protected Securities (“TIPS”) exposure.

Goal

The investment goal of the portfolio is to provide the GRS with a strategic allocation to inflation-hedging assets. BBH has been selected by the GRS as the portfolio manager of this strategic allocation. BBH’s portfolio assignment is to manage the portfolio in an active manner and to add value (net of management fees) relative to the return that could be achieved through a passive exposure to the TIPS market. Furthermore, the GRS will evaluate the BBH Portfolio with respect to all relevant provisions contained in Act 314 of the Public Acts of 1965, as amended by 1996 Public Act 485, 2002 Public Act 728 and 2012 Act 347, as amended from time to time by the State of Michigan (MCL 38.1132 et seq). A copy of the Act is attached.

Objective

The portfolio is intended to be representative of fixed income investments in which the principal is adjusted periodically based on changes in the Consumer Price Index (“CPI”). The purpose of a TIPS investment is to provide fixed income returns with the additional diversification benefits of inflation protection. The performance results and investment characteristics of the portfolio will be measured and evaluated relative to the Barclays U.S. TIPS Index and a peer group of comparable managers.

The portfolio will be measured and evaluated relative to the benchmark on an on-going basis. The portfolio is expected to meet or exceed the following performance objectives as established by the GRS:

- Generate a total return of 25 basis points (net of fees) over the Barclays U.S. TIPS Index over a three- to five-year horizon.
- Generate a total return that ranks in the top 40% of the peer group of comparable managers over a three- to five-year horizon.

Communications

In addition to regular meetings with the investment committee of the GRS Trustees, BBH is required to provide the Trustees with written monthly reports. Reports should specify significant actions taken in the portfolio; any expected changes to the portfolio, the manager's current market outlook and expected performance of the portfolio. Each month's report ending a quarter (March, June, September and December) should address the criteria established by the GRS.

The GRS must be informed promptly (within 24 hours if possible) if any of the following events occur:

- A substantial change in ownership of the firm or a purchase or affiliation with another entity.
- Any loss of key investment personnel involved with the management of either the investment process or the portfolio.
- A change in investment philosophy that represents a deviation from this policy statement. Any significant deviation from the manager's stated style will facilitate reassessment by the GRS.
- Any development precluding the ability of BBH to manage the portfolio either in accordance with the standards of a prudent investment manager or within the context of this statement of investment policy.
- Any situation that has the potential to impact either the professionalism, financial position or the integrity of either the GRS or BBH.

Annual Review

Trustees of the GRS will review these guidelines annually. Exceptions to this investment policy statement may be made at any time with the approval of the Trustees.

Agreement

Peggy Korzen

Executive Director
The City of Grand Rapids General Retirement System

Date

Name

Title
Brown Brothers Harriman

Date

General Retirement System

Investment Policy Statement

Harding Loevner, LP

International Equity ADR Portfolio

Goal

The investment goal of the portfolio is to provide the City of Grand Rapids General Retirement System (“GRS”) with a long-term, strategic allocation to non-US equity markets through American Depositary Receipts (“ADRs”). It is the intention of Grand Rapids to be broadly diversified by country exposure, market exposure (both established and emerging stock markets may be used to achieve the goal of the Portfolio) and capitalization exposure. Harding Loevner has been selected by the GRS as the portfolio manager for this international equity allocation. Harding Loevner’s assignment is to construct and actively manage the portfolio to add value relative to the return that could be achieved through a passive exposure to the international markets. Furthermore, Harding Loevner is expected to comply with all relevant provisions contained in Act 314 of the Public Acts of 1965, as amended by 1996 Public Act 485, 2002 Public Act 728 and 2012 Act 347, as amended from time to time by the State of Michigan (MCL 38.1132 et seq). A copy of Act 314 is attached and incorporated by reference.

Objective

The portfolio is expected to achieve long-term capital growth by investing in ADRs of international corporations. Specific investment objectives are intended to define quantifiable measures by which the results of the portfolio will be measured and evaluated on an ongoing basis. The performance results and investment characteristics of the portfolio will be measured and evaluated relative to the overall international equity market and a universe of other professionally managed international equity accounts. The market benchmark is defined as the Morgan Stanley Capital International (“MSCI”) All Country World ex-US (“ACW ex-US”) Index. The universe of other professionally managed accounts is defined as the Wilshire International Equity Manager Universe.

The portfolio will be measured and evaluated relative to the benchmark on a quarterly basis. Investment performance will be measured for the following time periods: Three months, year-to-date, one year, three years, five years and since management inception. The portfolio is expected to meet or exceed the following performance objectives as established by the GRS:

- Generate a total return of 100 basis points (net of fees) over the MSCI ACW ex-US Index over a three- to five-year horizon.

- Generate a total return that ranks in the top 30% of the Wilshire International Equity Manager Universe over a three- to five-year horizon.

Guidelines

The following points highlight the investment guidelines that have been established for the current international equity allocation. While carefully implementing and executing portfolio strategy, Harding Loevner will be evaluated on the basis of these guidelines.

- **Asset Allocation**

The GRS prefers that the portfolio be fully invested in international equity ADRs. Any cash equivalent investments are expected to represent operational or residual amounts and not market timing decisions. Therefore, cash equivalents should not exceed 10% of the portfolio market value, except in transitional periods (i.e., significant cash flows).

- **Region / Country Allocation**

The GRS expects the portfolio to remain diversified across the non-US developed and emerging markets. In an effort to control risk, Harding Loevner is expected to be invested in 15 different markets at any one time. Emerging Markets plus frontier markets is expected to remain within a range of +/- 10% of the MSCI ACW ex-US Index.

- **Diversification Guidelines**

The portfolio is to remain diversified by economic sector, industry and individual security. Following are the portfolio diversification guidelines:

- No more than 5% of the total portfolio (at cost) may be invested in any single security.
- Exposure to one sector is limited to 25% of the market value of the portfolio.
- Exposure to one industry is limited to 15% of the market value of the portfolio.
- The portfolio will generally hold between 30 and 60 individual securities.

- **Other Transactions and Policies**

- The use of options and futures to gain exposure either to individual securities or aggregate markets is prohibited.
- The use of any form of derivative security or investment strategy that effectively leverages the portfolio is prohibited.

Communications

In addition to regular meetings with the investment committee of the GRS Trustees, Harding Loevner is required to provide the Trustees with written monthly reports. Reports should specify significant actions taken in the portfolio; any expected changes to the portfolio, the manager's current market outlook and expected performance of the portfolio. Each month's report ending a quarter (March, June, September and December) should address the criteria established by the GRS.

The GRS must be informed promptly (within 24 hours if possible) if any of the following events occur:

- A substantial change in ownership of the firm or a purchase or affiliation with another entity.
- Any loss of key investment personnel involved with the management of either the investment process or the portfolio.
- A change in investment philosophy that represents a deviation from this policy statement. Any significant deviation from the manager's stated style will facilitate reassessment by the GRS.
- Any development precluding the ability of Harding Loevner to manage the portfolio either in accordance with the standards of a prudent investment manager or within the context of this statement of investment policy.
- Any situation that has the potential to impact either the professionalism, financial position or the integrity of either the GRS or Harding Loevner.

Annual Review

Trustees of the GRS will review these guidelines annually. Exceptions to this investment policy statement may be made at any time with the approval of the Trustees.

Agreement

Peggy Korzen
Executive Director
The City of Grand Rapids General Retirement System

Date

Name
Title
Harding Loevner

Date

General Retirement System

Investment Policy Statement

Harvest Fund Advisors

Master Limited Partnerships

Goal

The investment goal of the portfolio is to provide the City of Grand Rapids General Retirement System (“GRS”) with a long-term, strategic allocation to Master Limited Partnerships (“MLPs”). Harvest Fund Advisors (“Harvest”) has been selected by the GRS as the portfolio manager for this MLP allocation. Harvest’s assignment is to construct and actively manage the portfolio to add value relative to the return that could be achieved through a passive exposure to the MLP markets. Furthermore, Harvest is expected to comply with all relevant provisions contained in Act 314 of the Public Acts of 1965, as amended by 1996 Public Act 485, 2002 Public Act 728 and 2012 Act 347, as amended from time to time by the State of Michigan (MCL 38.1132 et seq). A copy of Act 314 is attached and incorporated by reference.

Objective

The portfolio is expected to achieve long-term capital growth by investing primarily in marketable common stocks of MLP corporations traded in US markets. The investment will provide exposure to businesses that primarily engage in in the midstream portion of the energy chain – i.e pipelines, storage terminals, gathering and processing. The principal roles for MLPs in the Portfolio are for income generation, high growth potential, portfolio diversification, and a hedge against inflation. Specific investment objectives are intended to define quantifiable measures by which the results of the portfolio will be measured and evaluated on an ongoing basis. The performance results and investment characteristics of the portfolio will be measured and evaluated relative to the overall MLP market and a universe of other professionally managed MLP accounts. The market benchmark is defined as the S&P MLP Index. The universe will consist of a selection of other professionally managed MLP accounts from the Wilshire database.

The portfolio will be measured and evaluated relative to the benchmark on a quarterly basis. Investment performance will be measured for the following time periods: Three months, year-to-date, one year, three years, five years and since management inception.

The portfolio is expected to meet or exceed the following performance objectives as established by the GRS:

- Generate a total return of 200 basis points (net of fees) over the S&P MLP Index over a three-to five-year horizon.
- Generate a total return that ranks in the top 30% of the professionally managed accounts from the Wilshire database.

Guidelines

The following points highlight the investment guidelines that have been established for the current MLP allocation. While carefully implementing and executing portfolio strategy, Harvest will be evaluated on the basis of these guidelines.

- The account is to be managed long-only with no leverage.
- An allowable investment must be a company that owns or operates midstream energy assets or is engaged in the transportation, processing, or storage of natural resources, including, but not limited to, natural gas, crude oil, and refined petroleum products.
- The publicly traded securities must have a minimum market capitalization of \$500 million.
- Securities shall be restricted to those issues listed on the New York, American, and NASDAQ Stock Exchanges or other United States stock exchanges.
- Cash equivalents shall normally not exceed 10% of the portfolio market value.
- For prudent diversification, the portfolio shall consist of at least 20 securities.
- The maximum exposure to any one position shall be 20% of the market value of the portfolio. For purposes of this limitation, limited partnership and general partnership interests shall be combined when calculating the maximum exposure to any one position. Any position that exceeds the 20% limit at month-end shall be reduced below the 20% single position limit within 30 calendar days.

Communications

In addition to regular meetings with the investment committee of the GRS Trustees, Harvest is required to provide the Trustees with written monthly reports. Reports should specify significant actions taken in the portfolio; any expected changes to the portfolio, the manager's current market outlook and expected performance of the portfolio. Each month's report ending a quarter (March, June, September and December) should address the criteria established by the GRS.

The GRS must be informed promptly (within 24 hours if possible) if any of the following events occur:

- A substantial change in ownership of the firm or a purchase or affiliation with another entity.

- Any loss of key investment personnel involved with the management of either the investment process or the portfolio.
- A change in investment philosophy that represents a deviation from this policy statement. Any significant deviation from the manager's stated style will facilitate reassessment by the GRS.
- Any development precluding the ability of Harvest to manage the portfolio either in accordance with the standards of a prudent investment manager or within the context of this statement of investment policy.
- Any situation that has the potential to impact either the professionalism, financial position or the integrity of either the GRS or Harvest.

Annual Review

Trustees of the GRS will review these guidelines annually. Exceptions to this investment policy statement may be made at any time with the approval of the Trustees.

Agreement

<i>Peggy Korzen</i>	<i>Date</i>
Executive Director The City of Grand Rapids General Retirement System	

<i>Name</i>	<i>Date</i>
Title Harvest Fund Advisors	

**City of Grand Rapids
General Retirement System
Investment Management Fees**

Manager

Annual Management Fee

Domestic Equity

Wellington Management Company, LLP

.60% on all assets managed

Northern Trust Global Investments

.05% on first \$100 million
.02% on amount exceeding \$100 million

Pacific Investment Management Company

50% of first 40 basis points of
value added over the S&P 500
20% thereafter
No Cap

Fixed Income

Baird Advisors

Fee schedule is for combined assets

.25% on first \$25 million

.20% thereafter

Western Asset Management

Fee schedule is for combined assets

.30% on first \$100 million

.15% on amount exceeding \$100 million

International Equity

Neuberger Berman, LLC

Fee schedule is for combined assets

1.00% on first \$10 million

.75% on next \$25 million

.50% on amount exceeding \$35 million

Harding Loevner LP

Fee schedule is for combined assets

0.80% on first \$20 million

.40% on balance

City of Grand Rapids

General Retirement System

Investment Management Fees

Manager

Annual Management Fee

Global REITs

CBRE Clarion

.75% on all managed assets

Private Markets

Adams Street Partners LLC

1.00% on first \$25 million of the subscription amount
Fees reduced to 90% of the regular fee in year 8, 80% in year 9, etc.
10% carried interest on secondary partnership purchases only

FLAG Capital Management

0.75% on the subscription amount
5% carried interest

Commodities

Wellington Management Company, LLP

0.75% on all managed assets

Treasury Inflation-Protected Securities (“TIPS”)

Brown Brothers Harriman

0.15% on first \$100 million
0.10% on balance

MLPs

Harvest Fund Advisors

0.75% on first \$100 million
0.70% on next \$50 million
0.65% on next \$50 million
0.60% on next \$50 million
0.55% on next \$50 million
0.50% on balance

City of Grand Rapids General Retirement System

Contact List

City of Grand Rapids General Retirement System

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City of Grand Rapids General Retirement System

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City of Grand Rapids General Retirement System

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City of Grand Rapids General Retirement System Overview of PA Act 314

The table below highlights the prior and amended limits of Michigan Public Employee Retirement System Act PA 314:

Asset Class	Plan Size	Prior Limits	Amended Limits
Real Estate	< \$100,000,000	5%	10%
	> \$100,000,000	10%	20%
	State Treasurer	No Limit	No Limit
Private Equity	\$0 < \$250,000,000	Current law is silent	Silent
	\$250,000,000 < \$1,000,000,000	Current law is silent	5% (Michigan), additional falls in basket
	> \$1,000,000,000	Current law is silent	15% (10% plus 5% Michigan only)
	State Treasurer	30%	30%
Basket Clause	\$0 < \$250,000,000	5%	15%
	\$250,000,000 < \$1,000,000,000	10%	20%
	> \$1,000,000,000	15%	25%
	State Treasurer	20%	30%
Equity Securities	All plans	70% (Domestic)	70% (Global)
Foreign Securities	< \$2,000,000,000	20%	20%
	> \$2,000,000,000	20%	30%