

**JOURNAL OF PROCEEDINGS - BOARD OF TRUSTEES -
POLICE & FIRE RETIREMENT SYSTEM - CITY OF DETROIT**

**PROCEEDINGS HELD THURSDAY, OCTOBER 13, 2005 - 9:00 A.M.
IN THE CONFERENCE ROOM OF THE RETIREMENT SYSTEMS
910 COLEMAN A. YOUNG MUNICIPAL CENTER
DETROIT, MICHIGAN 48226**

PRESENT

Marty Bandemer	Elected Trustee
Gregory Best	Elected Trustee
Roger Cheek	Ex/Officio Trustee
Gary Christian	Ex/Officio Alternate Trustee
Seth Doyle	Ex/Officio Alternate Trustee
Frank English	Elected Trustee & Vice Chairperson
Laura Isom	Elected Trustee & Chairperson
Timothy Ngare	Ex/Officio Alternate Trustee
George Orzech	Elected Trustee
Paul Stewart	Elected Trustee
Walter Stampor	Executive Secretary
Cynthia Thomas	Assistant Executive Secretary
Janet S. Lenear	Recording Secretary
Ronald Zajac	Legal Counsel
Richard Huddleston	Investment Analyst

EXCUSED

None

ABSENT

Sharon McPhail	Ex/Officio Trustee & City Council Member
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CHAIRPERSON

Laura Isom

VICE CHAIRPERSON

Frank English

ROLL CALL WAS TAKEN AT 9:05 A.M. BY THE BOARD'S RECORDING SECRETARY AND THE MEETING WAS CALLED TO ORDER.

NON-DUTY DISABILITY APPLICATION OF SANA BRIKHO

BY MR. ORZECH - SUPPORTED BY MR. ENGLISH

WHEREAS, SANA BRIKHO FILED A SEPTEMBER 20, 2005 APPLICATION FOR NON-DUTY DISABILITY RETIREMENT, AND

WHEREAS, THE BOARD'S MEDICAL DIRECTOR HAS OPINED THAT MS. BRIKHO IS DISABLED FOR FULL DUTY, NON-DUTY RELATED, THEREFORE BE IT

RESOLVED, THAT THE BOARD ACCEPT THE FINDING OF ITS MEDICAL DIRECTOR REGARDING MS. BRIKHO, AND BE IT FURTHER

RESOLVED, THAT THE BOARD FINDS THAT MS. BRIKHO'S DISABILITY DID NOT RESULT FROM PERFORMANCE OF DUTY, AND BE IT FURTHER

RESOLVED, THAT SANA BRIKHO'S APPLICATION FOR NON-DUTY DISABILITY RETIREMENT BE HEREBY APPROVED:

YEAS - TRUSTEES BANDEMER, BEST, CHEEK, ENGLISH, ORZECH, STEWART AND CHAIRPERSON ISOM - 7

NAYS - NONE

CONFIRMATIONS

BY MR. ENGLISH - SUPPORTED BY MR. STEWART

RESOLVED, THAT THE RECEIPTS WHICH ARE OUTLINED BELOW BE CONFIRMED:

YEAS - TRUSTEES BANDEMER, BEST, CHEEK, ENGLISH, ORZECH, STEWART AND CHAIRPERSON ISOM - 7

NAYS - NONE

CONFIRMATIONS

THE BOARD RECEIVED THE SUM OF **\$5,435,000.00** ON OCTOBER 7, 2005 FROM CAPRI SELECT INCOME (CAPITAL RETURN)

THE BOARD RECEIVED THE SUM OF **\$2,041,643.84** ON OCTOBER 7, 2005 FROM MIDLAND'S AFFORDABLE HOUSING GROUP TRUST - 2005 THIRD QUARTER DISTRIBUTION

THE BOARD RECEIVED THE SUM OF **\$74,616.45** ON OCTOBER 7, 2005 FROM INLAND'S RETAIL TRUST - SEPTEMBER, 2005 DISTRIBUTION

THE BOARD RECEIVED THE SUM OF **\$630,136.99** ON OCTOBER 7, 2005 FROM MIDLAND'S MULTI-FAMILY EQUITY

REFUNDS OF ACCUMULATED CONTRIBUTIONS

BY MR. STEWART - SUPPORTED BY MR. ENGLISH

RESOLVED, THAT THE CONTRIBUTIONS TO THE ANNUITY SAVINGS FUND BY MEMBERS OF THE POLICEMEN AND FIREMEN RETIREMENT SYSTEM OF THE CITY OF DETROIT, AS SET FORTH ON LIST #3179 (WHICH IS REFERENCED AT THE END OF THESE PROCEEDINGS), IN THE AMOUNT OF \$67,356.37, INCLUDING INTEREST, BE REFUNDED PENDING AUDIT BY RETIREMENT SYSTEM ACCOUNTING STAFF:

REFUNDS OF ACCUMULATED CONTRIBUTIONS

**YEAS - TRUSTEES BANDEMER, BEST, CHEEK, ENGLISH, ORZECH,
STEWART AND CHAIRPERSON ISOM - 7**

NAYS - NONE

■ EX/OFFICIO TRUSTEE SETH DOYLE ENTERED THE MEETING.

MINUTES OF THURSDAY, SEPTEMBER 22, 2005

BY MR. ENGLISH - SUPPORTED BY MR. BANDEMER

**RESOLVED, THAT THE MINUTES OF THE MEETING HELD THURSDAY,
SEPTEMBER 22, 2005 BE APPROVED AS RECORDED AND SUBMITTED
BY THE BOARD'S RECORDING SECRETARY:**

**YEAS - TRUSTEES BANDEMER, BEST, CHEEK, DOYLE, ENGLISH,
ORZECH, STEWART AND CHAIRPERSON ISOM - 8**

NAYS - NONE

BILL PAYMENT REQUESTS

BY MR. ORZECH - SUPPORTED BY MR. BANDEMER

**WHEREAS, THE BOARD IS IN RECEIPT OF THE FOLLOWING BILLINGS
REQUESTING PAYMENT FOR SERVICES RENDERED, AND**

**WHEREAS, THE BOARD IS SATISFIED THAT SERVICES WERE
PROVIDED TO THE BOARD AS REQUESTED BY THE BOARD,
THEREFORE BE IT**

**RESOLVED, THAT SUBJECT TO STAFF AUDIT, THE BOARD APPROVE
PAYMENT OF SAID BILLINGS:**

BILL PAYMENT REQUESTS

FIRM OR INDIVIDUAL, DATE, AMOUNT, SERVICE(S) PROVIDED

**DATA MEDIA STORE.COM - OCTOBER 5, 2005 - \$144.00 - POLICE AND FIRE
PORTION OF \$288.00 - OFFICE SUPPLIES**

ENGLISH, FRANK - OCTOBER 13, 2005 - \$127.00 - PARKING REIMBURSEMENT

**GABRIEL, ROEDER, SMITH & COMPANY - OCTOBER 1, 2005 - \$4,300.00 -
OCTOBER, 2005 ACTUARIAL SERVICES**

**IRON MOUNTAIN - SEPTEMBER 30, 2005 - \$92.72 - POLICE AND FIRE
PORTION OF \$185.44 - CONTRACT/MISCELLANEOUS SERVICES - CUSTOMER
IDENTIFICATION NUMBER LV-23-D**

**IRON MOUNTAIN - SEPTEMBER 30, 2005 - \$677.92 - POLICE AND FIRE
PORTION OF \$1,355.83 - CONTRACT/MISCELLANEOUS SERVICES -
CUSTOMER IDENTIFICATION NUMBER L-166-D**

**PDS, INC. - OCTOBER 12, 2005 - \$10,119.27 - POLICE AND FIRE PORTION OF
\$20,238.53 - COMPUTER EQUIPMENT, SOFTWARE, TRAINING, MAINTENANCE**

**PLANTE & MORAN - SEPTEMBER 30, 2005 - \$14,330.00 - POLICE AND FIRE
PORTION OF \$28,660.00 - AUDIT SERVICES**

**RELIABLE OFFICE PRODUCTS - SEPTEMBER 30, 2005 - \$92.02 - POLICE AND
FIRE PORTION OF \$184.04 - OFFICE SUPPLIES**

**RELIABLE OFFICE PRODUCTS - SEPTEMBER 30, 2005 - \$8.23 - POLICE AND
FIRE PORTION OF \$16.45 - OFFICE SUPPLIES**

**YEAS - TRUSTEES BANDEMER, BEST, CHEEK, DOYLE, ENGLISH,
ORZECH, STEWART AND CHAIRPERSON ISOM - 8**

NAYS - NONE

Finance/Retirement Petty Cash Account

By Mr. Orzech - Supported by Mr. Bandemer

**Whereas, The present balance of the Finance/Retirement Petty
Cash account is \$143.93, and**

Finance/Retirement Petty Cash Account

Whereas, Staff has requested that the account be replenished to its maximum amount of \$2,000.00, Therefore Be It

Resolved, That the Finance/Retirement Petty Cash account be replenished to the maximum amount of \$2,000.00, and be it further

Resolved, That the amount required to replenish the Finance/Retirement Petty Cash account to \$2,000.00, which totals \$1,856.07, be paid by the Police and Fire Retirement System (\$1,073.59) and the General Retirement System (\$782.48):

YEAS - TRUSTEES BANDEMER, BEST, CHEEK, DOYLE, ENGLISH, ORZECH, STEWART AND CHAIRPERSON ISOM - 8

NAYS - NONE

Pre-Employment Military Service Credit

By Mr. Orzech - Supported by Mr. English

Whereas, The individual whose name is designated below has applied to this Board for Pre-Employment Military Service Credit and has complied with all of the necessary requirements of Section 54-30-3-B of the Charter Provisions, as amended by Board resolution of February 3, 1983, Therefore Be It

Resolved, That payment of the full amounts be made to the Pension Accumulation Fund by the method selected by the individual and the number of months eligible active duty be credited him as membership service credit subject to the conditions and limitations of the authorizing Ordinance Provisions as amended by Board resolution of February 3, 1983:

Terry Bonds - Officer - Police Department

Pre-Employment Military Service Credit

**YEAS - TRUSTEES BANDEMER, BEST, CHEEK, DOYLE, ENGLISH,
ORZECH, STEWART AND CHAIRPERSON ISOM - 8**

NAYS - NONE

■ **EX/OFFICIO TRUSTEE TIMOTHY NGARE ENTERED THE MEETING.**

■ **EX/OFFICIO TRUSTEE GARY CHRISTIAN ENTERED THE MEETING.**

**MEMBERS OF THE DETROIT POLICE COMMAND OFFICERS'
ASSOCIATION**

BY MR. ORZECH - SUPPORTED BY MR. BANDEMER

**WHEREAS, MARSHALL J. WIDICK (OF THE LAW OFFICES OF SACHS
WALDMAN) REQUESTS THAT THE BOARD CONFIRM THAT CERTAIN
MEMBERS OF THE DETROIT POLICE COMMAND OFFICERS'
ASSOCIATION HAVE NOT RETIRED AND HAVE NOT FILED AN
APPLICATION FOR RETIREMENT WITH THE POLICE AND FIRE
RETIREMENT SYSTEM, PER ONE-PAGE OCTOBER 10, 2005
COMMUNICATION, THEREFORE BE IT**

**RESOLVED, THAT THE EXECUTIVE SECRETARY INFORM MR. WIDICK
IN WRITING THAT THE INDIVIDUALS REFERENCED IN HIS OCTOBER
10, 2005 LETTER HAVE NOT FILED THE NECESSARY FORMS TO
ENTITLE THEM TO BEGIN RECEIVING A RETIREMENT ALLOWANCE
FROM
THE POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF
DETROIT:**

**YEAS - TRUSTEES BANDEMER, BEST, CHEEK, CHRISTIAN, DOYLE,
ENGLISH, NGARE, ORZECH, STEWART AND CHAIRPERSON
ISOM - 10**

NAYS - NONE

LEGAL COUNSEL'S REPORTS

LEGAL COUNSEL RONALD ZAJAC DISCUSSED VARIOUS MATTERS WITH THE BOARD, INCLUDING LOOMIS, LIBERTY MUTUAL'S U.S. POWER FUND, HSBC, GLOBAL CROSSING, ALPHA PARTNERS, PF COLONNADES WEST CORPORATION, PFRS DUBLIN CORPORATION, PFRS OAK GROVE CORPORATION, PFRS PATRICK CENTER CORPORATION, PFRS YAMATO CORPORATION, THE IRS, JOHNNY GEORGE, GERALDINE SMITH, ALLISON WALKER AND THE CALPINE CORPORATION.

LOOMIS, SAYLES & COMPANY

BY MR. NGARE - SUPPORTED BY MR. DOYLE

Whereas, The Board has been requested to execute an Acknowledgement Letter dated October 6, 2005, re: Authority Under Public Act 314 of 1965 to Invest in Futures relative to the foregoing transaction, and

Whereas, The execution of said document has been recommended by Loomis Sayles & Company, and

Whereas, The execution of said document has been reviewed and approved as to form by the Board's Legal Counsel, and the execution of said document is consistent with prior action of the Board, Therefore Be It

Resolved, That said document be executed by two (2) authorized signatories on behalf of the Board, and be it further

Resolved, That the executed original document be forwarded to Loomis, Sayles & Company, and be it further

Resolved, That the Retirement System retain copies of said executed original document:

LOOMIS, SAYLES & COMPANY

**YEAS - TRUSTEES BANDEMER, BEST, CHEEK, CHRISTIAN, DOYLE,
ENGLISH, NGARE, ORZECH, STEWART AND CHAIRPERSON
ISOM - 10**

NAYS - NONE

LIBERTY LIFE'S U.S. POWER FUND

BY MR. ENGLISH - SUPPORTED BY MR. STEWART

Whereas, The Board has been requested to execute an Investor Life/Investor Consent and Officers' Certificate dated October 12, 2005 relative to the foregoing transaction, and

Whereas, The execution of said document has been recommended by Liberty Life and

Whereas, The execution of said document has been reviewed and approved as to form by the Board's Legal Counsel, and the execution of said document is consistent with prior action of the Board, Therefore Be It

Resolved, That said document be executed by two (2) authorized signatories on behalf of the Board, and be it further

Resolved, That the executed original document be forwarded to the appropriate party, and be it further

Resolved, That the Retirement System retain copies of said executed original document:

**YEAS - TRUSTEES BANDEMER, BEST, CHEEK, CHRISTIAN, DOYLE,
ENGLISH, NGARE, ORZECH, STEWART AND CHAIRPERSON
ISOM - 10**

NAYS - NONE

IRS

LEGAL COUNSEL PROVIDED EACH BOARD MEMBER WITH A COPY OF AN OCTOBER 11, 2005 COMMUNICATION FROM LEGAL COUNSEL TO THE IRS REGARDING A \$1,474,715.92 CREDIT ADJUSTMENT.

CALPINE CORPORATION

LEGAL COUNSEL PROVIDED EACH BOARD MEMBER WITH A COPY OF A SEPTEMBER 7, 2005 COMMUNICATION FROM SPECIAL COUNSEL KOHN, SWIFT & GRAF, P.C. TO THE BOARD REGARDING THE ABOVE-CAPTIONED LITIGATION.

PRE-EMPLOYMENT MILITARY SERVICE CREDIT

LEGAL COUNSEL PROVIDED EACH BOARD MEMBER WITH A COPY OF AN OCTOBER 5, 2005 COMMUNICATION FROM THE GENERAL RETIREMENT SYSTEM TO CITY COUNCIL REGARDING THE ABOVE-CAPTIONED MATTER.

GLOBAL CROSSING LIMITED

BY MR. DOYLE - SUPPORTED BY MR. BANDEMER

WHEREAS, DEMAND HAS BEEN MADE ON THE RETIREMENT SYSTEM FOR A RETURN OF \$8,203.12 IN DIVIDENDS BY THE BANKRUPTCY TRUSTEE, AND

WHEREAS, GENERAL COUNSEL HAS DISCUSSED THIS MATTER WITH BANKRUPTCY COUNSEL (PETER JACKSON FROM CLARK HILL), AND

WHEREAS, IN CLOSED SESSION (THIS DATE) LEGAL COUNSEL HAS MADE A RECOMMENDATION REGARDING A PROPOSED SETTLEMENT REGARDING THIS MATTER, THEREFORE BE IT

RESOLVED, THAT AN ATTEMPT TO SETTLE THIS MATTER BE MADE CONSISTENT WITH THE BOARD'S DISCUSSION OF THIS DATE, AND BE IT FURTHER

GLOBAL CROSSING LIMITED

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO SPECIAL COUNSEL PETER JACKSON AT CLARK HILL:

**YEAS - TRUSTEES BANDEMER, BEST, CHEEK, CHRISTIAN, DOYLE,
ENGLISH, NGARE, ORZECH, STEWART AND CHAIRPERSON
ISOM - 10**

NAYS - NONE

PF COLONNADES WEST CORPORATION

THE BOARD WAS MADE AWARE OF THE EXECUTION OF THE 2005 VIRGINIA ANNUAL REPORT DATED OCTOBER 13, 2005 BY AN OFFICER OF THE CORPORATION.

MAYFIELD GENTRY REALTY ADVISORS

ALICIA DIAZ AND SPECIAL COUNSEL F. LOGAN DAVIDSON APPEARED BEFORE THE BOARD AND ASKED THE BOARD TO EXECUTE CERTAIN DOCUMENTS RELATIVE TO THE 7 PROPERTIES MAYFIELD GENTRY IS RE-FINANCING FOR THE BOARD.

THE BOARD THEN EXCUSED MR. DAVIDSON AND MS. DIAZ.

PF COLONNADES WEST CORPORATION

THE BOARD OF TRUSTEES WAS MADE AWARE OF THE EXECUTION OF THE FOLLOWING DOCUMENTS BY AN OFFICER OF THE CORPORATION:

PROMISSORY NOTE FROM PF COLONNADES WEST CORPORATION ("BORROWER") TO WACHOVIA BANK, NATIONAL ASSOCIATION ("LENDER") IN THE ORIGINAL PRINCIPAL AMOUNT OF \$13,500,000.00

DEED OF TRUST AND SECURITY AGREEMENT

ASSIGNMENT OF LEASES AND RENTS

PF COLONNADES WEST CORPORATION

ENVIRONMENTAL INDEMNITY AGREEMENT

BORROWER'S CERTIFICATE

POST-CLOSING AGREEMENT

DISBURSEMENT AUTHORIZATION

RECEIPT AND CLOSING CERTIFICATE

REQUEST FOR TAXPAYER I.D. (IRS FORM W-9)

CORPORATE OWNER'S AFFIDAVIT

**WRITTEN CONSENT OF SHAREHOLDER, RE: APPROVAL OF AMENDED
AND RESTATED ARTICLES OF INCORPORATION**

AMENDED AND RESTATED ARTICLES OF INCORPORATION

PFRS DUBLIN CORPORATION

**THE BOARD OF TRUSTEES WAS MADE AWARE OF THE EXECUTION OF
THE FOLLOWING DOCUMENTS BY AN OFFICER OF THE CORPORATION:**

**PROMISSORY NOTE FROM PFRS DUBLIN CORPORATION
("BORROWER") TO WACHOVIA BANK, NATIONAL ASSOCIATION
("LENDER") IN THE ORIGINAL PRINCIPAL AMOUNT OF \$13,700,000.00**

DEED OF TRUST AND SECURITY AGREEMENT

ASSIGNMENT OF LEASES AND RENTS

ENVIRONMENTAL INDEMNITY AGREEMENT

BORROWER'S CERTIFICATE

POST-CLOSING AGREEMENT

PFRS DUBLIN CORPORATION

DISBURSEMENT AUTHORIZATION

RECEIPT AND CLOSING CERTIFICATE

REQUEST FOR TAXPAYER I.D. (IRS FORM W-9)

CORPORATE OWNER'S AFFIDAVIT

**WRITTEN CONSENT OF SHAREHOLDER, RE: APPROVAL OF AMENDED
AND RESTATED ARTICLES OF INCORPORATION**

AMENDED AND RESTATED ARTICLES OF INCORPORATION

PFRS OAK GROVE CORPORATION

**THE BOARD OF TRUSTEES WAS MADE AWARE OF THE EXECUTION OF
THE FOLLOWING DOCUMENTS BY AN OFFICER OF THE CORPORATION:**

**PROMISSORY NOTE FROM PFRS OAK GROVE CORPORATION
("BORROWER") TO WACHOVIA BANK, NATIONAL ASSOCIATION
("LENDER") IN THE ORIGINAL PRINCIPAL AMOUNT OF \$6,700,000.00**

DEED OF TRUST AND SECURITY AGREEMENT

ASSIGNMENT OF LEASES AND RENTS

ENVIRONMENTAL INDEMNITY AGREEMENT

BORROWER'S CERTIFICATE

POST-CLOSING AGREEMENT

DISBURSEMENT AUTHORIZATION

RECEIPT AND CLOSING CERTIFICATE

REQUEST FOR TAXPAYER I.D. (IRS FORM W-9)

PFRS OAK GROVE CORPORATION

CORPORATE OWNER'S AFFIDAVIT

**WRITTEN CONSENT OF SHAREHOLDER, RE: APPROVAL OF AMENDED
AND RESTATED ARTICLES OF INCORPORATION**

AMENDED AND RESTATED ARTICLES OF INCORPORATION

PFRS PATRICK CENTER CORPORATION

**THE BOARD OF TRUSTEES WAS MADE AWARE OF THE EXECUTION OF
THE FOLLOWING DOCUMENTS BY AN OFFICER OF THE CORPORATION:**

**PROMISSORY NOTE FROM PFRS PATRICK CENTER CORPORATION
("BORROWER") TO WACHOVIA BANK, NATIONAL ASSOCIATION
("LENDER") IN THE ORIGINAL PRINCIPAL AMOUNT OF \$9,000,000.00**

DEED OF TRUST AND SECURITY AGREEMENT

ASSIGNMENT OF LEASES AND RENTS

ENVIRONMENTAL INDEMNITY AGREEMENT

BORROWER'S CERTIFICATE

POST-CLOSING AGREEMENT

DISBURSEMENT AUTHORIZATION

RECEIPT AND CLOSING CERTIFICATE

REQUEST FOR TAXPAYER I.D. (IRS FORM W-9)

CORPORATE OWNER'S AFFIDAVIT

**WRITTEN CONSENT OF SHAREHOLDER, RE: APPROVAL OF AMENDED
AND RESTATED ARTICLES OF INCORPORATION**

AMENDED AND RESTATED ARTICLES OF INCORPORATION

PFRS YAMATO CORPORATION

**THE BOARD OF TRUSTEES WAS MADE AWARE OF THE EXECUTION OF
THE FOLLOWING DOCUMENTS BY AN OFFICER OF THE CORPORATION:**

**PROMISSORY NOTE FROM PFRS YAMATO CORPORATION
("BORROWER") TO WACHOVIA BANK, NATIONAL ASSOCIATION
("LENDER") IN THE ORIGINAL PRINCIPAL AMOUNT OF \$14,000,000.00**

DEED OF TRUST AND SECURITY AGREEMENT

ASSIGNMENT OF LEASES AND RENTS

ENVIRONMENTAL INDEMNITY AGREEMENT

BORROWER'S CERTIFICATE

POST-CLOSING AGREEMENT

DISBURSEMENT AUTHORIZATION

RECEIPT AND CLOSING CERTIFICATE

REQUEST FOR TAXPAYER I.D. (IRS FORM W-9)

CORPORATE OWNER'S AFFIDAVIT

**WRITTEN CONSENT OF SHAREHOLDER, RE: APPROVAL OF AMENDED
AND RESTATED ARTICLES OF INCORPORATION**

AMENDED AND RESTATED ARTICLES OF INCORPORATION

PF COLONNADES WEST CORPORATION

BY MR. ENGLISH - SUPPORTED BY MR. BANDEMER

RESOLVED, THAT THE AMENDED AND RESTATED ARTICLES OF INCORPORATION OF THE CORPORATION DATED OCTOBER 13, 2005 BE AND THEY ARE HEREBY DULY ADOPTED PURSUANT TO AND IN ACCORDANCE WITH SECTION 642 OF THE BUSINESS CORPORATION ACT OF THE STATE OF MICHIGAN (MCL 450.642) TO BE THE AMENDED AND RESTATED ARTICLES OF INCORPORATION OF THE CORPORATION:

YEAS - TRUSTEES BANDEMER, BEST, CHEEK, CHRISTIAN, DOYLE, ENGLISH, NGARE, ORZECH, STEWART AND CHAIRPERSON ISOM - 10

NAYS - NONE

PFRS DUBLIN CORPORATION

BY MR. ENGLISH - SUPPORTED BY MR. BANDEMER

RESOLVED, THAT THE AMENDED AND RESTATED ARTICLES OF INCORPORATION OF THE CORPORATION DATED OCTOBER 13, 2005 BE AND THEY ARE HEREBY DULY ADOPTED PURSUANT TO AND IN ACCORDANCE WITH SECTION 642 OF THE BUSINESS CORPORATION ACT OF THE STATE OF MICHIGAN (MCL 450.642) TO BE THE AMENDED AND RESTATED ARTICLES OF INCORPORATION OF THE CORPORATION:

YEAS - TRUSTEES BANDEMER, BEST, CHEEK, CHRISTIAN, DOYLE, ENGLISH, NGARE, ORZECH, STEWART AND CHAIRPERSON ISOM - 10

NAYS - NONE

PFRS OAK GROVE CORPORATION

BY MR. ENGLISH - SUPPORTED BY MR. BANDEMER

RESOLVED, THAT THE AMENDED AND RESTATED ARTICLES OF INCORPORATION OF THE CORPORATION DATED OCTOBER 13, 2005 BE AND THEY ARE HEREBY DULY ADOPTED PURSUANT TO AND IN ACCORDANCE WITH SECTION 642 OF THE BUSINESS CORPORATION ACT OF THE STATE OF MICHIGAN (MCL 450.642) TO BE THE AMENDED AND RESTATED ARTICLES OF INCORPORATION OF THE CORPORATION:

YEAS - TRUSTEES BANDEMER, BEST, CHEEK, CHRISTIAN, DOYLE, ENGLISH, NGARE, ORZECH, STEWART AND CHAIRPERSON ISOM - 10

NAYS - NONE

PFRS PATRICK CENTER CORPORATION

BY MR. ENGLISH - SUPPORTED BY MR. BANDEMER

RESOLVED, THAT THE AMENDED AND RESTATED ARTICLES OF INCORPORATION OF THE CORPORATION DATED OCTOBER 13, 2005 BE AND THEY ARE HEREBY DULY ADOPTED PURSUANT TO AND IN ACCORDANCE WITH SECTION 642 OF THE BUSINESS CORPORATION ACT OF THE STATE OF MICHIGAN (MCL 450.642) TO BE THE AMENDED AND RESTATED ARTICLES OF INCORPORATION OF THE CORPORATION:

YEAS - TRUSTEES BANDEMER, BEST, CHEEK, CHRISTIAN, DOYLE, ENGLISH, NGARE, ORZECH, STEWART AND CHAIRPERSON ISOM - 10

NAYS - NONE

PFRS YAMATO CORPORATION

BY MR. ENGLISH - SUPPORTED BY MR. BANDEMER

RESOLVED, THAT THE AMENDED AND RESTATED ARTICLES OF INCORPORATION OF THE CORPORATION DATED OCTOBER 13, 2005 BE AND THEY ARE HEREBY DULY ADOPTED PURSUANT TO AND IN ACCORDANCE WITH SECTION 642 OF THE BUSINESS CORPORATION ACT OF THE STATE OF MICHIGAN (MCL 450.642) TO BE THE AMENDED AND RESTATED ARTICLES OF INCORPORATION OF THE CORPORATION:

**YEAS - TRUSTEES BANDEMER, BEST, CHEEK, CHRISTIAN, DOYLE, ENGLISH, NGARE, ORZECH, STEWART AND CHAIRPERSON
ISOM - 10**

NAYS - NONE

CLOSED SESSION

By Mr. Best - Supported by Mr. Ngare

Resolved, That the Board enter into Closed Session for the purpose of discussing matters involving attorney/client privilege:

A Roll Call Vote was taken as follows:

**YEAS - TRUSTEES BANDEMER, BEST, CHEEK, CHRISTIAN, DOYLE, ENGLISH, NGARE, ORZECH, STEWART AND CHAIRPERSON
ISOM - 10**

NAYS - NONE

The Board entered into Closed Session at 10:29 A.M.

OPEN SESSION

By Mr. English - Supported by Mr. Bandemer

Resolved, That the Board return to Open Session:

OPEN SESSION

A Roll Call Vote was taken as follows:

**YEAS - TRUSTEES BANDEMER, BEST, CHEEK, CHRISTIAN, DOYLE,
ENGLISH, NGARE, ORZECH, STEWART AND CHAIRPERSON
ISOM - 10**

NAYS - NONE

The Board returned to Open Session at 11:07 A.M.

CALPINE CORPORATION

BY MR. ORZECH - SUPPORTED BY MR. BANDEMER

**WHEREAS, LEGAL COUNSEL PROVIDED THE BOARD WITH A STATUS
UPDATE REGARDING THE CALPINE CORPORATION LITIGATION, AND**

**WHEREAS, A SETTLEMENT OFFER IN THE AMOUNT OF \$5,250,000.00
HAS BEEN MADE TO THE BOARD, WHICH INCLUDES THE RETIREMENT
SYSTEM RECEIVING 100% OF ITS LOSSES (ESTIMATED TO BE
\$2,350,000.00 PLUS ADDITIONAL AMOUNTS TO PAY THE ATTORNEYS'
OUT-OF-POCKET COSTS OF APPROXIMATELY \$1,200,000.00 AND
ATTORNEY FEES), AND**

**WHEREAS, LEGAL COUNSEL HAS IDENTIFIED A NUMBER OF
MODIFICATIONS TO THE PROPOSED SETTLEMENT AGREEMENT
WHICH WILL BE REQUESTED BY THE BOARD'S GENERAL COUNSEL,
AND**

**WHEREAS, THE BOARD HAS EXTENSIVELY DISCUSSED THIS MATTER
AND HAS HAD THE BENEFIT OF INFORMATION PROVIDED BY VARIOUS
LEGAL COUNSEL, AND**

CALPINE CORPORATION

WHEREAS, THE BOARD CONSIDERS THE SETTLEMENT OFFER TO BE IN THE BEST INTEREST OF THE RETIREMENT SYSTEM, AND

WHEREAS, IN THE EVENT GENERAL COUNSEL DOES NOT APPROVE ALL DOCUMENTATION, ANY UNRESOLVED ISSUES BE BROUGHT TO THE ATTENTION OF THE BOARD FOR FURTHER DISCUSSION, THEREFORE BE IT

RESOLVED, THAT THE BOARD APPROVE THE SETTLEMENT OFFER SUBJECT TO APPROVAL OF ALL DOCUMENTATION BY THE BOARD'S GENERAL COUNSEL, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO SPECIAL COUNSEL KOHN, SWIFT AND GRAF:

FOLLOWING DISCUSSION OF THE FOREGOING MOTION, THE MOTION WHICH FOLLOWS WAS MADE:

BY MR. ORZECH - SUPPORTED BY MR. BANDEMER

RESOLVED, THAT THE FOREGOING MOTION BE TABLED:

A ROLL CALL VOTE WAS TAKEN AS FOLLOWS:

YEAS - TRUSTEES BANDEMER, BEST, CHEEK, CHRISTIAN, DOYLE, ENGLISH, NGARE, ORZECH, STEWART AND CHAIRPERSON ISOM - 10

NAYS - NONE

ALLISON WALKER

BY MR. DOYLE - SUPPORTED BY MR. CHRISTIAN

WHEREAS, The Board of Trustees is in receipt of a letter dated October 3, 2005 from Kathleen L. Bogar, attorney for Allison Walker requesting the Board to allow Ms. Walker to file an application for duty disability retirement, and

ALLISON WALKER

WHEREAS, Allison Walker applied for Early (New Plan) Retirement per application dated June 24, 2002, and

WHEREAS, The Board of Trustees approved the application for Early (New Plan) Option A retirement effective July 14, 2002, and

WHEREAS, Allison Walker is a retiree of the Retirement System and has no standing to now apply for a disability retirement, and

WHEREAS, The Board has discussed this matter with its legal counsel, therefore be it

RESOLVED, That the request of Allison Walker to be allowed to file an application for duty disability retirement is denied, and further

RESOLVED, That a copy of this resolution be forwarded to Attorney Kathleen Bogas, Allison Walker and the City Law Department:

**YEAS - TRUSTEES BEST, CHEEK, CHRISTIAN, DOYLE, ENGLISH,
NGARE, ORZECZ AND CHAIRPERSON ISOM - 8**

NAYS - TRUSTEES BANDEMER AND STEWART - 2

GERALDINE SMITH

BY MR. DOYLE - SUPPORTED BY MR. CHRISTIAN

WHEREAS, The Board of Trustees is in receipt of a letter from Geraldine Smith requesting an answer as to why she has been denied the opportunity to apply for duty disability retirement, and

WHEREAS, The Police and Fire Board adopted a resolution on June 29, 2000 (pages 18-19 of said minutes) which reads as follows:

Whereas, Geraldine Smith was hired as a Police Officer on February 20, 1978, employment terminated on May 13, 1978, re-hired on September 27, 1979, laid off on October 12, 1979, re-called from lay-off on April 8, 1985,

GERALDINE SMITH

employment terminated on September 25, 1986, and placed on Worker's Compensation, effective July 23, 1988, and

Whereas, Ms. Smith, prior to commencement of Worker's Compensation benefits, was credited with one (1) year, eight (8) months and twenty-four (24) days of service credit, and

Whereas, The Worker's Compensation Statute provides for a police officer to elect either Worker's Compensation benefits or Retirement System benefits, if qualified for both, and

Whereas, Ms. Smith never applied for disability benefits from the Retirement System, and

Whereas, Ms. Smith has asked whether she is entitled to any benefits from the Retirement System's Defined Benefit plan, and

Whereas, Ms. Smith was a participant in the Defined Contribution Plan and is entitled to the refund of any Defined Contribution Plan balance, and

Whereas, Legal Counsel has opined that Ms. Smith is not entitled to any benefits from the Retirement System's Defined Benefit Plan, inasmuch as she has elected Worker's Compensation benefits and did not apply for Retirement System benefits prior to her termination of employment in September of 1986, Therefore Be It

Resolved, That Geraldine Smith is not entitled to any benefits from the Defined Benefit Plan, and be it further

Resolved, That Ms. Smith be informed of the amount of any Defined Contribution Plan balance, and be it further

GERALDINE SMITH

Resolved, That Ms. Smith be afforded a copy of this resolution:

WHEREAS, As the June 29, 2000 resolution indicates, Ms. Smith failed to apply for disability benefits from the Retirement System when she was a member of the Retirement System, and

WHEREAS, Ms. Smith has no standing to apply for duty disability retirement and lost her standing to apply after she left the active payroll in 1986, and

WHEREAS, The Board has discussed this matter, therefore be it

RESOLVED, That the request of Geraldine Smith to apply for duty disability retirement be again denied, and be it further

RESOLVED, That a copy of this resolution be forwarded to Geraldine Smith:

YEAS - TRUSTEES BANDEMER, BEST, CHEEK, CHRISTIAN, DOYLE, ENGLISH, NGARE, ORZECZ AND CHAIRPERSON ISOM - 9

NAYS - TRUSTEE STEWART - 1

■ EX/OFFICIO TRUSTEES DOYLE AND NGARE TEMPORARILY EXCUSED THEMSELVES.

RYAN ALM

RON RYAN AND ASSOCIATE KEN BUFFIN APPEARED BEFORE THE BOARD AND DISCUSSED THE LIABILITY PORTION OF THE BOARD'S PORTFOLIO.

ADRIAN ANDERSON (OF NORTH POINT ADVISORS) JOINED THE BOARD IN LISTENING TO RYAN ALM'S DISCUSSION.

■ EX/OFFICIO TRUSTEE DOYLE RE-JOINED THE MEETING DURING RYAN ALM'S PRESENTATION, AS DID EX/OFFICIO TRUSTEE NGARE.

THE BOARD THEN EXCUSED MESSRS. BUFFIN AND RYAN.

NORTH POINT ADVISORS

PRIOR TO EXCUSING HIMSELF, MR. ANDERSON DISCUSSED HIGH YIELD MANAGERS WITH THE BOARD.

■ EX/OFFICIO TRUSTEE GARY CHRISTIAN TEMPORARILY EXCUSED HIMSELF.

ALPHA PARTNERS, LLC

BY MR. ENGLISH - SUPPORTED BY MR. NGARE

Whereas, The Board has been requested to execute an Investment Management Agreement with Alpha Partners, LLC relative to the foregoing transaction, and

Whereas, The execution of said document has been reviewed and approved as to form by the Board's Legal Counsel, and the execution of said document is consistent with prior action of the Board, Therefore Be It

Resolved, That said document be executed by two (2) authorized signatories on behalf of the Board and held in escrow pending approval and completion of all exhibits, and be it further

Resolved, That after all exhibits have been agreed upon and attached to the Agreement, the executed original document be forwarded to the appropriate party, and be it further

ALPHA PARTNERS, LLC

Resolved, That the Retirement System retain copies of said executed original document:

**YEAS - TRUSTEES BANDEMER, BEST, CHEEK, DOYLE, ENGLISH,
NGARE, ORZECH, STEWART AND CHAIRPERSON ISOM - 9**

NAYS - NONE

■ **EX/OFFICIO TRUSTEE CHRISTIAN RE-JOINED THE MEETING.**

■ **TRUSTEE ORZECH EXCUSED HIMSELF.**

■ **EX/OFFICIO TRUSTEE NGARE EXCUSED HIMSELF.**

HSBC INVESTMENTS

BY MR. ENGLISH - SUPPORTED BY MR. DOYLE

Whereas, The Board has been requested to execute a letter dated October 13, 2005, re: temporary management of a high yield portfolio, relative to the foregoing transaction, and

Whereas, The execution of said document has been recommended by the Board's Investment Consultant, and

Whereas, The execution of said document has been reviewed and approved as to form by the Board's Legal Counsel, and the execution of said document is consistent with prior action of the Board, Therefore Be It

Resolved, That said document be executed by two (2) authorized signatories on behalf of the Board, and be it further

Resolved, That the executed original document be forwarded to the appropriate party, and be it further

HSBC INVESTMENTS

Resolved, That the Retirement System retain copies of said executed original document:

**YEAS - TRUSTEES BANDEMER, BEST, CHEEK, CHRISTIAN, DOYLE,
ENGLISH, STEWART AND CHAIRPERSON ISOM - 8**

NAYS - NONE

TRANSAMERICA

BY MR. CHRISTIAN - SUPPORTED BY MR. DOYLE

WHEREAS, THE BOARD IS IN RECEIPT OF A SEPTEMBER 22, 2005 LETTER FROM TRANSAMERICA REQUESTING A CHANGE IN THE INVESTMENT GUIDELINES RESTRICTING 144-A SECURITIES IN THE "RESTRICTIONS" SECTION BE ELIMINATED AND THAT UNDER THE LIST OF "ELIGIBLE SECURITIES" RULE 144-A SECURITIES, WHICH ARE INVESTMENT-GRADE BY TWO OF THE THREE MAJOR RATING AGENCIES (STANDARD & POORS, MOODY'S OR FITCH), BE INCLUDED, AND

WHEREAS, THE BOARD HAS DISCUSSED THIS MATTER, THEREFORE BE IT

RESOLVED, THAT THE REQUEST OF TRANSAMERICA BE GRANTED, AND BE IT FURTHER

RESOLVED, THAT THE INVESTMENT GUIDELINES BE AMENDED CONSISTENT WITH THIS RESOLUTION, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE IMMEDIATELY FORWARDED TO HEIDE HU AT TRANSAMERICA AND ADRIAN ANDERSON AT NORTH POINT ADVISORS:

**YEAS - TRUSTEES BANDEMER, BEST, CHEEK, CHRISTIAN, DOYLE,
ENGLISH, STEWART AND CHAIRPERSON ISOM - 8**

NAYS - NONE

■ EX/OFFICIO TRUSTEE NGARE RE-JOINED THE MEETING.

CONFERENCE

By Mr. Stewart – Supported by Mr. Bandemer

Resolved, That the Board approve the attendance of all Trustees, the Executive Secretary and the Assistant Executive Secretary at the below-referenced conference, and be it further

Resolved, That the Board approve expenditures for all Trustees, the Executive Secretary and the Assistant Executive Secretary to attend said conference:

REIP USA – 2006

ARIZONA

FEBRUARY 4, 2006 – FEBRUARY 8, 2006

**YEAS – TRUSTEES BANDEMER, BEST, CHEEK, CHRISTIAN, DOYLE,
ENGLISH, NGARE, STEWART AND CHAIRPERSON ISOM – 9**

NAYS – NONE

PUBLIC FORUM

AT 4:15 P.M., CHAIRPERSON ISOM DECLARED THE MEETING IN OPEN FORUM FOR GENERAL DISCUSSION BY THE PUBLIC ATTENDING THE MEETING.

ADJOURNMENT

THERE BEING NO FURTHER BUSINESS BEFORE THE BOARD, CHAIRPERSON ISOM ADJOURNED THE MEETING AT 4:20 P.M. UNTIL THURSDAY, OCTOBER 20, 2005, AT 9:00 A.M., IN ROOM 910 OF THE COLEMAN A. YOUNG MUNICIPAL CENTER, DETROIT, MICHIGAN 48226.

ADJOURNMENT

RESPECTFULLY SUBMITTED,

ASSISTANT EXECUTIVE SECRETARY