

MEETING NUMBER 2672

JOURNAL OF PROCEEDINGS OF THE BOARD OF TRUSTEES OF THE  
POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT



PROCEEDINGS HELD THURSDAY, MARCH 20, 2008  
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/Vice Chairperson
Gregory Best	Elected Trustee/ Chairperson
Barbara-Rose Collins	Ex/Officio Trustee/Councilperson
Shereece Fleming-Freeman	Ex/Officio Alternate Trustee
DeDan Milton	Ex/Officio Alternate Trustee
James Moore	Elected Trustee
George Orzech	Elected Trustee
Jeffrey Pegg	Elected Trustee
Tyrone Scott	Ex/Officio Trustee/Fire Commissioner
Paul Stewart	Elected Trustee
Walter Stampor	Executive Secretary
Cynthia Thomas	Assistant Executive Secretary
Janet S. Lenear	Recording Secretary
Ronald Zajac	Legal Counsel
Joe Turner	Special Legal Counsel
Richard Huddleston	Investment Analyst

EXCUSED

Jeffrey Beasley	Ex/Officio Trustee/Treasurer
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ABSENT

None

## CHAIRPERSON

Gregory Best

ROLL CALL WAS TAKEN AT 9:00 A.M. BY THE BOARD'S RECORDING SECRETARY AND THE MEETING WAS CALLED TO ORDER.

### CLOSED SESSION

By Mr. Bandemer – Supported by Mr. Stewart

WHEREAS, The Board's Medical Director is now before the Board of Trustees of the Police and Fire Retirement System of the City of Detroit to discuss the medical and psychiatric reports of the individuals whose names are designated on the pages which follow relative to disability retirement applications and re-examinations, and

WHEREAS, The Michigan Open Meetings Act provides for Closed Sessions in certain circumstances, including the foregoing matter, and

WHEREAS, The Board has discussed this matter consistent with the Michigan Open Meetings Act, Therefore be it

RESOLVED, That the Board enter into Closed Session consistent with the Michigan Open Meetings Act:

A Roll Call vote was taken as follows:

Yeas – Trustees Bandemer, Freeman, Moore, Orzech, Pegg, Scott, Stewart and Chairman Best – 8

Nays – None

The Board entered into Closed Session at 9:01 A.M.

OPEN SESSION

By Mr. Bandemer – Supported by Ms. Freeman

Resolved, That the Board return to Open Session:

A Roll Call vote was taken as follows:

Yeas – Trustees Bandemer, Collins, Freeman, Milton, Moore, Orzech,  
Pegg, Scott, Stewart and Chairman Best – 10

Nays – None

The Board returned to Open Session at 9:21 A.M. and Medical Director  
Reginald O'Neal was excused for the remainder of the Meeting.

DISABILITY RETIREMENT APPLICATIONS

NAME, TITLE, DEPARTMENT

BRIAN BOYKIN – OFFICER – POLICE  
DEPARTMENT

SOCIAL SECURITY NUMBER

6370

DISABILITY, PLAN,  
INJURY(INJURIES)

DUTY - NEW - BACK INJURY

DOCTOR'S RECOMMENDATION

BOARD ACTION

NAME, TITLE, DEPARTMENT

TIMOTHY MCQUEEN – FIRE PREVENTION  
INSPECTOR – FIRE DEPARTMENT

SOCIAL SECURITY NUMBER

4940

DISABILITY, PLAN,  
INJURY(INJURIES)

DUTY - NEW - BACK INJURY

DOCTOR'S RECOMMENDATION

BOARD ACTION

RE-EXAMINATIONS

NAME DEPARTMENT DISABILITY TYPE RE-EXAM NUMBER SOCIAL SECURITY NUMBER (LAST FOUR NUMBERS)	CONTINUE ON DISABILITY RETIREMENT PAYROLLS WITH NEXT EXAM IN ONE (1) YEAR	NO FURTHER RE-EXAMS REQUIRED	MUST RECEIVE NEXT EXAM IN DETROIT, MICHIGAN
OMARI MITCHELL - FIRE - DUTY - 1ST  0862	CONTINUE ON DISABILITY RETIREMENT PAYROLLS		
LASKER SMITH - FIRE - DUTY - 1ST  5232	CONTINUE ON DISABILITY RETIREMENT PAYROLLS AND RECEIVE NEXT EXAM IN 6 MONTHS IN DETROIT, MICHIGAN		

BRIAN BOYKIN

BY MS. FREEMAN – SUPPORTED BY MR. MOORE

RESOLVED, THAT THE BOARD ACCEPT THE REPORT AND RECOMMENDATION OF ITS MEDICAL DIRECTOR REGARDING BRIAN BOYKIN AND BE IT FURTHER

RESOLVED, THAT BASED UPON THE BOARD'S MEDICAL DIRECTOR'S RECOMMENDATION, THE BOARD HEREBY DENIES MR. BOYKIN'S APPLICATION FOR DUTY DISABILITY RETIREMENT, AND BE IT FURTHER

RESOLVED, THAT MR. BOYKIN BE APPRISED OF HIS RIGHT TO APPEAL SAID DENIAL PURSUANT TO PROCEDURES ESTABLISHED BY COLLECTIVE BARGAINING:

BRIAN BOYKIN

Yeas – Trustees Bandemer, Freeman, Moore, Orzech, Pegg, Scott,  
Stewart and Chairman Best – 8

Nays – None

TIMOTHY MCQUEEN

BY MR. SCOTT – SUPPORTED BY MR. BANDEMER

RESOLVED, THAT THE BOARD ACCEPT THE REPORT AND  
RECOMMENDATION OF ITS MEDICAL DIRECTOR REGARDING TIMOTHY  
MCQUEEN, AND BE IT FURTHER

RESOLVED, THAT BASED UPON THE BOARD'S MEDICAL DIRECTOR'S  
RECOMMENDATION, THE BOARD HEREBY APPROVES MR. MCQUEEN'S  
APPLICATION FOR DUTY DISABILITY RETIREMENT:

Yeas – Trustees Bandemer, Freeman, Moore, Orzech, Pegg, Scott,  
Stewart and Chairman Best – 8

Nays – None

TRUSTEE COLLINS ENTERED THE MEETING.

RE-EXAMINATIONS

BY MR. MOORE – SUPPORTED BY MR. ORZECH

RESOLVED, THAT IN ACCORDANCE WITH THE RECOMMENDATION OF THE  
BOARD'S MEDICAL DIRECTOR, THE RETIRANTS WHOSE NAMES ARE  
REFERENCED ON PAGE 4 BE CONTINUED ON THE DISABILITY RETIREMENT  
PAYROLLS, WITH LASKER SMITH RECEIVING HIS NEXT RE-EXAM IN SIX (6)  
MONTHS AT THE LOCAL CLINIC IN DETROIT, MICHIGAN:

SPECIAL COUNSEL JOE TURNER ENTERED THE MEETING.

TRUSTEE MILTON ENTERED THE MEETING.

RE-EXAMINATIONS

Yeas – Trustees Bandemer, Collins, Freeman, Milton, Moore, Orzech,  
Pegg, Scott, Stewart and Chairman Best – 10

Nays – None

CAPITAL CALLS/DRAWS

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

Whereas, The Board has been presented with the following capital calls/draws, and

Whereas, The Board has been requested to approve funding of said capital calls/draws, Therefore be it

Resolved, That subject to final approval of all transaction documents by the Board's Legal Counsel, the Board approves funding of said capital calls/draws:

Firm: Prudential Real Estate Investors  
Date: March 14, 2008  
Fund Name: PRISA II  
Capital Call/Draw: \$1,020,000.00

Firm: SG Capital  
Date: March 16, 2008  
Fund Name: SG Capital Fund, LLC  
Capital Call/Draw: \$1,706,236.00

Firm: SW Pelham Capital  
Date: March 17, 2008  
Fund Name: SW Pelham Fund III, L.P. (C & M Technologies  
Group, Inc.)  
Capital Call/Draw: \$702,902.00

Yeas – Trustees Bandemer, Collins, Freeman, Milton, Moore, Orzech,  
Pegg, Scott, Stewart and Chairman Best – 10

Nays – None

RETIREMENT

BY MR. ORZECH – SUPPORTED BY MR. MOORE

RESOLVED, THAT THE NON-DUTY WIDOW (AUTOMATIC OPTION II) APPLICATION WHICH IS OUTLINED BELOW BE APPROVED:

Yeas – Trustees Bandemer, Collins, Freeman, Milton, Moore, Orzech, Pegg, Scott, Stewart and Chairman Best – 10

Nays – None

RETIREMENT

NAME, TITLE, DEPARTMENT	MICHELLE MCDOWELL, WIDOW OF DAVID MCDOWELL – CAPTAIN - FIRE
RETIREMENT, PLAN	NON-DUTY (WIDOW) - AUTOMATIC OPTION II - NEW
SERVICE CREDIT, EFFECTIVE DATE	34 05 17 – 02 12 08

CONFIRMATIONS (DISBURSEMENTS AND RECEIPTS)

BY MR. STEWART – SUPPORTED BY MR. PEGG

RESOLVED, THAT THE DISBURSEMENTS (\$4,496,752.01) AND RECEIPTS (\$1,821,167.56) WHICH ARE REFERENCED AT THE END OF THESE PROCEEDINGS BE CONFIRMED:

Yeas – Trustees Bandemer, Collins, Freeman, Milton, Moore, Orzech, Pegg, Scott, Stewart and Chairman Best – 10

Nays – None

REFUNDS OF ACCUMULATED CONTRIBUTIONS

BY MR. STEWART – SUPPORTED BY MR. SCOTT

RESOLVED, THAT THE CONTRIBUTIONS TO THE ANNUITY SAVINGS FUND BY MEMBERS OF THE POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT, AS SET FORTH ON LIST #3270, IN THE AMOUNT OF \$608,284.16, INCLUDING INTEREST, BE REFUNDED PENDING AUDIT BY RETIREMENT SYSTEM ACCOUNTING STAFF:

Yeas – Trustees Bandemer, Collins, Freeman, Milton, Moore, Orzech, Pegg, Scott, Stewart and Chairman Best – 10

Nays – None

MINUTES OF THURSDAY, FEBRUARY 21, 2008  
MINUTES OF THURSDAY, FEBRUARY 28, 2008  
MINUTES OF THURSDAY, MARCH 6, 2008

BY MR. ORZECH – SUPPORTED BY MS. COLLINS

RESOLVED, THAT THE MINUTES OF THE MEETINGS HELD THURSDAY, FEBRUARY 21, 2008, THURSDAY, FEBRUARY 28, 2008 AND THURSDAY, MARCH 6, 2008 BE APPROVED AS RECORDED AND SUBMITTED BY THE BOARD'S RECORDING SECRETARY:

Yeas – Trustees Bandemer, Collins, Freeman, Milton, Moore, Orzech, Pegg, Scott, Stewart and Chairman Best – 10

Nays – None

BILL PAYMENT REQUESTS

BY MR. MOORE – SUPPORTED BY MS. COLLINS

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

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

BILL PAYMENT REQUESTS

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

Yeas – Trustees Bandemer, Collins, Freeman, Milton, Moore, Orzech, Pegg, Scott, Stewart and Chairman Best – 10

Nays – None

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

ADP – MARCH 7, 2008 - \$6,193.42 – POLICE AND FIRE PORTION OF \$12,386.84 – FEBRUARY AND MARCH, 2008 PRINTING SERVICES

BANYAN REALTY ADVISORS, LLC (FOR BOWLING SERVICES, INC.) – DECEMBER 10, 2007 - \$5,500.00 – SPARE TIME DUE DILIGENCE

BANYAN REALTY ADVISORS, LLC ( FOR SANDY HANSELL & ASSOCIATES, INC.) – DECEMBER 10, 2007 - \$5,000.00 – SPARE TIME DUE DILIGENCE

CAPRI CAPITAL PARTNERS – DECEMBER 27, 2007 - \$1,924.00 – ASSET MANAGEMENT FEE INTEREST

CRANEL – MARCH 12, 2008 - \$1,347.50 – POLICE AND FIRE PORTION OF \$2,695.00 – CONTRACT/MISCELLANEOUS SERVICES

DAVIDSON, F. LOGAN – MARCH 18, 2008 - \$12,4690.00 – LEGAL FEES - PARAMOUNT LAND HOLDINGS, LLC

GABRIEL, ROEDER, SMITH & COMPANY – MARCH 20, 2008 - \$200.00 – EDRO FEE

HOWARD & HOWARD – MARCH 12, 2008 - \$15,234.50 – MARCH, 2008 LEGAL FEES – GSC PARTNERS

IRON MOUNTAIN – JANUARY 31, 2008 - \$37.52 – POLICE AND FIRE PORTION OF \$75.03 – SUPPLIES

IRON MOUNTAIN – FEBRUARY 29, 2008 - \$74.73 – POLICE AND FIRE PORTION OF \$149.46 – SUPPLIES

BILL PAYMENT REQUESTS

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

MAYFIELD GENTRY REALTY ADVISORS, LLC – MARCH 19, 2008 - \$183,693.96  
– MARCH, 2008 ASSET MANAGEMENT AND MORTGAGE SERVICING FEES

MAYFIELD GENTRY REALTY ADVISORS, LLC – MARCH 19, 2008 - \$77,898.43 –  
CAPITAL IMPROVEMENTS FOR PFRS DUBLIN CORPORATION

MAYFIELD GENTRY REALTY ADVISORS, LLC – MARCH 19, 2008 - \$21,556.04 –  
OPERATIONAL EXPENSES AND CAPITAL IMPROVEMENTS FOR GRAND PARK  
CENTRE

MCAFFEE & TAFT – MARCH 18, 2008 - \$27,263.51 – LEGAL FEES – TRADE WIND  
AIRLINES, INC.

MILESTONE REALTY SERVICES, INC. - \$750.00 – PETITION FOR BASE LINE  
ENVIRONMENTAL ASSESSMENT FOR 7850 EAST JEFFERSON

NEOPOST – MARCH 14, 2008 - \$5,000.00 – POLICE AND FIRE PORTION OF  
\$10,000.00 – MAIL POSTAGE

NTH CONSULTANTS – MARCH 11, 2008 - \$1,000.00 – POLICE AND FIRE  
PORTION OF \$2,000.00 – CONSULTANT FEES – DRS HOLDINGS, LLC

NORTH POINT ADVISORS – MARCH 17, 2008 - \$14,000.00 – DUE DILIGENCE  
FEE FOR CONWAY, MCKENZIE & DUNLEAVY

OFFICE DEPOT – MARCH 5, 2008 - \$224.93 – POLICE AND FIRE PORTION OF  
\$449.85 – OFFICE SUPPLIES

PAYDEN & RYGEL – MARCH 10, 2008 - \$18,821.00 – MANAGEMENT FEES –  
ACCOUNT 1613

PAYDEN & RYGEL – MARCH 10, 2008 - \$7,245.00 – MANAGEMENT FEES –  
ACCOUNT 1612

PLANTE MORAN – MARCH 10, 2008 - \$460.00 – POLICE AND FIRE PORTION  
OF \$920.00 – AUDITING SERVICES FOR YEAR ENDING JUNE 30, 2007

VERIZON WIRELESS – MARCH 4, 2008 - \$2,045.43 – MARCH, 2008 PHONE  
SERVICES

LEGAL COUNSEL'S BILLING

BY MR. MOORE – SUPPORTED BY MS. FREEMAN

RESOLVED, THAT LEGAL COUNSEL'S BILLING DATED MARCH 20, 2008, FOR THE MONTH OF MARCH, 2008, IN THE AMOUNT OF \$17,218.18, BE APPROVED AND SAID AMOUNT BE PAID PURSUANT TO WIRE-TRANSFER INSTRUCTIONS ON FILE WITH THE POLICE AND FIRE RETIREMENT SYSTEM:

Yeas – Trustees Bandemer, Collins, Freeman, Milton, Moore, Orzech, Pegg, Scott, Stewart and Chairman Best – 10

Nays – None

Finance/Retirement Petty Cash Account

By Ms. Freeman – Supported by Mr. Moore

Whereas, The present balance of the Finance/Retirement Petty Cash account is \$72.42, and

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, be paid accordingly:

Police and Fire Retirement System: \$1,711.32

General Retirement System: \$ 216.26

and be it further

Resolved, That a copy of this resolution be forwarded to the Accounting Division of the Retirement System:

Yeas – Trustees Bandemer, Collins, Freeman, Milton, Moore, Orzech, Pegg, Scott, Stewart and Chairman Best – 10

Nays – None

CHURCHILL MORTGAGE INVESTMENT, LLC  
VILLAS AT FOREST PARK

BY MR. ORZECH – SUPPORTED BY MR. MOORE

WHEREAS, THE BOARD IS IN RECEIPT OF A MARCH 19, 2008 LETTER FROM CHURCHILL MORTGAGE INVESTMENT, LLC AND PREVIOUSLY RECEIVED A BOOKLET PRESENTATION, AND

WHEREAS, CHURCHILL MORTGAGE INVESTMENT, LLC HAS MODIFIED ITS PROPOSAL TO PROVIDE A FLOOR OF 6.00% FOR THE DURATION OF THE LOAN, AND

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

RESOLVED, THAT THE BOARD APPROVES THE PROPOSED INVESTMENT CONSISTENT WITH THE FOREGOING, SUBJECT TO APPROVAL OF ALL LEGAL DOCUMENTATION BY THE BOARD'S LEGAL COUNSEL, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO CHURCHILL MORTGAGE INVESTMENT, LLC AND THE ACCOUNTING DIVISION OF THE RETIREMENT SYSTEMS:

Yeas – Trustees Bandemer, Collins, Freeman, Milton, Moore, Orzech,  
Pegg, Scott, Stewart and Chairman Best – 10

Nays – None

CHURCHILL MORTGAGE INVESTMENT, LLC  
SAVANNAH RIVER LANDING  
\$37,500,000.00 MORTGAGE LOAN OFFERING

BY MR. ORZECH – SUPPORTED BY MR. MOORE

WHEREAS, THE BOARD IS IN RECEIPT OF A PRESENTATION BOOKLET INVOLVING A \$37,500,000.00 MORTGAGE LOAN BY THE RETIREMENT SYSTEM, AND

WHEREAS, THE BOARD HAS DISCUSSED THIS MATTER, INCLUDING A DISCUSSION OF AVAILABILITY OF INVESTMENT FUNDS OF THE RETIREMENT SYSTEM DUE TO INTERNAL ALLOCATIONS TO INVESTMENT CATEGORIES, THEREFORE BE IT

CHURCHILL MORTGAGE INVESTMENT, LLC  
SAVANNAH RIVER LANDING  
\$37,500,000.00 MORTGAGE LOAN OFFERING

RESOLVED, THAT THE BOARD HAS NO INTEREST IN FURTHER CONSIDERATION OF THE PROPOSAL, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO CHURCHILL MORTGAGE INVESTMENT, LLC, THE BOARD OF TRUSTEES OF THE GENERAL RETIREMENT SYSTEM AND THE ACCOUNTING DIVISION OF THE RETIREMENT SYSTEMS:

Yeas – Trustees Bandemer, Collins, Freeman, Milton, Moore, Orzech, Pegg, Scott, Stewart and Chairman Best – 10

Nays – None

LEGAL COUNSEL'S REPORTS

LEGAL COUNSEL RONALD ZAJAC DISCUSSED VARIOUS MATTERS WITH THE BOARD, INCLUDING BEAR STEARNS, YAHOO!, INC., MMA, FINCH ASSET MANAGEMENT, PFRS SOUTH TRYON CORP., AN FOIA REQUEST FROM THE DETROIT NEWS, WBS FINANCIAL AND GVC.

DETROIT NEWS FOIA REQUEST

GENERAL COUNSEL PROVIDED THE BOARD WITH A STATUS REPORT REGARDING THE MARCH 4, 2008 FOIA REQUEST FROM THE DETROIT NEWS.

PFRS SOUTH TRYON CORP.

THE BOARD WAS MADE AWARE OF THE EXECUTION OF A MARCH 20, 2008 RESPONSE LETTER TO THE IRS FOR ADDITIONAL INFORMATION IN CONNECTION WITH THE CORPORATION'S APPLICATION FOR RECOGNITION OF EXEMPTION UNDER SECTION 501(a) BY AN OFFICER OF THE CORPORATION.

YAHOO!, INC. LITIGATION

GENERAL COUNSEL GAVE A STATUS REPORT REGARDING YAHOO!, INC. AND PROVIDED EACH TRUSTEE WITH A COPY OF A

YAHOO!, INC. LITIGATION

MARCH 13 ,2008 LETTER FROM SPECIAL LEGAL COUNSEL BERNSTEIN, LITOWITZ, BERGER AND GROSSMANN, LLP AND YAHOO'S MOTION FOR PROTECTIVE ORDER AND TO QUASH NON-PARTY SUBPOENAS. GENERAL COUNSEL ALSO REPORTED THAT THE FOLLOWING DOCUMENTS ARE ON FILE FOR TRUSTEE REVIEW AND COPIES MADE FOR ALL TRUSTEES WHO WISH SAME:

YAHOO'S FIRST REQUEST FOR PRODUCTION OF DOCUMENTS DIRECTED TO PLAINTIFF

INDIVIDUAL DEFENDANTS' OBJECTIONS TO PLAINTIFFS' FIRST SET OF INTERROGATORIES

YAHOO'S OBJECTIONS AND RESPONSES TO PLAINTIFFS' PLAINTIFFS' FIRST SET OF INTERROGATORIES

YAHOO'S OBJECTIONS AND RESPONSES TO PLAINTIFFS' SECOND SET OF DOCUMENT REQUESTS

AFFIDAVIT OF RACHEL JACOBS-BARNES WITH EXHIBITS A THROUGH K

BEAR STEARNS COMPANY, INC.

BY MR. STEWART – SUPPORTED BY MR. MOORE

WHEREAS, THE SYSTEM HAS INCURRED LOSSES FROM THE PURCHASE OF APPROXIMATELY 13,565 SHARES OF BEAR STEARNS COMPANY, INC., AND

WHEREAS, KOHN, SWIFT AND GRAF HAS REPORTED TO THE BOARD REGARDING THEIR ANALYSIS OF THE MERITS OF A CASE AGAINST BEAR STEARNS COMPANY, INC., AND

WHEREAS, KOHN, SWIFT AND GRAF HAS INQUIRED WHETHER THE RETIREMENT SYSTEM IS INTERESTED IN SEEKING TO BE A LEAD PLAINTIFF IN THIS LITIGATION, AND

WHEREAS, THE BOARD HAS DISCUSSED THIS MATTER, AND

WHEREAS, THE BOARD DEEMS IT APPROPRIATE TO SEEK TO BE A LEAD PLAINTIFF IN THIS MATTER TO RECOVER OR MITIGATE LOSSES INCURRED BY THE SYSTEM, THEREFORE BE IT

RESOLVED, THAT THE BOARD SEEK TO BE NAMED LEAD PLAINTIFF REGARDING THIS MATTER, AND BE IT FURTHER

RESOLVED, THAT KOHN, SWIFT AND GRAF BE RETAINED TO REPRESENT THE SYSTEM REGARDING THIS MATTER, SUBJECT TO AGREEMENT REGARDING PRIOR TERMS OF RETENTION IN CLASS ACTION MATTERS, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO KOHN, SWIFT AND GRAF (PER FAX AND U.S. MAIL) AND THE ACCOUNTING DIVISION OF THE RETIREMENT SYSTEMS:

Yeas – Trustees Bandemer, Collins, Freeman, Milton, Moore, Orzech, Pegg, Scott, Stewart and Chairman Best – 10

Nays – None

MMA REALTY CAPITAL

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

WHEREAS, THE BOARD IS IN RECEIPT OF A MARCH 20, 2008 LETTER FROM MMA REALTY CAPITAL (WITH A FIFTEEN (15) PAGE BOOKLET) REQUESTING THE POLICE AND FIRE RETIREMENT SYSTEM TO ACCEPT THE TERMS INDICATED IN THE BOOKLET BY EXECUTING THE MARCH 20, 2008 ACKNOWLEDGEMENT LETTER, AND

WHEREAS, THE BOARD PREVIOUSLY ACCEPTED THE PROPOSAL PER RESOLUTION OF MARCH 6, 2008, AND

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

RESOLVED, THAT THE ACKNOWLEDGEMENT LETTER BE EXECUTED ON BEHALF OF THE POLICE AND FIRE RETIREMENT SYSTEM, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO MMA REALTY CAPITAL AND THE ACCOUNTING DIVISION OF THE RETIREMENT SYSTEMS:

Yeas – Trustees Bandemer, Collins, Freeman, Milton, Moore, Orzech, Pegg, Scott, Stewart and Chairman Best – 10

Nays – None

FINCH ASSET MANAGEMENT

FINCH FUND LIMITED

\$10,000,000.00 INVESTMENT

BY MR. MOORE – SUPPORTED BY MR. BANDEMER

WHEREAS, THE BOARD PREVIOUSLY APPROVED THE ABOVE-REFERENCED INVESTMENT PURSUANT TO A RESOLUTION ADOPTED ON JANUARY 10, 2008 SUBJECT TO, INTER ALIA, APPROVAL OF DONALD A. WAGNER, THE BOARD'S SPECIAL LEGAL COUNSEL, AS TO THE DOCUMENTS EVIDENCING THE INVESTMENT, AND

FINCH ASSET MANAGEMENT  
FINCH FUND LIMITED  
\$10,000,000.00 INVESTMENT

WHEREAS, THE BOARD HAS RECEIVED THE REPORT OF NORTH POINT ADVISORS, PER ADRIAN ANDERSON, THE BOARD'S DUE DILIGENCE ADVISOR, DATED DECEMBER 18, 2007, AND

WHEREAS, SPECIAL LEGAL COUNSEL HAS APPROVED THE TRANSACTION DOCUMENTS SUBJECT TO FINAL APPROVAL THEREOF BY THE BOARD'S GENERAL COUNSEL, THEREFORE BE IT

RESOLVED, THAT THE BOARD HEREBY APPROVES THE SIGNING OF THE CLOSING DOCUMENTS WHICH HAVE BEEN REVIEWED AND APPROVED BY THE BOARD'S GENERAL COUNSEL AND THE BOARD'S SPECIAL LEGAL COUNSEL, AND

WHEREAS, THE CLOSING DOCUMENTS INCLUDE, BUT ARE NOT LIMITED TO, SUBSCRIBER INFORMATION FORMS, SUBSCRIPTION AGREEMENT AND IRS FORM W-9, THEREFORE BE IT

RESOLVED, THAT THE BOARD AUTHORIZES ITS SIGNATORIES TO EXECUTE THE CLOSING DOCUMENTS AND ANY DOCUMENTATION REQUIRED BY THE BOARD'S GENERAL COUNSEL OR THE BOARD'S SPECIAL LEGAL COUNSEL TO COMPLETE THE CLOSING ON THE INVESTMENT AND DELIVER THE CLOSING DOCUMENTS, AND BE IT FURTHER

RESOLVED, THAT THE BOARD HEREBY APPROVES THE FUNDING OF THE INVESTMENT AND AUTHORIZES UP TO TEN MILLION AND NO/100 DOLLARS (\$10,000,000.00) IN CAPITAL CALLS PURSUANT TO THE TRANSACTION DOCUMENTS, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO FINCH ASSET MANAGEMENT, THE BOARD'S SPECIAL LEGAL COUNSEL, COUZENS, LANSKY, FEALK, ELLIS, ROEDER AND LAZAR, P.C., THE BOARD'S SPECIAL

LEGAL COUNSEL, CLARK HILL, THE BOARD'S DUE DILIGENCE ADVISOR, NORTH POINT ADVISORS, AND THE ACCOUNTING DIVISION OF THE RETIREMENT SYSTEMS:

FINCH ASSET MANAGEMENT  
FINCH FUND LIMITED  
\$10,000,000.00 INVESTMENT

Yeas – Trustees Bandemer, Collins, Freeman, Milton, Moore, Orzech,  
Pegg, Scott, Stewart and Chairman Best – 10

Nays – None

GRANT & EISENHOFER

STEPHEN K. BENJAMIN AN STEPHEN GRYGIEL DISCUSSED SECURITIES  
LITIGATION AND MONITORING SERVICES AND THEN EXCUSED THEMSELVES.

VONTOBEL

ADRIAN ANDERSON (THE BOARD'S DUE DILIGENCE ADVISOR) JOINED THE  
BOARD IN LISTENING TO JOHN HAUSWIRTH AND RAJIV JAIN DISCUSSED  
EMERGING MARKETS.

THE BOARD THEN EXCUSED MESSRS. HAUSWIRTH AND JAIN.

CLOSED SESSION

BY MR. STEWART – SUPPORTED BY MR. BANDEMER

Resolved, That the Board enter into Closed Session for the purpose of  
discussing medical matters regarding Brian Boykin's application for Duty  
Disability Retirement:

A Roll Call Vote was taken as follows:

Yeas – Trustees Bandemer, Collins, Freeman, Milton, Moore, Orzech,  
Pegg, Scott, Stewart and Chairman Best – 10

Nays – None

The Board entered into Closed Session at 11:17 A.M.

OPEN SESSION

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

Resolved, That the Board return to Open Session:

A Roll Call Vote was taken as follows:

Yeas – Trustees Bandemer, Collins, Freeman, Milton, Moore, Orzech,  
Pegg, Scott, Stewart and Chairman Best – 10

Nays – None

The Board returned to Open Session at 11:40 A.M.

BRIAN BOYKIN

BY MR. STEWART – SUPPORTED BY MR. BANDEMER

RESOLVED, THAT THE BOARD RECONSIDER ITS MOTION OF THIS DATE  
REGARDING BRIAN BOYKIN'S APPLICATION FOR DUTY DISABILITY  
RETIREMENT:

A ROLL CALL VOTE WAS TAKEN AS FOLLOWS:

Yeas – Trustees Bandemer, Collins, Freeman, Milton, Moore, Orzech,  
Pegg, Scott, Stewart and Chairman Best – 10

Nays – None

FOLLOWING IS THE BOARD'S MOTION OF THIS DATE REGARDING BRIAN  
BOYKIN'S APPLICATION FOR DUTY DISABILITY RETIREMENT:

BRIAN BOYKIN

BY MS. FREEMAN – SUPPORTED BY MR. MOORE

RESOLVED, THAT THE BOARD ACCEPT THE REPORT AND  
RECOMMENDATION OF ITS MEDICAL DIRECTOR REGARDING BRIAN BOYKIN  
AND BE IT FURTHER

BRIAN BOYKIN

RESOLVED, THAT BASED UPON THE BOARD'S MEDICAL DIRECTOR'S RECOMMENDATION, THE BOARD HEREBY DENIES MR. BOYKIN'S APPLICATION FOR DUTY DISABILITY RETIREMENT, AND BE IT FURTHER

RESOLVED, THAT MR. BOYKIN BE APPRISED OF HIS RIGHT TO APPEAL SAID DENIAL PURSUANT TO PROCEDURES ESTABLISHED BY COLLECTIVE BARGAINING:

YEAS – TRUSTEES FREEMAN, MILTON AND MOORE – 3

NAYS – TRUSTEES BANDEMER, COLLINS, ORZECH, PEGG, SCOTT, STEWART  
AND CHAIRMAN BEST – 7

TRUSTEE STEWART THEN MADE THE MOTION WHICH FOLLOWS:

BRIAN BOYKIN

BY MR. STEWART – SUPPORTED BY MR. BANDEMER

RESOLVED, THAT THE BOARD ACCEPT THE REPORT AND RECOMMENDATION OF ITS MEDICAL DIRECTOR REGARDING BRIAN BOYKIN, AND BE IT FURTHER

RESOLVED, THAT BASED UPON THE BOARD'S MEDICAL DIRECTOR'S RECOMMENDATION, THE BOARD HEREBY APPROVES MR. BOYKIN'S APPLICATION FOR DUTY DISABILITY RETIREMENT, AND BE IT FURTHER

RESOLVED, THAT BRIAN BOYKIN BE ADVISED THAT HE WILL BE SCHEDULED TO RECEIVE HIS FIRST RE-EXAM IN SIX (6) MONTHS IN DETROIT, MICHIGAN:

YEAS – TRUSTEES BANDEMER, COLLINS, ORZECH, PEGG, SCOTT, STEWART  
AND CHAIRMAN BEST – 7

NAYS – TRUSTEES FREEMAN, MILTON AND MOORE – 3

PIONEER

ADRIAN ANDERSON (THE BOARD'S DUE DILIGENCE ADVISOR) JOINED THE BOARD IN LISTENING TO CHRISTOPHER SMART, CHRISTOPHER VASSILOPOULOS AND AN ASSOCIATE DISCUSSED EMERGING MARKETS.

PIONEER

THE BOARD THEN EXCUSED MESSRS. SMART, VASSILOPOULOS AND THEIR ASSOCIATE.

SG CAPITAL

TRUSTEE MILTON EXCUSED HIMSELF.

RON SANDERS AND AN ASSOCIATE DISCUSSED A PROPOSAL FOR THE DEARBORN WEST AND KINGS POINTE APARTMENTS IN DEARBORN HEIGHTS, MICHIGAN. LOU VOGT (OF BANYAN REALTY MANAGEMENT) JOINED THE BOARD IN LISTENING TO THE GENTLEMEN'S PRESENTATION.

PRIOR TO EXCUSING THEMSELVES, MR. SANDERS AND HIS ASSOCIATE REQUESTED THAT THE BOARD INVEST AN ADDITIONAL \$95,861.00 IN SG CAPITAL FUND, LLC.

SG CAPITAL FUND, LLC

BY MR. ORZECH – SUPPORTED BY MS. COLLINS

WHEREAS, THE BOARD PREVIOUSLY APPROVED AN FUNDED \$2,000,000.00 PURSUANT TO PRIOR RESOLUTIONS, AND

WHEREAS, SG CAPITAL HAS REQUESTED ADDITIONAL FUNDING IN THE AMOUNT OF \$95,861.00 FOR THE REASONS PRESENTED, AND

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

RESOLVED, THAT THE REQUEST FOR ADDITIONAL FUNDING IN THE AMOUNT OF \$95,861.00 IS APPROVED SUBJECT TO APPROVAL OF DOCUMENTATION BY THE BOARD'S GENERAL COUNSEL, AND BE IT FURTHER

RESOLVED, THAT THE \$95,861.00 BE WIRE-TRANSFERRED SUBJECT TO THE STANDARD PROCEDURES AND CONDITIONS AND APPROVAL BY THE BOARD'S SPECIAL LEGAL COUNSEL, GENERAL COUNSEL AND EXECUTIVE SECRETARY, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO SG CAPITAL AND THE ACCOUNTING DIVISION OF THE RETIREMENT SYSTEM:

SG CAPITAL FUND, LLC

Yeas – Trustees Bandemer, Collins, Freeman, Moore, Orzech, Pegg,  
Scott, Stewart and Chairman Best – 9

Nays – None

NORTH POINT ADVISORS

ADRIAN ANDERSON DISCUSSED ASSET CLASSES, MANAGER PERFORMANCE  
AND PITG GAMING AT LENGTH.

FINCH ASSET MANAGEMENT

BY MR. STEWART – SUPPORTED BY MR. BANDEMER

WHEREAS, The Board has approved the investment of \$10,000,000.00 in the  
Finch fund, and

WHEREAS, General Counsel has opined to the Board that the Finch  
investment falls under PA 314 Section 20(d), and

WHEREAS, The Board notes that it is at its statutory limit with respect to the  
market value of investments which fall under PA 314 Section 20(d), and

WHEREAS, The Board's investment in the Mesirow Arbitrage Trust falls under  
PA 314 Section 20(d), Therefore be it

RESOLVED, That \$10,000,000.00 be withdrawn from the Mesirow Arbitrage  
Trust and utilized to fund the \$10,000,000.00 investment in the Finch fund,  
and be it further

RESOLVED, That a copy of this resolution be forwarded to Mesirow  
Financial and the Accounting Division of the Retirement System:

Yeas – Trustees Bandemer, Collins, Freeman, Moore, Orzech, Pegg,  
Scott, Stewart and Chairman Best – 9

Nays – None

PITG GAMING

\$75,000,000.00 PROPOSED CREDIT ENHANCEMENT INVESTMENT

BY MS. COLLINS – SUPPORTED BY MR. SCOTT

**WHEREAS**, the Board of Trustees of the Police and Fire Retirement System of the City of Detroit (the “Board”) has had the foregoing investment proposal under consideration, the basic and general proposed conditions of which are set forth in a presentation booklet consisting of several pages and previously submitted written materials presented to the Board and discussed this date (and at previous meetings) to which certain modifications and additional requirements will be added by the Board or Advisors to the Board (per discussion between or with the Board members or per negotiations with the project sponsor), and

**WHEREAS**, the Board is in receipt of a report from its due diligence advisor, North Point Advisors, and

**WHEREAS**, the Board has indicated its willingness to further consider making this investment subject to additional conditions and terms which may be required by the Board after further discussion with the Board’s due diligence advisor and after Special Legal Counsel begins to prepare/review/edit the transaction documents; and

**WHEREAS**, the Board’s contingent further consideration of the proposed investment is also conditioned upon the understanding that the proposed transaction does not contemplate Unrelated Business Taxable Income (UBTI) to the Retirement System; and

PITG GAMING

\$75,000,000.00 PROPOSED CREDIT ENHANCEMENT INVESTMENT

**WHEREAS**, the policy of the Board of Trustees requires, *inter alia*:

- A. Due diligence costs be paid for by, or on behalf of, project sponsor/borrower/other applicable party which estimated costs are to be escrowed by the Retirement System prior to due diligence services being rendered by the due diligence advisor.
- B. All legal costs be paid by, or on behalf of, project sponsor/borrower/other applicable party which estimated costs are to be escrowed by the Retirement System prior to legal services being rendered by Special Legal Counsel.
- C. Special Legal Counsel be designated by the Board or General Counsel.
- D. No Unrelated Business Taxable Income (UBTI) be applicable to the Retirement System.
- E. Approval of wire transfers of amounts contemplated by transaction documents are subject (as applicable) to written approval by Special Legal Counsel, General Counsel and by, or on behalf of, the Executive Secretary or Assistant Executive Secretary.
- F. The Board's further interest in making the investment does not constitute approval to make the investment. However, the Board's policy is to complete the investment if all requirements of the Board are met.
- G. Project Sponsor is responsible for payment of due diligence costs and legal fees even if the proposed investment is not completed by the Retirement System for any reason.

PITG GAMING

\$75,000,000.00 PROPOSED CREDIT ENHANCEMENT INVESTMENT

- H. The Retirement System is subject to P.A. 314 of 1965 (MCLA 38.1132, et seq.) as amended. The ability of the Retirement System to make the investment is subject to availability of funds consistent with statutory limitations. Project sponsor/borrower/applicable party have the obligation to be aware of statutory limitations and whether the Retirement System investment will be within PA 314 of 1965 limitations.
- I. It is likely that modifications to the proposed investment will be made to comply with the Board's policies and any other requirements of the Board (developed with the assistance of the due diligence and/or Special Legal Counsel or General Counsel.
- J. The project sponsor/borrower/applicable party must provide written acknowledgment of this resolution and agreement to the terms and requirements herein as a primary requirement of the process proceeding.
- K. Any commitment or other preliminary transaction documents signed by the Board include the provision that all final transaction loan documents are subject to approval as to form and content by the Board and Special Legal Counsel, if applicable, and approval as to form and content by General Counsel, and
- L. Any adverse change in economic or other conditions affecting the Borrower/Project Sponsor or Guarantor may result in negating the investment.

**WHEREAS**, the Board will be selecting special legal counsel regarding this proposed investment who may be submitting

PITG GAMING

\$75,000,000.00 PROPOSED CREDIT ENHANCEMENT INVESTMENT

proposed modifications regarding the proposed transaction to protect the interests of the Retirement System; and

**WHEREAS**, the Board has discussed this matter, therefore be it

**RESOLVED**, That the due diligence advisor continue discussions/negotiations with Project Sponsor regarding all matters deemed appropriate by the due diligence advisor, and be it further

**RESOLVED**, that subject to the requirements stated in this resolution, the Board continues its interests in the proposed investment, and indicates its intention to complete the transaction provided all requirements of the Board and Special Legal Counsel are met by applicable parties and subject to approval of final documents by the Special Legal Counsel, General Counsel and the Board of Trustees, and be it further

**RESOLVED**, that the foregoing, as indicated in item J. above, is subject to receipt by the Board of written acknowledgment from proposed applicable party that said party has received a copy of this resolution and acknowledges and agrees to the conditions and requirements therein, and be it further

**RESOLVED**, That the credit enhancement fee will be 400 basis points of which 300 basis points be paid quarterly in cash and 100 basis points be paid on an accrued basis, and be it further

**RESOLVED**, that a copy of this resolution be forwarded to the project sponsor/borrower/applicable party and Special Legal Counsel to be selected by the Board:

PITG GAMING

\$75,000,000.00 PROPOSED CREDIT ENHANCEMENT INVESTMENT

Yeas – Trustees Bandemer, Collins, Freeman, Moore, Scott and  
Stewart – 6

Nays – Trustees Orzech, Pegg and Chairman Best – 3

TRUSTEES FREEMAN AND COLLINS EXCUSED THEMSELVES.

SOCIETE GENERALE

BY MR. STEWART – SUPPORTED BY MR. PEGG

WHEREAS, THE SYSTEM HAS INCURRED APPROXIMATELY \$2,000,000.00 IN  
LOSSES FROM THE PURCHASE OF APPROXIMATELY 25,000 SHARES OF  
SOCIETE GENERALE, AND

WHEREAS, KIRBY MCINERNEY, LLP HAS REPORTED TO THE BOARD  
REGARDING THEIR ANALYSIS OF THE MERITS OF A CASE AGAINST SOCIETE  
GENERALE, AND

WHEREAS, KIRBY MCINERNEY, LLP HAS INQUIRED WHETHER THE RETIREMENT  
SYSTEM IS INTERESTED IN SEEKING TO BE A LEAD PLAINTIFF IN THIS  
LITIGATION, AND

WHEREAS, THE BOARD HAS DISCUSSED THIS MATTER, AND

WHEREAS, THE BOARD DEEMS IT APPROPRIATE TO SEEK TO BE A LEAD  
PLAINTIFF IN THIS MATTER TO RECOVER OR MITIGATE LOSSES INCURRED BY  
THE SYSTEM, THEREFORE BE IT

RESOLVED, THAT THE BOARD SEEK TO BE NAMED LEAD PLAINTIFF  
REGARDING THIS MATTER, AND BE IT FURTHER

RESOLVED, THAT KIRBY MCINERNEY, LLP BE RETAINED TO REPRESENT THE  
SYSTEM REGARDING THIS MATTER, SUBJECT TO AGREEMENT REGARDING  
PRIOR TERMS OF RETENTION IN CLASS ACTION MATTERS, AND BE IT FURTHER

SOCIETE GENERALE

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO KIRBY MCINERNEY, LLP (PER FAX AND U.S. MAIL) AND THE ACCOUNTING DIVISION OF THE RETIREMENT SYSTEMS:

Yeas – Trustees Bandemer, Moore, Orzech, Pegg, Scott, Stewart and  
Chairman Best – 7

Nays – None

GRANT AND EISENHOFER

BY MR. STEWART – SUPPORTED BY MR. SCOTT

WHEREAS, GRANT AND EISENHOFER (“GE”) MADE A PRESENTATION TO THE BOARD ON MARCH 20, 2008 AND SUBMITTED A BOOKLET OF INFORMATION REGARDING THE FIRM, AND

WHEREAS, GRANT AND EISENHOFER HAS REQUESTED TO BE ADDED AS APPROVED CLASS ACTION SPECIAL LEGAL COUNSEL TO THE BOARD’S LIST OF CLASS ACTION SPECIAL LEGAL COUNSEL, AND

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

RESOLVED, THAT GRANT AND EISENHOFER BE ADDED TO THE BOARD’S APPROVED LIST OF CLASS ACTION SPECIAL LEGAL COUNSEL, AND BE IT FURTHER

RESOLVED, THAT GRANT AND EISENHOFER BE ALLOWED ACCESS TO THE RETIREMENT SYSTEM’S SECURITIES PORTFOLIO SUBJECT TO RECEIPT OF A CONFIDENTIALITY AGREEMENT FROM GRANT AND EISENHOFER ACCEPTABLE TO THE BOARD’S GENERAL COUNSEL, AND BE IT FURTHER

RESOLVED, THAT IN THE EVENT GRANT AND EISENHOFER IS SELECTED BY THE BOARD OR GENERAL COUNSEL TO TAKE ACTION ON BEHALF OF THE RETIREMENT SYSTEM, GRANT AND EISENHOFER COORDINATE WITH AND REPORT TO THE BOARD THROUGH THE RETIREMENT SYSTEM’S GENERAL COUNSEL, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO GRANT AND EISENHOFER AND THE ACCOUNTING DIVISION OF THE RETIREMENT SYSTEM:

GRANT AND EISENHOFER

Yeas – Trustees Bandemer, Moore, Orzech, Pegg, Scott, Stewart and  
Chairman Best – 7

Nays – None

REDICO

BY MR. STEWART – SUPPORTED BY MR. BANDEMER

RESOLVED, THAT DALE WATCHOWSKI AND ANY ASSOCIATES OF HIS  
CHOOSING BE REQUESTED TO APPEAR BEFORE THE BOARD FOR  
PRESENTATION PURPOSES (MORTGAGE FINANCING OF THREE OFFICE  
BUILDINGS IN SOUTHFIELD, MICHIGAN):

Yeas – Trustees Bandemer, Moore, Orzech, Pegg, Scott, Stewart and  
Chairman Best – 7

Nays – None

PUBLIC FORUM

AT 2:15 P.M., CHAIRPERSON BEST 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  
BEST ADJOURNED THE MEETING AT 2:17 P.M. UNTIL THURSDAY, APRIL 3,  
2008 AT 9:00 A.M., IN ROOM 910 OF THE COLEMAN A. YOUNG  
MUNICIPAL CENTER, DETROIT, MICHIGAN 48226.

RESPECTFULLY SUBMITTED,

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CYNTHIA A. THOMAS  
ASSISTANT EXECUTIVE SECRETARY