

MEETING NUMBER 2789

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



PROCEEDINGS HELD THURSDAY, JUNE 10, 2010  
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
Seth Doyle	Ex/Officio Trustee
Ralph Godbee	Ex/Officio Trustee
Brenda Jones	Ex/Officio Trustee/Council Member
Kirk Lewis	Ex/Officio Trustee
James Moore	Elected Trustee/Vice Chairperson
Sean Neary	Elected Trustee
Timothy Ngare	Ex/Officio Trustee
Jeffrey Pegg	Elected Trustee/Chairperson
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

None

ABSENT

None

CHAIRPERSON

Jeffrey Pegg

VICE CHAIRPERSON

James Moore

ROLL CALL WAS TAKEN AT 9:10 A.M. BY THE BOARD'S RECORDING SECRETARY AND THE MEETING WAS CALLED TO ORDER.

DROP RETIREMENTS

BY MR. BANDEMER – SUPPORTED BY MR. NEARY

RESOLVED, THAT THE DROP RETIREMENT APPLICATIONS WHICH ARE DESIGNATED BELOW BE APPROVED:

DROP RETIREMENTS

NAME, TITLE, DEPARTMENT:	JANET HORAN – SERGEANT - P
RETIREMENT TYPE, PLAN:	DROP - NEW
SERVICE CR./EFFECTIVE DATE:	34 10 00 – 05 10 10

NAME, TITLE, DEPARTMENT:	THADDEUS LAKE – OFFICER - P
RETIREMENT TYPE, PLAN:	DROP - NEW
SERVICE CR./EFFECTIVE DATE:	26 03 11 – 01 26 10

YEAS – TRUSTEES BANDEMER, BEST, DOYLE, NEARY, STEWART AND  
CHAIRMAN PEGG – 6

NAYS – NONE

TRUSTEE TIMOTHY NGARE ENTERED THE MEETING.

RETIREMENTS

BY MR. DOYLE – SUPPORTED BY MR. NGARE

RESOLVED, THAT THE DUTY DISABILITY RETIREMENT CONVERSION APPLICATION WHICH IS OUTLINED BELOW BE APPROVED:

RETIREMENTS

NAME, TITLE, DEPARTMENT:	CYNTHIA FOX – OFFICER - P
RETIREMENT TYPE, PLAN:	DUTY DISABILITY RETIREMENT CONVERSION - NEW
SERVICE CR./EFFECTIVE DATE:	25 00 00 – 07 01 10
NAME, TITLE, DEPARTMENT:	BURT LANCASTER – OFFICER - P
RETIREMENT TYPE, PLAN:	DUTY DISABILITY RETIREMENT CONVERSION - NEW
SERVICE CR./EFFECTIVE DATE:	25 00 00 – 07 29 10
NAME, TITLE, DEPARTMENT:	BILLY JACKSON – INSPECTOR - PCOA
RETIREMENT TYPE, PLAN:	SERVICE - NEW
SERVICE CR./EFFECTIVE DATE:	28 08 01 – 05 29 10

YEAS – TRUSTEES BANDEMER, BEST, DOYLE, NEARY, NGARE,  
STEWART AND CHAIRMAN PEGG – 7

NAYS – NONE

CONFIRMATIONS

BY MR. BEST – SUPPORTED BY MR. DOYLE

RESOLVED, THAT THE RECEIPTS AND DISBURSEMENTS WHICH ARE REFERENCED AT THE END OF THESE PROCEEDINGS BE CONFIRMED:

YEAS – TRUSTEES BANDEMER, BEST, DOYLE, NEARY, NGARE,  
STEWART AND CHAIRMAN PEGG – 7

NAYS – NONE

REFUNDS OF ACCUMULATED CONTRIBUTIONS

BY MR. BEST – SUPPORTED BY MR. BANDEMER

RESOLVED, THAT THE CONTRIBUTIONS (INCLUDING INTEREST) TO THE ANNUITY SAVINGS FUND BY MEMBERS OF THE POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT BE REFUNDED PENDING AUDIT BY RETIREMENT SYSTEM ACCOUNTING STAFF:

REFUND LIST NUMBER: 3358 – REFUND AMOUNT: \$790,898.33)

YEAS – TRUSTEES BANDEMER, BEST, DOYLE, NEARY, NGARE,  
STEWART AND CHAIRMAN PEGG – 7

NAYS – NONE

MINUTES OF MAY 20, 2010

BY MR. BEST – SUPPORTED BY MR. STEWART

RESOLVED, THAT THE MINUTES OF THE MEETING HELD THURSDAY, MAY 20, 2010 BE APPROVED AS RECORDED AND SUBMITTED BY THE BOARD'S RECORDING SECRETARY:

YEAS – TRUSTEES BANDEMER, BEST, DOYLE, NEARY, NGARE,  
STEWART AND CHAIRMAN PEGG – 7

NAYS – NONE

CLARK ET AL & RETIRED POLICE & FIREFIGHTERS' ASSOCIATION ET AL VERSUS  
THE CITY OF DETROIT BOARD OF TRUSTEES ET AL WAYNE CIRCUIT CASE  
NO. 82-235598-CL

BY MR. BEST – SUPPORTED BY MR. STEWART

Resolved, That all petitions of said pre-July 1, 1983 and pre-July 1, 1986 (as applicable) Option II and Option III retirants, whose beneficiaries pre-deceased the retirants, for adjustment of retirement benefits to a Straight Life retirement be granted effective the first day of the month following the date of application and procedures be followed otherwise identical to the processing and computation for adjustments made to divorced Option II and Option III retirants pursuant to domestic relations court orders:

<u>NAME</u>	<u>DATE OF DEATH</u>	<u>APPLICATION FILED</u>
GENE MCDONALD	3-30-10	5-24-10
RICHARD STINSON	4-25-10	5-03-10

YEAS – TRUSTEES BANDEMER, BEST, DOYLE, NEARY, NGARE,  
STEWART AND CHAIRMAN PEGG – 7

NAYS – NONE

Police and Fire Retirement System of the City of Detroit  
Pre-Employment Military Service Credit

By Mr. Stewart – Supported by Mr. Best

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:

Police and Fire Retirement System of the City of Detroit  
Pre-Employment Military Service Credit - Continued

Pension Number, Name, Address

208489  
Gregory Zurawski  
1488 Maywood  
Ann Arbor, Michigan 48103

YEAS – TRUSTEES BANDEMER, BEST, DOYLE, NEARY, NGARE,  
STEWART AND CHAIRMAN PEGG – 7

NAYS – NONE

BANYAN REALTY ADVISORS

LOU VOGT DISCUSSED 2010 FIRST QUARTER PERFORMANCE, GM  
LEASEBACK AND SG CAPITAL'S REQUESTS FOR ADDITIONAL  
FUNDING FOR SIX TRAILS AND KINGSPONTE.

TRUSTEE JAMES MOORE ENTERED THE MEETING DURING MR.  
VOGT'S DISCUSSION.

SG CAPITAL

MR. VOGT JOINED THE BOARD IN LISTENING TO MESSRS.  
DERRON SANDERS AND JOSHUA GRIGGS DISCUSS THEIR  
FUNDING REQUESTS FOR SIX TRAILS AND KINGSPONTE VIA  
PHONE CONFERENCE.

TRUSTEES RALPH GODBEE, BRENDA JONES, KIRK LEWIS AND  
SPECIAL LEGAL COUNSEL JOE TURNER ENTERED THE MEETING  
DURING MESSRS. SANDERS' AND GRIGGS' DISCUSSION.

TRUSTEE STEWART COMMENDED MR. VOGT FOR HIS  
MONITORING OF SG CAPITAL.

“W” INDUSTRIES

EDWARD WALKER AND TWO ASSOCIATES DISCUSSED A METAL FABRICATING PROPOSAL.

CHAIRMAN PEGG RELINQUISHED THE CHAIR TO VICE CHAIRMAN MOORE AND EXCUSED HIMSELF.

TRUSTEE LEWIS ALSO EXCUSED HIMSELF.

CLOSED SESSION

BY MR. STEWART – SUPPORTED BY MS. JONES

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, DOYLE, GODBEE, JONES,  
NEARY, NGARE, STEWART AND VICE CHAIRMAN MOORE

- 9

NAYS – NONE

The Board entered into Closed Session at 11:45 A.M.

TRUSTEE LEWIS RE-JOINED THE MEETING DURING CLOSED SESSION.

OPEN SESSION

BY MR. NEARY – SUPPORTED BY MR. BANDEMER

Resolved, That the Board return to Open Session:

OPEN SESSION - CONTINUED

A Roll Call Vote was taken as follows:

YEAS – TRUSTEES BANDEMER, BEST, DOYLE, GODBEE, JONES,  
LEWIS, NEARY, NGARE, STEWART AND VICE CHAIRMAN  
MOORE – 10

NAYS – NONE

The Board returned to Open Session at 12:18 P.M.

CLOSED SESSION DISCUSSIONS

DURING CLOSED SESSION, THE BOARD DISCUSSED THE RIVERS CASINO WITH SOREN REYNERTSON AND TWO GLC REPRESENTATIVES; AND GSC PARTNERS WITH HANK BRENNAN AND MIKE KELL (OF HOWARD & HOWARD).

TRUSTEE NGARE EXCUSED HIMSELF.

CHAIRMAN PEGG RE-JOINED THE MEETING AND VICE CHAIRMAN MOORE RELINQUISHED THE CHAIR TO HIM. MR. MOORE THEN EXCUSED HIMSELF.

MMA

THE BOARD DISCUSSED MMA'S FORBEARANCE REQUEST WITH INVESTMENT ANALYST RICK HUDDLESTON.

TRUSTEE NGARE RE-JOINED THE MEETING.

MMA

BY MR. NEARY – SUPPORTED BY MR. DOYLE

**WHEREAS**, the Police & Fire Retirement System of the City of Detroit (“P & F”) is a participant, together with the General Retirement System of the City of Detroit and the Wayne County Employees’ Retirement System, with respect to certain obligations of Municipal Mortgage and Equity, LLC and its subsidiaries (collectively, “MMA”) to P & F, and

**WHEREAS**, a formal request has been made to the Board of Trustees of P & F by MMA on June 1, 2010, relating to certain of its obligations to P & F as more fully described in a letter to P & F by MMA dated June 1, 2010, and

**WHEREAS**, MMA and P & F entered into a forbearance agreement (“Forbearance Agreement”) as memorialized and as described in prior resolutions issued by P & F (“P & F Resolutions”), in which P & F has agreed to grant a forbearance (“Forbearance”) until June 30, 2010 and to resolve certain other matters, all as set forth in the P & F Resolutions, and

**WHEREAS**, the maturity date of the Forbearance set forth in the Forbearance Agreement is expiring on June 30, 2010 and MMA has requested that P & F extend the maturity date of the Forbearance until June 30, 2011 (“Maturity Date”), in accordance with all other terms and conditions of the Forbearance Agreement, and

**WHEREAS**, in addition to the extension of the Maturity Date and subject to the terms of the Forbearance Agreement, P & F will forbear from enforcing any direct or indirect obligations of MMA to P & F (which include, without limitation, obligations of MMA to or through the SAS Investment Trust and the Walker Dunlop Balanced Fund) and P & F will extend existing letters of

MMA - CONTINUED

credit issued by P & F to support MMA's transactions so long as in both cases MMA is satisfying the Concessions (as defined below), and

**WHEREAS**, in exchange for such extension of the Maturity Date, MMA agrees to the following terms: (i) P & F will continue to receive the additional 100 basis points as to all rates of interest pertaining to applicable obligations owed by MMA to P & F as set forth in the Forbearance Agreement; (ii) MMA will continue to pay interest on all obligations due P & F on a current basis; (iii) MMA will not declare bankruptcy; (iv) there will be no monetary defaults under any other loan extension, restructure or forbearance agreements with the other creditors; and (v) MMA will inform Detroit P & F of any monetary default should one occur (collectively, "Concessions"), and

**WHEREAS**, the Board of Trustees of P & F have discussed the foregoing matters, and

**WHEREAS**, the Board of Trustees deems it appropriate to require an increase in the assumed actuarial rate of **7.5%**, and

**WHEREAS**, it appears to be in the best interest of P & F that it approve MMA's proposed course of action relating to the extension of the Maturity Date of the Forbearance through June 30, 2011, and to receive the Concessions as set forth above, therefore be it

**RESOLVED**, that subject to agreement by MMA to increase the interest rates on all outstanding loans and obligations to **7.5%**, P & F approves: (i) the proposed action by MMA as outlined above relating to the extension of the Maturity Date of the Forbearance to June 30, 2011 with all other terms and

MMA - CONTINUED

conditions under the Forbearance Agreement remaining in full force and effect, and be it further

**RESOLVED**, that the Board of Trustees of P & F by any two individuals are authorized to execute any and all instruments, in connection with the MMA proposal subject to approval of documentation by Special Legal Counsel and General Counsel, and be it further

**RESOLVED**, that a copy of this resolution be forwarded to MMA; Special Legal Counsel, F. Logan Davidson; and the Accounting Division of the Retirement System:

EARL COLE  
MUNIMAE  
621 E. PRATT STREET  
SUITE 300  
BALTIMORE, MARYLAND 21202

F. LOGAN DAVIDSON, P.C.  
28 WEST ADAMS  
SUITE 300  
DETROIT, MICHIGAN 48226

Yeas – Trustees Bandemer, Best, Doyle, Godbee, Jones, Lewis,  
Neary, Ngare, Stewart and Chairman Pegg – 10

Nays – None

TT INTERNATIONAL AND WELLS CAPITAL MANAGEMENT

CHAIRMAN PEGG DIRECTED THAT COMMUNICATIONS REGARDING STAFF CHANGES AT TT INTERNATIONAL AND WELLS BE REFERRED TO NORTH POINT ADVISORS FOR REVIEW.

Selection of Auditor

By Mr. Stewart – Supported by Mr. Lewis

Whereas, the Board of Trustees considers auditing firms to provide auditing services to the Police and Fire Retirement System, usually for a five-year period, and

Whereas, the Board has considered a number of auditing firms, including its prior-named auditor, Plante Moran, and

Whereas, the Board has reviewed presentations, and

Whereas, the Board has discussed this matter, therefore be it

Resolved, that Plante Moran is selected to continue to be the System's auditor on a five-year contract subject to final approval of the contract by general counsel and the Board of Trustees, and be it further

Resolved, that a copy of this resolution be forwarded to Plante Moran, and the Accounting Division of the Retirement System:

Beth Bialy  
Plante Moran  
27400 Northwestern Highway  
P. O. Box 307  
Southfield, Michigan 48037-0307

Yeas – Trustees Bandemer, Best, Doyle, Godbee, Jones, Lewis,  
Neary, Ngare, Stewart and Chairman Pegg – 10

Nays – None

PARAMOUNT LAND HOLDINGS, LLC  
80/20 DISTRESSED MORTGAGE DEBT  
PROPOSED \$10,000,000.00 INVESTMENT

BY MR. BEST – SUPPORTED BY MR. STEWART

WHEREAS, the Board of Trustees of the Police and Fire Retirement System of the City of Detroit (the “Board”) has the foregoing investment proposal under consideration, the basic and general proposed conditions of which are set forth in a letter from **Mr. Abner McWhorter** dated **September 30, 2009** presented to the Board and discussed this date, 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, and/or per negotiations with Borrower, and

WHEREAS, the Board has indicated its willingness to further consider making the proposed investment, subject to additional conditions and terms which may be required by the Board (per suggestion of Special Legal Counsel and/or General Counsel) after further discussion with and review by the Board’s Due Diligence Advisor, and after the Board’s Special Legal Counsel commences the review/drafting/editing of loan/investment transaction documents, and

WHEREAS, the policy of the Board requires, inter alia, that:

- A. All due diligence costs be paid by or on behalf of Borrower, which estimated costs are to be escrowed with the Retirement System prior to due diligence services being rendered by the due diligence advisor, and

WHEREAS, it has come to the Board’s attention that an additional \$6,000.00 is needed to complete the due diligence, therefore be it

PARAMOUNT LAND HOLDINGS, LLC  
80/20 DISTRESSED MORTGAGE DEBT  
PROPOSED \$10,000,000.00 INVESTMENT

RESOLVED, that Paramount Land Holdings, LLC contact Retirement System Accountant, **Rena Presbitero**, to make arrangements to escrow the required funds, and be it further

RESOLVED, that a copy of this resolution be forwarded to the Borrower (Paramount Land Holdings, LLC); the Board's Due Diligence Advisor (Marie Racine & Associates); and the Accounting Division of the Retirement System:

ABNER MCWHORTER  
PARAMOUNT LAND HOLDINGS, LLC  
453 MARTIN LUTHER KING, JR. BOULEVARD  
DETROIT, MICHIGAN 48201

MARIE RACINE  
MARIE RACINE & ASSOCIATES  
211 WEST FORT  
SUITE 500  
DETROIT, MICHIGAN 48226

Yeas – Trustees Bandemer, Best, Doyle, Godbee, Jones, Lewis,  
Neary, Ngare, Stewart and Chairman Pegg – 10

Nays – None

PITG Collateral

By Mr. Best – Supported by Mr. Stewart

WHEREAS, General Counsel has advised the Board that the collateral provided to support the PITG credit enhancement has been released, and

WHEREAS, the Board has reviewed the recommendation of North Point Advisors, the Board's retained consultant, with respect to how to deploy the funds held in the collateral accounts, and

WHEREAS, the Board has discussed this matter with staff on this date, therefore be it

RESOLVED, that \$43,000,000.00 be invested in the S & P 500 Index account managed by BlackRock, and be it further

RESOLVED, that \$29,000,000.00 be utilized to fund the remaining emerging manager accounts as shown below:

Credo Capital Management	\$10,000,000.00
Apex Capital Management	\$ 7,000,000.00
Miller Howard Investments	\$12,000,000.00

and be it further,

RESOLVED, that the balance of the collateral accounts be transferred to the liquid reserve account (591355), and be it further

RESOLVED, that the funds allocated to the emerging managers shown above be held in the liquid reserve account until such time as the accounts are opened and funded, and be it further,

PITG Collateral - Continued

RESOLVED, that a copy of this resolution be sent to North Point Advisors, The Bank of New York Mellon, BlackRock, Credo Capital Management, Apex Capital Management, Miller Howard Investments, and the Accounting Division of the Retirement System:

Yeas – Trustees Bandemer, Best, Doyle, Godbee, Jones, Lewis, Neary, Ngare, Stewart and Chairman Pegg – 10

Nays – None

THE SHOPPES AT DETROIT GATEWAY PARK

BY MR. LEWIS – SUPPORTED BY MR. DOYLE

Whereas, The Board has been presented with an investment proposal for The Shoppes At Detroit Gateway Park from McCormack, Baron & Salazar, and

Whereas, The Board desires due diligence on said proposal,  
Therefore Be It

Resolved, That subject to McCormack, Baron & Salazar agreeing to pay the costs for said due diligence and said funds being escrowed by McCormack, Baron & Salazar with the Retirement System, Courtland Partners be engaged to perform due diligence on said proposal and submit their findings (in writing) to the Board, and be it further

Resolved, That the Executive Secretary/Assistant Executive Secretary arrange for the coordination of the foregoing with all applicable parties, and be it further

THE SHOPPES AT DETROIT GATEWAY PARK - CONTINUED

Resolved, That after receiving the required due diligence report, the Board will decide whether it has any continued interest in the proposal, and be it further

Resolved, That a copy of this resolution be forwarded to McCormack, Baron & Salazar, Courtland Partners, and the Accounting Division of the Retirement System:

MICHAEL MURPHY  
COURTLAND PARTNERS  
200 PUBLIC SQUARE  
SUITE 2530  
CLEVELAND, OHIO 44114

VINCE BENNETT  
BERNIE SCHROTT  
MCCORMACK, BARON & SALAZAR  
1415 OLIVE STREET  
SUITE 310  
ST. LOUIS, MISSOURI 63103

Yeas – Trustees Bandemer, Best, Doyle, Godbee, Jones, Lewis, Ngare and Stewart – 8

Nays – Trustees Neary and Chairman Pegg – 2

REASONING FOR TRUSTEE NEARY'S AND CHAIRMAN PEGG'S  
"NAY" VOTES:

The Police and Fire Retirement System of the City of Detroit has reached the limitations of Sections 19, 20(d) and 20(k) of Public Act 314 of 1965 as amended.

TRUSTEE LEWIS EXCUSED HIMSELF.

LEGAL COUNSEL'S REPORTS

LEGAL COUNSEL RONALD ZAJAC DISCUSSED VARIOUS MATTERS WITH THE BOARD, INCLUDING KOHN, SWIFT & GRAF; ZWERLING, SCHACHTER & ZWERLING; AND KEARNEY VERSUS SIEMASZKO.

INVESCOR

THE BOARD DISCUSSED INVESCOR'S JUNE 9, 2010 REQUEST THAT THE BOARD PROVIDE CASH FLOW SUPPORT OF \$200,000.00 PER MONTH FOR FOUR (4) MONTHS SO THAT INVESCOR CAN MAINTAIN THE FIRM'S VIABILITY) WITH ADRIAN ANDERSON VIA PHONE CONFERENCE.\*

\*CHAIRMAN PEGG DIRECTED THAT ADRIAN ANDERSON AND RICK HUDDLESTON MEET WITH INVESCOR REPRESENTATIVES REGARDING THIS MATTER.

BEAR STEARNS MORTGAGE-BACKED PASS-THROUGH CERTIFICATE LITIGATION

BY MR. STEWART – SUPPORTED BY MR. DOYLE

WHEREAS, THE BOARD, THIS DATE, REVIEWED A LETTER DATED JUNE 4, 2010 FROM DENIS F. SHEILS, ESQUIRE OF KOHN, SWIFT & GRAF, P.C., SPECIAL COUNSEL, RECOMMENDING THAT THE RETIREMENT SYSTEM BE JOINED AS AN ADDITIONAL LEAD PLAINTIFF IN THE ACTION ENTITLED IN RE BEAR STEARNS MORTGAGE PASS-THROUGH CERTIFICATES LITIGATION MASTER FILE NO. 08 CIV. 8093 (LTS) (KNF) (S.D.N.Y.), WITH THE CONCURRENCE OF LEAD COUNSEL, COHEN, MILSTEIN SELLERS & TOLL PLLC AND BERNSTEIN LITOWITZ BERGER & GROSSMAN LLP, TO HAVE THE RETIREMENT SYSTEM ASSERT CLAIMS ON BEHALF OF A CLASS OF PURCHASERS OF THE BEAR STEARNS ALT-A TRUST 2006-8 BEAR STEARNS SPONSORED MORTGAGE BACKED PASS-THROUGH CERTIFICATES, AND

WHEREAS THE BOARD'S GENERAL COUNSEL HAS DISCUSSED THIS WITH THE BOARD AND THE BOARD'S GENERAL COUNSEL APPROVES THE WORDING OF THIS RESOLUTION, THEREFORE BE IT

RESOLVED, THAT THE BOARD APPROVES THE RECOMMENDATION AND AUTHORIZES KOHN, SWIFT & GRAF, P.C. TO TAKE ALL STEPS TO HAVE THE RETIREMENT SYSTEM JOINED AS AN ADDITIONAL LEAD PLAINTIFF IN THE ACTION ENTITLED IN RE BEAR STEARNS MORTGAGE PASS-THROUGH CERTIFICATES LITIGATION MASTER FILE NO. 08 CIV. 8093 (LTS) (KNF)

BEAR STEARNS MORTGAGE-BACKED PASS-THROUGH CERTIFICATE  
LITIGATION

(S.D.N.Y.), WITH THE CONCURRENCE OF LEAD COUNSEL, UNLESS THE COURT DIRECTS OTHERWISE, TO ASSERT CLAIMS ON BEHALF OF A CLASS OF PURCHASERS OF THE BEAR STEARNS ALT-A TRUST 2006-8 BEAR STEARNS SPONSORED MORTGAGE BACKED PASS-THROUGH CERTIFICATES;

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO SPECIAL COUNSEL KOHN, SWIFT & GRAF, P.C., AND THE ACCOUNTING DIVISION OF THE RETIREMENT SYSTEM:

Yeas – Trustees Bandemer, Best, Doyle, Godbee, Jones, Neary, Ngare, Stewart and Chairman Pegg – 9

Nays – None

RESIDENTIAL TRUST  
MORTGAGE-BACKED SECURITIES – 2006-QS8

BY MR. STEWART – SUPPORTED BY MR. DOYLE

WHEREAS, THE RETIREMENT SYSTEM IS IN RECEIPT OF A LETTER FROM ZWERLING, SCHACHTER & ZWERLING, LLP (“ZSZ, LLP”) DATED JUNE 10, 2010 PROVIDING CERTAIN INFORMATION REGARDING THE RETIREMENT SYSTEM’S PURCHASE OF INTERESTS IN RE: RESIDENTIAL TRUST MORTGAGE-BACKED SECURITIES, RE: STRUCTURED ADJUSTABLE RATE MORTGAGE LOAN TRUST 2006-QS8 WHICH HAS RESULTED IN LOSSES BY THE RETIREMENT SYSTEM, AND

WHEREAS, LOSSES MAY BE DUE TO CERTAIN WRONG DOING BY THE ISSUERS OR OTHERS RELATED TO THE MORTGAGE-BACKED SECURITIES, AND

WHEREAS, ZSZ, LLP REQUESTS APPROVAL TO INVOLVE THE RETIREMENT SYSTEM AS CLASS ACTION PLAINTIFF OR OTHER APPROPRIATE ACTION REGARDING THIS MATTER, WITH ZSZ, LLP AS LEAD PLAINTIFF SECURITIES LEGAL COUNSEL REGARDING THIS MATTER, THEREFORE BE IT

RESOLVED, THAT ZSZ, LLP’S FOREGOING REQUEST, RE: RESIDENTIAL TRUST MORTGAGE-BACKED SECURITIES, RE: STRUCTURED ADJUSTABLE RATE MORTGAGE LOAN TRUST 2006-QS8, IS APPROVED, AND BE IT FURTHER

RESIDENTIAL TRUST  
MORTGAGE-BACKED SECURITIES – 2006-QS8

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO ZSZ, LLP,  
ATTENTION: JEFFREY C. ZWERLING; AND THE ACCOUNTING DIVISION OF  
THE RETIREMENT SYSTEM:

JEFFREY C. ZWERLING  
ZWERLING, SCHACHTER & ZWERLING  
41 MADISON AVENUE  
NEW YORK, NEW YORK 10010

Yeas – Trustees Bandemer, Best, Doyle, Godbee, Jones, Neary,  
Ngare, Stewart and Chairman Pegg – 9

Nays – None

MORGAN STANLEY – MORTGAGED-BACKED SECURITIES  
2007-8XS

BY MR. STEWART – SUPPORTED BY MR. DOYLE

WHEREAS, THE RETIREMENT SYSTEM IS IN RECEIPT OF A LETTER FROM  
ZWERLING, SCHACHTER & ZWERLING, LLP (“ZSZ, LLP”) DATED JUNE 9, 2010  
PROVIDING CERTAIN INFORMATION REGARDING THE RETIREMENT SYSTEM’S  
PURCHASE OF INTERESTS IN RE: MORGAN STANLEY MORTGAGE-BACKED  
SECURITIES, RE: STRUCTURED ADJUSTABLE RATE MORTGAGE LOAN TRUST  
2007-8XS WHICH HAS RESULTED IN LOSSES BY THE RETIREMENT SYSTEM, AND

WHEREAS, LOSSES MAY BE DUE TO CERTAIN WRONGDOING BY THE ISSUERS  
OR OTHERS RELATED TO THE MORTGAGE-BACKED SECURITIES, AND

WHEREAS, ZSZ, LLP REQUESTS APPROVAL TO INVOLVE THE RETIREMENT  
SYSTEM AS CLASS ACTION PLAINTIFF OR OTHER APPROPRIATE ACTION  
REGARDING THIS MATTER, WITH ZSZ, LLP AS LEAD PLAINTIFF SECURITIES  
LEGAL COUNSEL REGARDING THIS MATTER, THEREFORE BE IT

RESOLVED, THAT ZSZ, LLP’S FOREGOING REQUEST, RE: MORGAN STANLEY  
MORTGAGE-BACKED SECURITIES, RE: STRUCTURED ADJUSTABLE RATE  
MORTGAGE LOAN TRUST 2007-8XS, IS APPROVED, AND BE IT FURTHER

MORGAN STANLEY – MORTGAGED-BACKED SECURITIES  
2007-8XS

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO ZSZ, LLP,  
ATTENTION: JEFFREY C. ZWERLING; AND THE ACCOUNTING DIVISION OF  
THE RETIREMENT SYSTEM:

JEFFREY C. ZWERLING  
ZWERLING, SCHACHTER & ZWERLING  
41 MADISON AVENUE  
NEW YORK, NEW YORK 10010

Yeas – Trustees Bandemer, Best, Doyle, Godbee, Jones, Neary,  
Ngare, Stewart and Chairman Pegg – 9

Nays – None

PENSION NUMBER 170999  
KEARNEY VERSUS SIEMASZKO  
MACOMB COUNTY CASE NO. 08-3641-DO

BY MR. GODBEE – SUPPORTED BY MR. DOYLE

WHEREAS, THE BOARD IS IN RECEIPT OF AN APRIL 26, 2010 DOMESTIC  
RELATIONS ORDER WHICH AMENDS/SUPPLEMENTS A CONSENT JUDGMENT  
OF DIVORCE DATED JANUARY 7, 2009 WHEREIN **SUSAN SIEMASZKO** IS  
AWARDED CERTAIN RIGHTS TO THE DEFINED BENEFIT PLAN AND/OR  
DEFINED CONTRIBUTION PLAN BENEFITS OF **DANIEL KEARNEY** WHO RETIRED  
AUGUST 21, 1999, AND

WHEREAS PARTICIPANT'S DATE OF BIRTH IS MARCH 27, 1952 AND, TO DATE,  
PARTICIPANT HAS ATTAINED 25 YEARS, 10 MONTHS AND 22 DAYS OF  
SERVICE CREDIT, AND

WHEREAS, ALTERNATE PAYEE IS NOT ENTITLED TO CLAIM A PORTION OF  
PARTICIPANT'S DEFINED CONTRIBUTION PLAN BECAUSE ALL AMOUNTS  
WERE PREVIOUSLY WITHDRAWN FROM THE DEFINED CONTRIBUTION PLAN,  
AND

WHEREAS, ALTERNATE PAYEE IS ENTITLED TO CLAIM A PORTION OF  
PARTICIPANT'S DEFINED BENEFIT PLAN, AND

PENSION NUMBER 170999  
KEARNEY VERSUS SIEMASZKO  
MACOMB COUNTY CASE NO. 08-3641-DO

WHEREAS, THE EARLIEST DATE THAT PAYMENTS FROM THE DEFINED BENEFIT PLAN CAN BE MADE TO THE PARTICIPANT OR ALTERNATE PAYEE IS IMMEDIATELY, AND

WHEREAS THE BOARD'S POLICY IS TO REQUIRE THAT THE COST FOR THE ACTUARY'S CALCULATIONS ARE TO BE BORNE BY THE PARTIES TO THE DOMESTIC RELATIONS PROCEEDINGS, AND

WHEREAS, THE COURT ORDER PROVIDES FOR THE PARTIES TO SHARE THE COST OF THE ACTUARY'S FEES, AND

WHEREAS, SAID MATTER HAS BEEN DISCUSSED WITH LEGAL COUNSEL WHO HAS OPINED THAT THE APPLICABLE TERMS OF SAID COURT ORDER ARE CONSISTENT WITH THE PROVISIONS OF THE RETIREMENT SYSTEM AND APPLICABLE LAW, THEREFORE BE IT

RESOLVED THAT THE BOARD ACKNOWLEDGE RECEIPT OF SAID COURT ORDER AND PAY PENSION BENEFITS CONSISTENT WITH SAID COURT ORDER SUBJECT TO APPLICATION BEING FILED BY THE PARTY SEEKING PAYMENT, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE IMMEDIATELY ATTACHED AS THE TOP SHEET OF THE PENSION FILE, AND OTHER APPROPRIATE RECORDS BE RETAINED BY THE RETIREMENT SYSTEM RELATIVE TO THIS MATTER, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO ATTORNEY DAVID CAPLAN, ATTORNEY MICHAEL SMITH, SUSAN SIEMASZKO, DANIEL KEARNEY, AND RETIREMENT SYSTEM STAFF MEMBER DAVID CETLINSKI:

DAVID CAPLAN, P.C.  
31700 TELEGRAPH ROAD – SUITE 120  
BINGHAM FARMS, MICHIGAN 48025

MICHAEL SMITH, P.C.  
12900 HALL ROAD – SUITE 300  
STERLING HEIGHTS, MICHIGAN 48313

PENSION NUMBER 170999  
KEARNEY VERSUS SIEMASZKO  
MACOMB COUNTY CASE NO. 08-3641-DO

SUSAN SIEMASZKO  
3214 WARICK  
ROYAL OAK, MICHIGAN 48073

DANIEL KEARNEY  
42209 SARATOGA CIRCLE  
CANTON, MICHIGAN 48187

Yeas – Trustees Bandemer, Best, Doyle, Godbee, Jones, Neary,  
Ngare, Stewart and Chairman Pegg – 9

Nays – None

PFRS/GRS JEFFERSON AVENUE CORPORATION  
2009 TAX RETURN

BY MR. STEWART – SUPPORTED BY MR. BANDEMER

Whereas, The Police and Fire Retirement System is a 50% shareholder of the Corporation, and

Whereas, The Board has been requested to approve the execution of the 2009 U.S. Return of Organization Exempt from Income Tax dated June 10, 2010 by an officer of the Corporation, and

Whereas, The execution of said document has been recommended by the Board's Special Legal Counsel, F. Logan Davidson, 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 the appropriate corporate officer(s) on behalf of the Corporation and forwarded to the appropriate party, and be it further

Resolved, That the Accounting Division of the Retirement System retain copies of said executed original document, and be it further

PFRS/GRS JEFFERSON AVENUE CORPORATION  
2009 TAX RETURN

Resolved, That a copy of this resolution be forwarded to special legal counsel F. Logan Davidson, and the Accounting Division of the Retirement System:

Yeas – Trustees Bandemer, Best, Doyle, Godbee, Jones, Neary, Ngare, Stewart and Chairman Pegg – 9

Nays – None

PFRS/GRS JEFFERSON AVENUE CORP.  
DEVELOPMENT OPPORTUNITY SIGN – 7850 E. JEFFERSON AVE.

BY MR. BANDEMER – SUPPORTED BY MR. DOYLE

**WHEREAS**, THE POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT IS A 50% SHAREHOLDER OF THE CORPORATION, AND

**WHEREAS**, THE BOARD HAS BEEN ADVISED BY ITS REAL ESTATE ADVISOR, MILESTONE REALTY SERVICES, INC., TO MARKET THE PROPERTY AS A 2.8 ACRE DEVELOPMENT OPPORTUNITY, AND

**WHEREAS**, THE BOARD IS IN RECEIPT OF A COST MATRIX FROM THREE COMPANIES THAT SUBMITTED THEIR PRICE QUOTES TO DESIGN AND INSTALL THE ABOVE-CAPTIONED “DEVELOPMENT OPPORTUNITY” SIGN, AND

**WHEREAS**, THE BOARD HAS DISCUSSED THIS AFOREMENTIONED MATTER, AND THEREFORE BE IT,

**RESOLVED**, THAT THE BOARD APPROVES MARKETING THE SUBJECT SITE AS A DEVELOPMENT OPPORTUNITY, AND FURTHER

**RESOLVED**, THAT THE BOARD APPROVES THE BID PROPOSAL OF **MAYS PRINTING CO., INC.**, AND BE IT FURTHER,

**RESOLVED**, THAT THE CORPORATION SHALL PAY **MAYS PRINTING CO., INC.** FOR THE ABOVE-MENTIONED SERVICES, EQUALLY FUNDED BY BOTH SHAREHOLDERS OF THE CORPORATION AT A PRO-RATA AMOUNT OF 50%

PFRS/GRS JEFFERSON AVENUE CORP.  
DEVELOPMENT OPPORTUNITY SIGN – 7850 E. JEFFERSON AVE.

PER RETIREMENT SYSTEM, SUBJECT TO THE RETIREMENT SYSTEM'S FINAL APPROVAL, AND BE IT FURTHER

**RESOLVED**, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO MILESTONE REALTY SERVICES, INC., THE GENERAL RETIREMENT SYSTEM OF THE CITY OF DETROIT, AND THE ACCOUNTING DIVISION OF THE RETIREMENT SYSTEM:

BOARD OF TRUSTEES  
GENERAL RETIREMENT SYSTEM OF THE CITY OF DETROIT  
908 COLEMAN A. YOUNG MUNICIPAL CENTER  
DETROIT, MICHIGAN 48226

MARTY WEST  
MILESTONE REALTY SERVICES, INC.  
306 S. WASHINGTON AVENUE  
SUITE 300  
ROYAL OAK, MICHIGAN 48067

Yeas – Trustees Bandemer, Best, Doyle, Godbee, Jones, Neary, Ngare, Stewart and Chairman Pegg – 9

Nays – None

Re: PFRS San Diego Corp.: Bank Account Authorization:  
JP Morgan Chase

By Mr. Stewart – Supported by Mr. Bandemer

**WHEREAS**, the Board is the sole shareholder of the corporation, and

**WHEREAS**, the Board has been requested to approve the execution of a Certificate Regarding Accounts in connection with the opening of a bank account with JP Morgan Chase dated June 10, 2010 by an officer of the corporation, and

**WHEREAS**, the execution of said document has been recommended by the Board's real estate advisor, Mayfield Gentry Realty

Re: PFRS San Diego Corp.: Bank Account Authorization:  
JP Morgan Chase

Advisors, LLC, and by the Board's special legal counsel, F. Logan Davidson, 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 documents is consistent with prior action of the Board, therefore be it

**RESOLVED**, that said document be executed by the appropriate corporate officers on behalf of the corporation:

Yeas – Trustees Bandemer, Best, Doyle, Godbee, Jones, Neary,  
Ngare, Stewart and Chairman Pegg – 9

Nays – None

Re: PFRS Yamato Corp.: Bank Account Authorization: JP Morgan Chase

By Mr. Stewart – Supported by Mr. Bandemer

**WHEREAS**, the Board is the sole shareholder of the corporation, and

**WHEREAS**, the Board has been requested to approve the execution of a Certificate Regarding Accounts in connection with the opening of a bank account with JP Morgan Chase dated June 10, 2010 by an officer of the corporation, and

**WHEREAS**, the execution of said document has been recommended by the Board's real estate advisor, Mayfield Gentry Realty Advisors, LLC, and the Board's special legal counsel, F. Logan Davidson, 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 documents be executed by the appropriate corporate officers on behalf of the corporation:

Yeas – Trustees Bandemer, Best, Doyle, Godbee, Jones, Neary,  
Ngare, Stewart and Chairman Pegg – 9

Nays – None

PFRS PATRICK CENTER CORP.: BANK ACCOUNT AUTHORIZATION: JP  
MORGAN CHASE

By Mr. Stewart – Supported by Mr. Bandemer

**WHEREAS**, the Board is the sole shareholder of the corporation, and

**WHEREAS**, the Board has been requested to approve the execution of a Certificate Regarding Accounts in connection with the opening of a bank account with JP Morgan Chase dated June 10, 2010 by an officer of the corporation, and

**WHEREAS**, the execution of said document has been recommended by the Board's real estate advisor, Mayfield Gentry Realty Advisors, LLC, and the Board's special legal counsel, F. Logan Davidson, 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 documents be executed by the appropriate corporate officers on behalf of the corporation:

Yeas – Trustees Bandemer, Best, Doyle, Godbee, Jones, Neary,  
Ngare, Stewart and Chairman Pegg – 9

Nays – None

PF COLONNADES WEST CORP.: BANK ACCOUNT AUTHORIZATION: JP  
MORGAN CHASE

By Mr. Stewart – Supported by Mr. Bandemer

**WHEREAS**, the Board is the sole shareholder of the corporation, and

**WHEREAS**, the Board has been requested to approve the execution of a Certificate Regarding Accounts in connection with the opening of a bank account with JP Morgan Chase dated June 10, 2010 by an officer of the corporation, and

**WHEREAS**, the execution of said document has been recommended by the Board's real estate advisor, Mayfield Gentry Realty

PF COLONNADES WEST CORP.: BANK ACCOUNT AUTHORIZATION: JP MORGAN CHASE

Advisors, LLC, and the Board's special legal counsel, F. Logan Davidson, 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 documents be executed by the appropriate corporate officers on behalf of the corporation:

Yeas – Trustees Bandemer, Best, Doyle, Godbee, Jones, Neary, Ngare, Stewart and Chairman Pegg – 9

Nays – None

PFRS ST. ANDREWS CORP.: BANK ACCOUNT AUTHORIZATION: JP MORGAN CHASE

By Mr. Stewart – Supported by Mr. Bandemer

**WHEREAS**, the Board is the sole shareholder of the corporation, and

**WHEREAS**, the Board has been requested to approve the execution of a Certificate Regarding Accounts in connection with the opening of a bank account with JP Morgan Chase dated June 10, 2010 by an officer of the corporation, and

**WHEREAS**, the execution of said document has been recommended by the Board's real estate advisor, Mayfield Gentry Realty Advisors, LLC, and the Board's special legal counsel, F. Logan Davidson, 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 documents be executed by the appropriate corporate officers on behalf of the corporation:

PFRS ST. ANDREWS CORP.: BANK ACCOUNT AUTHORIZATION: JP MORGAN CHASE

Yeas – Trustees Bandemer, Best, Doyle, Godbee, Jones, Neary,  
Ngare, Stewart and Chairman Pegg – 9

Nays – None

PFRS DUBLIN CORP.: BANK ACCOUNT AUTHORIZATION: JP MORGAN CHASE

By Mr. Stewart – Supported by Mr. Bandemer

**WHEREAS**, the Board is the sole shareholder of the corporation, and

**WHEREAS**, the Board has been requested to approve the execution of a Certificate Regarding Accounts in connection with the opening of a bank account with JP Morgan Chase dated June 10, 2010 by an officer of the corporation, and

**WHEREAS**, the execution of said document has been recommended by the Board's real estate advisor, Mayfield Gentry Realty Advisors, LLC, and the Board's special legal counsel, F. Logan Davidson, 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 documents be executed by the appropriate corporate officers on behalf of the corporation:

Yeas – Trustees Bandemer, Best, Doyle, Godbee, Jones, Neary,  
Ngare, Stewart and Chairman Pegg – 9

Nays – None

PF FUND MUTUAL BUILDING, INC.: BANK ACCOUNT AUTHORIZATION: JP  
MORGAN CHASE

By Mr. Stewart – Supported by Mr. Bandemer

**WHEREAS**, the Board is the sole shareholder of the corporation, and

**WHEREAS**, the Board has been requested to approve the execution of a Certificate Regarding Accounts in connection with the opening of a bank account with JP Morgan Chase dated June 10, 2010 by an officer of the corporation, and

**WHEREAS**, the execution of said document has been recommended by the Board's real estate advisor, Mayfield Gentry Realty Advisors, LLC, and the Board's special legal counsel, F. Logan Davidson, 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 documents be executed by the appropriate corporate officers on behalf of the corporation:

Yeas – Trustees Bandemer, Best, Doyle, Godbee, Jones, Neary,  
Ngare, Stewart and Chairman Pegg – 9

Nays – None

SPECIAL LEGAL COUNSEL'S REPORTS

SPECIAL LEGAL COUNSEL JOE TURNER REQUESTED THAT THE BOARD ENTER INTO CLOSED SESSION TO DISCUSS MATTERS INVOLVING ATTORNEY/CLIENT PRIVILEGE.

CLOSED SESSION

BY MR. DOYLE – SUPPORTED BY MS. JONES

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, Doyle, Godbee, Jones, Neary, Ngare, Stewart and Chairman Pegg – 9

Nays – None

The Board entered into Closed Session at 2:20 P.M.

OPEN SESSION

BY MR. STEWART – SUPPORTED BY MR. DOYLE

Resolved, That the Board return to Open Session:

A Roll Call Vote was taken as follows:

Yeas – Trustees Bandemer, Best, Doyle, Godbee, Jones, Neary, Ngare, Stewart and Chairman Pegg – 9

Nays – None

The Board returned to Open Session at 2:25 P.M.

CLOSED DISCUSSION DISCUSSIONS

DURING CLOSED SESSION, SPECIAL LEGAL COUNSEL JOE TURNER DISCUSSED THE SECURITY AND EXCHANGE COMMISSION VERSUS ONYX CAPITAL ADVISORS, PFRS/GRS VERSUS ONYX CAPITAL ADVISORS, LLC, AND PITG/RIVERS CASINO.

ONYX CAPITAL ADVISORS, LLC

BY MR. STEWART – SUPPORTED BY MR. NGARE

RESOLVED, THAT ONYX CAPITAL ADVISORS, LLC BE REMOVED FROM THE LIST OF BROKERS OF RECORD FOR THE POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT, AND BE IT FURTHER

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

ROY DIXON  
ONYX CAPITAL ADVISORS, LLC  
660 WOODWARD AVENUE  
SUITE 1141  
DETROIT, MICHIGAN 48226

Yeas – Trustees Bandemer, Best, Doyle, Godbee, Jones, Neary, Ngare, Stewart and Chairman Pegg – 9

Nays – None

SG Capital Fund, LLC  
Request for Additional Equity Contribution of \$250,000.00 For  
Kingspointe Apartments, Warren, Michigan

BY MR. BEST – SUPPORTED BY MR. STEWART

**WHEREAS**, on June 21, 2007 the Board approved an equity commitment up to \$2,000,000 to emerging investment advisor SG Capital, LLC to provide acquisition funding of apartment communities, and

**WHEREAS**, the Sponsor subsequently on December 6, 2007 requested and the Board approved an additional equity commitment of \$200,000 increasing the total equity commitment to \$2,200,000 to acquire the apartment community known as Kingspointe Apartments subject to a new first mortgage from Freddie Mac of \$5,325,000 which brought the total acquisition funding to \$7,525,000, and the Board approved execution of the Capital Contribution Agreement and Operating Agreement for SG Capital Fund, LLC, and

**WHEREAS**, SG Capital Fund, LLC has submitted a request for an additional equity contribution of \$250,000 to pay certain accounts payable including insurance, utilities and other accounts payables related to the property due to less than expected operating performance than projected causing a build up in accounts payable, and

**WHEREAS**, the Board has reviewed the request from the Borrower and the two page letter dated June 10, 2010 submitted by the Board's advisor Banyan Realty Advisors who recommends the Board approve the requested additional contribution of \$250,000.00 given the risk of possible liens and additional costs that might adversely impact the Board's investment, therefore be it

**RESOLVED**, the Board approves the Borrower's request to

SG Capital Fund, LLC  
Request for Additional Equity Contribution of \$250,000.00 For  
Kingspointe Apartments, Warren, Michigan

provide additional equity of \$250,000.00, and be it further

**RESOLVED**, that all modifications to the Operating Agreement be approved as to form by the Board's special legal counsel, the Board's General Counsel and the Board prior to said documents being executed by two authorized signatories on behalf of the Board, and be it further

**RESOLVED**, that a copy of this resolution be forwarded to the Borrower, SG Capital Fund, LLC, 8109 East Jefferson, Detroit, Michigan 48214; Banyan Realty Advisors, LLC; F. Logan Davidson, P.C.; and the Accounting Division of the Retirement System:

JOSHUA GRIGGS  
SG CAPITAL  
8109 E. JEFFERSON AVENUE  
SUITE 300  
DETROIT, MICHIGAN 48214

LOU VOGT  
BANYAN REALTY ADVISORS, LLC  
501 NORTH MAGNOLIA AVENUE  
ORLANDO, FLORIDA 32801

F. LOGAN DAVIDSON, P.C.  
28 WEST ADAMS  
SUITE 300  
DETROIT, MICHIGAN 48226

Yeas – Trustees Bandemer, Best, Doyle, Godbee, Jones, Neary,  
Ngare, Stewart and Chairman Pegg – 9

Nays – None

SG Mortgage Fund, LLC  
Request for Additional Advance of \$500,000.00  
For Six Trails Apartments, fka Riveroaks Apartments,  
Saline, Michigan

BY MR. BEST – SUPPORTED BY MR. STEWART

**WHEREAS**, on June 26, 2008 the Police and Fire Retirement System issued its Loan Commitment not to exceed \$20,000,000 to SG Mortgage Fund, LLC to provide acquisition funding of apartment communities subject to a number of requirements in particular any loan would be secured by a second mortgage the total indebtedness of which would not exceed 80% loan to stabilized appraised value as more fully described in the Loan Commitment dated June 26, 2008, and

**WHEREAS**, the Borrower subsequently requested the Board to provide for advances up to a maximum of \$1,000,000 for third party due diligence expenses and refundable deposits related to acquisitions, to lower the pay rate from 11% to 8%, to allow for funding of first mortgage loans and to allow for refunding of amounts repaid under the maximum commitment of \$20,000,000, and on August 28, 2008 the Retirement System and Borrower entered into that certain Amendment to Loan Commitment pursuant to which the Retirement System and Borrower agreed to amend the Loan Commitment, and

**WHEREAS**, on December 18, 2008 the Borrower purchased the property known as Riveroaks Apartments in Saline, Michigan for \$11,000,000, which was funded as a first mortgage on the property appraised by an independent MAI at \$13,850,000, and

**WHEREAS**, due to operational and economic challenges, the property has not generated sufficient cash flow to meet all expenses of the property resulting in a build up of accounts

SG Mortgage Fund, LLC  
Request for Additional Advance of \$500,000.00  
For Six Trails Apartments, fka Riveroaks Apartments,  
Saline, Michigan

payable, and

WHEREAS, the Borrower submitted a request dated June 10, 2010 for an additional advance to the Borrower on Riveroaks to pay certain accounts payable including past due taxes, insurance , utilities and other accounts payables related to the property, and

**WHEREAS**, the Board has reviewed the request from the Borrower and the two page letter dated June 10, 2010 submitted by the Board's advisor Banyan Realty Advisors who recommends the Board approve the requested additional advance of \$500,000.00 to avoid risk of intervening liens and legal costs that would further impact the Board's investment, therefore be it

**RESOLVED**, the Board approves the Borrower's request to fund an additional \$500,000.00 under the amended Loan Commitment, provided that the additional advance is secured by the existing first mortgage on the Riveroaks Apartments property, and be it further

**RESOLVED**, that all modifications to the existing Loan Documents be approved as to form by the Board's special legal counsel, F. Logan Davidson, P.C., the Board's General Counsel and the Board prior to said documents being executed by two authorized signatories on behalf of the Board, and be it further

**RESOLVED**, that a copy of this resolution be forwarded to the Borrower, SG Capital Fund, LLC, 8109 East Jefferson, Detroit,

SG Mortgage Fund, LLC  
Request for Additional Advance of \$500,000.00  
For Six Trails Apartments, fka Riveroaks Apartments,  
Saline, Michigan

Michigan 48214; Banyan Realty Advisors, LLC; F. Logan Davidson, P.C.; and the Accounting Division of the Retirement System:

JOSHUA GRIGGS  
SG CAPITAL  
8109 E. JEFFERSON AVENUE  
SUITE 300  
DETROIT, MICHIGAN 48214

LOU VOGT  
BANYAN REALTY ADVISORS, LLC  
501 NORTH MAGNOLIA AVENUE  
ORLANDO, FLORIDA 32801

F. LOGAN DAVIDSON, P.C.  
28 WEST ADAMS  
SUITE 300  
DETROIT, MICHIGAN 48226

Yeas – Trustees Bandemer, Best, Doyle, Godbee, Jones, Neary,  
Ngare, Stewart and Chairman Pegg – 9

Nays – None

CAPITAL CALLS

BY MR. BEST – SUPPORTED BY MR. DOYLE

WHEREAS, THE BOARD HAS BEEN PRESENTED WITH THE CAPITAL CALLS WHICH ARE REFERENCED AT THE END OF THESE PROCEEDINGS, AND

WHEREAS, THE BOARD HAS BEEN REQUESTED TO APPROVE FUNDING OF SAID CAPITAL CALLS, THEREFORE BE IT

RESOLVED, THAT SUBJECT TO FINAL APPROVAL OF ALL TRANSACTION DOCUMENTS BY THE BOARD'S LEGAL COUNSEL AND SUBJECT TO STAFF AUDIT, THE BOARD APPROVES FUNDING OF SAID CAPITAL CALLS:

Yeas – Trustees Bandemer, Best, Doyle, Godbee, Jones, Neary, Ngare, Stewart and Chairman Pegg – 9

Nays – None

FEES AND EXPENSES

BY MS. JONES – SUPPORTED BY MR. GODBEE

WHEREAS, THE BOARD HAS BEEN PRESENTED WITH THE SUMMARY OF FEES AND EXPENSES WHICH ARE REFERENCED AT THE END OF THESE PROCEEDINGS 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

RESOLVED, THAT SUBJECT TO APPROVAL BY LEGAL COUNSEL AND SUBJECT TO STAFF AUDIT, THE BOARD APPROVES PAYMENT OF SAID FEES AND EXPENSES:

Yeas – Trustees Bandemer, Best, Doyle, Godbee, Jones, Neary, Ngare, Stewart and Chairman Pegg – 9

Nays – None

PITG/RIVERS CASINO

BY MR. NEARY – SUPPORTED BY MR. STEWART

**WHEREAS**, GLC Advisors (“GLC”) appeared before the Board of Trustees and provided an update on the closing of the restructuring of the PITG Gaming/Rivers Casino investment, and

**WHEREAS**, the Restructuring Team negotiated a provision providing for the appointment of an observer on behalf of the Police and Fire Retirement System of the City of Detroit and the General Retirement System of the City of Detroit, and who, inter alia, will monitor the meetings of the casino board of directors, and

**WHEREAS**, given the importance of the observer position relative to the Boards’ investment, such observer must maintain appropriate knowledge of overall casino operations’ finance and possess a business acumen acceptable to the Board, and

**WHEREAS**, the Boards’ Restructuring Team (excepting GLC Advisors) respectfully recommend the Boards engage GLC Advisors as the Boards’ Observer per Soren Reynertson relative to the PITG/Rivers Casino investment, and

**WHEREAS**, Soren Reynertson/GLC Advisors have indicated that if selected by the Boards to act as observer as indicated, they will waive fees through December 31, 2010, and

**WHEREAS**, the Board has considered this matter in open session, now therefore be it

**RESOLVED**, consistent with the recommendation of the Boards’ Restructuring Team (excepting GLC Advisors) the Board hereby approves the engagement of GLC Advisors as the Boards’ Observer, subject to the following conditions:

PITG/RIVERS CASINO

1. GLC Advisors per Soren Reynertson is appointed to serve as the Boards' Observer until further notice by the Board subject to the waiver, fees and costs by GLC and Soren Reynertson through December 31, 2010, and
2. GLC Advisors entering into an engagement letter acceptable to Special Counsel and General Counsel, and be it further
3. Subject to the GRS Board or its PITG Gaming/Rivers Casino Corporation shall approve the engagement of GLC Advisors as the Boards' Observer consistent with the terms and conditions herein, and be it further

**RESOLVED**, that a copy of this resolution shall be forwarded to each member of the Boards' Restructuring Team consisting of Special Counsel, Gaming Counsel and the Board's Business Advisor, as well as the Accounting Division of the Retirement System:

JOE TURNER  
CLARK HILL  
500 WOODWARD AVENUE  
SUITE 3500  
DETROIT, MICHIGAN 48226

F. LOGAN DAVIDSON, P.C.  
28 WEST ADAMS  
SUITE 300  
DETROIT, MICHIGAN 48226

PITG/RIVERS CASINO

SOREN REYNERTSON  
GLC ADVISORS  
623 FIFTH AVENUE  
FLOOR 29  
NEW YORK, NEW YORK 10022

HUGH D. CAMITTA  
PEPPER, HAMILTON & SCHEETZ  
500 GRANT STREET  
FLOOR 50  
PITTSBURGH, PENNSYLVANIA 15219-2502

Yeas – Trustees Bandemer, Best, Doyle, Godbee, Jones, Neary,  
Ngare, Stewart and Chairman Pegg – 9

Nays – None

W INDUSTRIES

BY MR. STEWART – SUPPORTED BY MR. DOYLE

Whereas, The Board has been presented with an investment proposal from W Industries, and

Whereas, The Board desires due diligence on said proposal,  
Therefore Be It

Resolved, That subject to W Industries agreeing to pay the costs for said due diligence and said funds being escrowed by W Industries with the Retirement System, Couzens, Lansky be engaged to perform due diligence on said proposal and submit their findings (in writing) to the Board, and be it further

W INDUSTRIES

Resolved, That the Executive Secretary/Assistant Executive Secretary arrange for the coordination of the foregoing with all applicable parties, and be it further

Resolved, That after receiving the required due diligence report, the Board will decide whether it has any continued interest in the proposal, and be it further

Resolved, That a copy of this resolution be forwarded to W Industries, Couzens Lansky, and the Accounting Division of the Retirement System:

EDWARD WALKER  
W INDUSTRIES  
20101 HOOVER  
DETROIT, MICHIGAN 48205

DON WAGNER  
COUZENS, LANSKY, ELLIS, FEALK, ROEDER & LAZAR, P.C.  
39395 WEST TWELVE MILE ROAD  
SUITE 200  
FARMINGTON HILLS, MICHIGAN 48331-2913

Yeas – Trustees Bandemer, Best, Doyle, Godbee, Jones, Neary,  
Ngare and Stewart – 8

Nays – Chairman Pegg – 1

REASONING FOR CHAIRMAN PEGG 'S "NAY" VOTE:

The Police and Fire Retirement System of the City of Detroit has reached the limitations of Sections 19, 20(d) and 20(k) of Public Act 314 of 1965 as amended.

CONFERENCE

BY MR. NGARE – SUPPORTED BY MR. STEWART

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

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

ASSOCIATION FOR FINANCIAL PROFESSIONALS  
SAN ANTONIO, TEXAS  
NOVEMBER 7, 2010 – NOVEMBER 10, 2010

Yeas – Trustees Bandemer, Best, Doyle, Godbee, Jones, Neary, Ngare, Stewart and Chairman Pegg – 9

Nays – None

MANAGER WATCH LIST

CHAIRMAN PEGG DIRECTED THAT ADRIAN ANDERSON OF NORTH POINT ADVISORS AND THE BOARD'S INVESTMENT ANALYST REVIEW ALL OF THE MANAGERS ON THE BOARD'S WATCH LIST AND REPORT THEIR RECOMMENDATIONS TO THE BOARD.

PUBLIC FORUM

AT 2:35 P.M., CHAIRMAN PEGG DECLARED THE MEETING IN OPEN FORUM FOR GENERAL DISCUSSION BY THE PUBLIC ATTENDING THE MEETING.

ADJOURNMENT

THERE BEING NO FURTHER BUSINESS BEFORE THE BOARD, CHAIRMAN PEGG ADJOURNED THE MEETING AT 2:40 P.M. UNTIL THURSDAY, JUNE 17, 2010 AT 9:00 A.M., IN ROOM 910 OF THE COLEMAN A. YOUNG MUNICIPAL CENTER, DETROIT, MICHIGAN 48226.

ADJOURNMENT

RESPECTFULLY SUBMITTED,

---

CYNTHIA A. THOMAS  
ASSISTANT EXECUTIVE SECRETARY