

MINUTES  
OF THE  
INVESTMENT POLICY COMMITTEE  
HELD  
THURSDAY, DECEMBER 13, 2012 – 2:00 P.M.

Present: Committee Members Roderick Bashir  
Devon Bruce  
Michele Bush  
John Casey  
Thomas Hoffman

Board Members Steven Powell  
James Clayborne

Staff Andrew Armonaitis  
William Atwood  
Johara El-Harazin  
Tim Kominiarek  
Scott Richards  
Linsey Schoemehl  
Lorna Scott  
Katherine Spinato  
Alise White

Guests Marquette Associates  
Brian Wrubel, Nichole Roman-Bhatty,  
Elizabeth Francis, Dave Smith, Eric Przybylinski  
Franklin Park  
Brad Atkins

Absent: Committee Member

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## ***ROLL CALL***

The meeting was called to order at 2:30 p.m. The Secretary called the roll and noted that a quorum was present.

## ***MINUTES OF PREVIOUS MEETING***

Ms. Bush moved to approve the minutes of the Investment Policy Committee meeting held September 27, 2012, in the form previously submitted. Mr. Bashir seconded and the motion passed unanimously.

## ***PRESENTATIONS***

### General Portfolio Review

Mr. Wrubel, Marquette Associates, reviewed a power point presentation and provided a detailed overview of the Board's portfolio. In addition, Mr. Wrubel made the following recommendations:

- Adopt the revised investment guidelines proposed by Clarion Partners for all future purchases. The current guidelines were constructed in 2006 and are not reflective of the current market environment. The changes will allow Clarion to be more nimble in the current market environment.
- Contingent on contract and term negotiations, transition the assets held in the CBRE managed separate account to the new CBRE U.S. Core Partners, LP fund.
- Allocate \$125 million to the Clarion Partners' Lion Properties Fund.
- Invite ULLICO to present at the March Board meeting to discuss their performance.

### Private Equity Portfolio Review

Mr. Atkins, Franklin Park, provided a detailed overview of the Board's private equity portfolio.

## ***UNFINISHED BUSINESS***

None.

## ***NEW BUSINESS***

Chairman Bruce stated that the Board would go into Executive Session to discuss specific investment manager contracts (5 ILCS 120/2(c)(7)). Ms. Bush moved to go into Executive Session for the above stated purpose. Mr. Casey seconded and the motion passed unanimously.

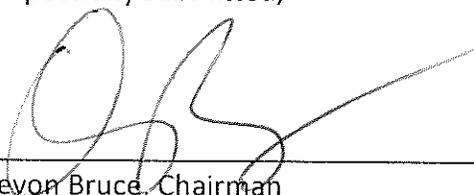
Upon returning to Open Session, Mr. Casey moved to approve the investment recommendations made by Mr. Wrubel during his presentation. Ms. Bush seconded and the motion passed unanimously.

***NEXT MEETING AND ADJOURNMENT***

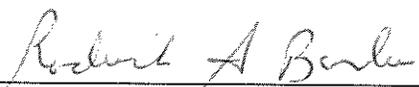
Chairman Bruce stated that the next meetings of the Investment Policy Committee would be scheduled on Thursday, March 21, 2013, during the afternoon preceding the Board meeting and notices would be sent.

At 4:45 p.m., there being no further business to come before the Committee, Mr. Bruce moved to adjourn. Ms. Bush seconded and the meeting was adjourned.

Respectfully submitted,

A handwritten signature in black ink, appearing to be 'DB', written over a horizontal line.

Devon Bruce, Chairman  
Investment Policy Committee

A handwritten signature in black ink, appearing to be 'Roderick A. Bashir', written over a horizontal line.

Roderick Bashir, Vice Chairman  
Illinois State Board of Investment