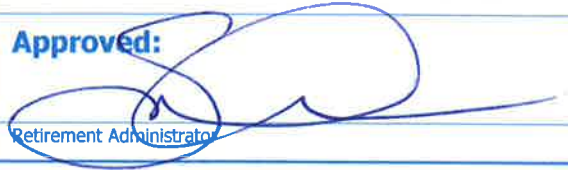




RETIREMENT BOARD POLICY AND REFERENCE MANUAL

SUBJECT: SECURITIES LITIGATION	Section: 2-18 Date Adopted/Revised: 08/24/2015
SYSTEM(S): JOINT	Approved:  Retirement Administrator

PURPOSE

The Retirement Boards as fiduciaries owe a duty to system members and retirees to manage prudently system assets, an overall duty which includes the subordinate duty to evaluate and monitor securities class actions in which the Systems are members of the class. The Boards in appropriate cases will take reasonable steps to reduce attorneys' fees awards, to increase class recoveries, to obtain monetary recoveries from individual corporate wrongdoers, and to achieve appropriate corporate governance. The Retirement Boards recognize that resources devoted to securities class actions may reduce resources needed to satisfy other fiduciary duties and so only intend to act in this area when the probable benefits to the Systems clearly outweigh by a substantial margin the costs, both financial and otherwise, of action.

POLICY

The City of Fresno Retirement Boards have adopted this policy to establish procedures and guidelines for monitoring securities class actions, for submitting claims, and for evaluating whether to participate as a Lead Plaintiff in securities class actions, when such action is appropriate to protect the Boards' interest.

Statement of Functions and Responsibilities:

A. Active Case Monitoring

1. Retention of Outside Counsel

The Boards may in the exercise of their discretion retain one or more private law firms to advise and/or represent the Boards in class action matters.

2. Case Monitoring

Board counsel, in conjunction with retained outside counsel to the extent appropriate, shall actively monitor only those cases determined to have merit and in which the Systems' estimated loss is at least two million dollars. Active monitoring shall include periodic status reports to the Boards, coordination with class counsel, and participation in significant motions or in settlement discussions.

3. Coordination with Outside Counsel

Board counsel will coordinate with an experienced law firm selected by the Boards to determine if a lawsuit possesses merit and is worthy of additional inquiry. Board counsel shall report to the Boards concerning whether for each lawsuit the Boards should limit their activities to claims monitoring or should actively monitor the lawsuit or should seek lead plaintiff status.

4. Participation as Lead Plaintiff

Board counsel shall recommend to the Boards to seek lead plaintiff status only when (i) Board counsel, after consultation with retained outside counsel, has determined that the case has significant merit and (ii) the Systems' estimated loss is at least three million dollars.

5. Reports to the Boards

Board counsel shall report to the Boards on at least a semi-annual basis the status of cases under active monitoring or in which one or both Boards are lead plaintiffs.

B. Review of Routine Class Action Filings

1. Retention of Service Provider to Routinely Monitor Class Action Cases

The Retirement Boards shall retain an experienced outside service provider to monitor class action filings and to estimate on a realistic basis losses incurred by the Systems.

2. Claims Filing

The Boards shall coordinate with present and past custodians to insure that accurate claims are filed on behalf of the Boards in pending state or federal securities class actions.

3. Claims Reporting

Retirement staff shall provide the Boards on an annual basis with a written report detailing the status of claims, including the name of the action, the date a claim was filed on behalf of the Boards, the amount of the claim, the date of judgment or settlement, the date a distribution was made, and the amount of the distribution to the Boards.

C. Policy Review

The Boards shall review this policy at least once every three years.

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1. Adopted 12/18/2003
 2. Annual Review, format clarifying the functions and responsibilities for Active Case Monitoring and Review of Routine Class Action filing, revised 12/10/2008
 3. Claims Reporting on an annual as opposed to semi-annual basis, revised 8/24/2015