1. Call to Order, Roll Call, Opening Remarks.

   Mr. Donald Smith
   Investment Committee Chairman

   The meeting was called to order at 9:34 A.M.
2. Review, discussion and possible Action to approve Investment Committee Minutes from February 28, 2018.

Mr. Donald Smith

<table>
<thead>
<tr>
<th>MOTION:1-03/28/18</th>
<th>At 9:35 A.M.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motion:</td>
<td>To approve the Investment Committee Minutes from the meeting of February 28, 2018.</td>
</tr>
<tr>
<td>Moved by:</td>
<td>Mr. Scheinert</td>
</tr>
<tr>
<td>Seconded by:</td>
<td>Mr. Buvidas</td>
</tr>
<tr>
<td>Discussion:</td>
<td>None</td>
</tr>
<tr>
<td>In Favor:</td>
<td>Unanimous</td>
</tr>
<tr>
<td>Motion:</td>
<td>Passes</td>
</tr>
</tbody>
</table>


Mr. Owen Zhao
Portfolio Analyst – Risk

A presentation was provided regarding Portfolio Risk as of December 31, 2017. This report included information as to volatility, monthly value at risk forecast and risk by asset class. The Trust portfolio remains at a relatively low risk level.

4. Written report by Investment Department Staff and discussion regarding (i) the Month-End and Fiscal Year-to-Date performance for the PSPRS Trust as of January 31, 2018; and (ii) written report regarding the asset allocation and performance of the Firefighters and Peace Officers Cancer Insurance Program.

Ms. Vaida Maleckaite
Director of Investment Services

No discussion was held. An oral report is presented quarterly.


Mr. Mark Steed, Deputy Chief Investment Officer and Chief of Staff
Mr. William Thatcher, Lead Portfolio Manager
Mr. Allan Martin, NEPC

Discussion was held by the Staff and NEPC regarding a recommendation to change the benchmark for the Fixed Income Portfolio.
6. Presentation by Investment Department Staff, discussion and possible Recommendation regarding adopting certain proposed revisions to Appendix I (Asset Allocation Policy) of the Amended and Restated Statement of Investment Policy.

Discussion was held regarding adopting proposed revisions to Appendix I.

<table>
<thead>
<tr>
<th>MOTION:2-03/28/18</th>
<th>At 9:45 A.M.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motion:</td>
<td>To recommend the Board of Trustees make the proposed modifications to the Fixed Income Portfolio Benchmark consisting of a blended 80% Bloomberg Barclays U.S. Aggregate Bond Index and 20% Bloomberg Barclays Global Aggregate ex U.S. Bond Index.</td>
</tr>
<tr>
<td>Moved by:</td>
<td>Mr. Scheinert</td>
</tr>
<tr>
<td>Seconded by:</td>
<td>Mr. Buividas</td>
</tr>
<tr>
<td>Discussion:</td>
<td>None</td>
</tr>
<tr>
<td>In Favor:</td>
<td>Unanimous</td>
</tr>
<tr>
<td>Motion:</td>
<td>Passes</td>
</tr>
</tbody>
</table>

Mr. Mark Steed  
Mr. William Thatcher  
Mr. Allan Martin

7. Discussion and possible Action regarding adopting certain proposed revisions to Appendix IV (Requirements for the Fixed Income Portfolio) of the Amended and Restated Statement of Investment Policy.

<table>
<thead>
<tr>
<th>MOTION:3-03/28/18</th>
<th>At 9:47 A.M.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motion:</td>
<td>To recommend the Board of Trustees make the proposed modifications to Appendix I of the Amended and Restated Statement of Investment Policy.</td>
</tr>
<tr>
<td>Moved by:</td>
<td>Mr. Scheinert</td>
</tr>
<tr>
<td>Seconded by:</td>
<td>Mr. Buividas</td>
</tr>
<tr>
<td>Discussion:</td>
<td>None</td>
</tr>
<tr>
<td>In Favor:</td>
<td>Unanimous</td>
</tr>
<tr>
<td>Motion:</td>
<td>Passes</td>
</tr>
</tbody>
</table>

Mr. Mark Steed  
Mr. William Thatcher  
Mr. Allan Martin  
Jennifer Carlino, Esq.  
Chief In-House Investment Counsel
Discussion was held regarding the Staff recommendations.


   Mr. Mark Steed  
   Ms. Vaida Maleckaitė  
   Mr. Dean Scheinert  
   Mr. Don Smith

A report and an update regarding our Securities Lending program was presented. The committee reviewed a report from BNY Mellon, discussed more robust trading, compliance procedures and more comprehensive reporting by BNY Mellon. Additional discussion occurred regarding leaving most of the current guidelines in place with additional consideration to be given to augmenting the reporting frequency to the Board and an effort to limit exposure as directed by the Trust. Staff will keep their eye on this program, the quality of collateral and contractual agreements. A suggestion was made to add language in the contract with BNY Mellon regarding risk control measures.
Presentation and discussion by Investment Department Staff and Consultants regarding the annual Overview and Strategic Plan for the Private Equity portfolio.

Mr. Shan Chen, Lead Portfolio Manager  
Mr. William Thatcher, Lead Portfolio Manager  
Mr. Mark Steed, Deputy CIO and Chief of Staff  
Mr. Allan Martin, NEPC  
Mr. Jay Rose, Stepstone  
Mr. Lincoln Smith, Albourne  
Mr. David Hutchings, Albourne

A presentation was provided regarding the annual Overview and Strategic Plan for the Private Equity Portfolio. The goal is to invest in private companies to seek a premium over public equity returns and to receive a premium for the illiquid nature of private equity. Investing in this asset class is typically for 10 years per transaction. The life cycle of the asset class was reviewed, performance measurements, geographic exposure, strategy, performance and pacing were discussed. For twelve months ending 9/30/17, performance was up 6.8% year-over-year. Discussion was held regarding the secondaries program results and why they are important in portfolio management. Review of Private Equity Portfolio will be discussed again during a later meeting.

9. Disclosure by Investment Department Staff of the following Manager Selection Matters:

A. Finalized and Executed Transactions during Prior Period:

1. **Patria - Private Equity Fund IV Feeder, L.P.**; Committed amount of up to $30 million; Date Closed: February 23, 2018. This investment is allocated to PSPRS Asset Class: Private Equity.
B. Investments Completely Liquidated During Prior Period:

1. **Castle Creek AZ TARP Special Situations Fund, L.P.** This investment was allocated to the PSPRS Asset Class: Private Credit.

2. **ESG Cross Border Equity Fund, L.P.** This investment was allocated to the PSPRS Asset Class: Equity.

   No discussion was held.


    Jennifer Carlino, Esq.
    Senior In-House Investment Counsel

Compliance with A.R.S. §§ 35-393, et seq. and associated costs were discussed.

11. The Committee may discuss future dates for meetings and direct Staff to place matters on future agendas (currently scheduled for May 2, 2018.)

   No discussion was held.

12. Call to the Public:

    There was no response to the Call to the Public.

13. Adjournment

    Meeting was adjourned at 12:00 Noon.

/s/ Donald Smith

Donald A. Smith, Committee Chairman