DISCUSSION SHEET

Employees' Retirement Fund
Board of Trustees Meeting

August 9, 2016

Issue: Amendment to Northern Trust Collective Fund Custody Agreement Fee Calculation Date

Attachment: Fourth Amendment to the Collective Fund Custody Agreement

Discussion: Northern Trust has amended the Collective Fund Custody Agreement to reflect the date that fees will be calculated. Fees shall be calculated quarterly, based on the market value of assets held in the Accounts on the last day of each current calendar quarter end.

Recommendation: Approve the amendment to reflect the updated fee calculation date. Suggested motion for the approval is as follows: Move to approve the date change as noted and authorize the Board Chair to sign.

FOURTH AMENDMENT TO THE COLLECTIVE FUND CUSTODY AGREEMENT

This Amendment is made as of and effective _____, 2016, amending the Collective Fund Custody Agreement dated February 8, 2005, as amended June 9, 2009, September 12, 2014, and August 21, 2015 (the "Agreement") by and between the Board of Trustees of the Employees' Retirement Fund of the City of Dallas ("Investment Fiduciary") on behalf of the Employee's Retirement Fund of the City of Dallas ("Trust") and Northern Trust Investments, Inc. (formerly Northern Trust Investments, N.A.) ("NTI"), an Illinois bank with trust powers.

1. The Agreement is hereby amended in the following particulars:

   Exhibit C attached to the Agreement, as well as any amendments thereto executed prior to the effective date of this Amendment, are hereby deleted and revoked, and in lieu thereof, the Exhibit C attached to this Amendment is adopted and incorporated in the Agreement, pursuant to sections 10 and 15 thereof.

2. Except for this Fourth Amendment, the Agreement remains in full force and effect without change.

IN WITNESS WHEREOF, the parties have caused this Fourth Amendment to be executed as of the day and year first written above.

BOARD OF TRUSTEES OF THE EMPLOYEES' RETIREMENT FUND OF THE CITY OF DALLAS

By: _____

Name: _____

Title: _____

Date: _____

NORTHERN TRUST INVESTMENTS, INC.

By: _____

Name: _____

Title: _____

Date: _____

APPROVED AS TO FORM:

Rafael Stone
Foster Pepper PLLC

By: _____
ERF Attorney

MML 7.13.16
NTAC:3NS-20

EXHIBIT C

FEES

The Investment Fiduciary shall pay NTI a fee for account-level services rendered pursuant to the following fee schedule:

- **Northern Trust Collective S&P 500 Index Fund – Lending:**
  - First $200 Million at four (4) basis points per year
  - Balance at two (2) basis points per year

- **Northern Trust Collective Russell 2000 Growth Index Fund – Lending:**
  - Flat fee of five (5) basis points per year

- **Northern Trust Collective All Country World Investable Market Index Fund – Non-Lending:**
  - Flat fee of fifteen (15) basis points per year

The account-level fees set forth above are in addition to the fund-level custody, fund administration services, and external audit services expressly set forth in the Fund Declarations for the Funds. To the extent that any Funds lend securities, NTI or its affiliate will invest cash collateral in an affiliated collective fund which imposes a fund-level investment management fee, custody and fund administrative fee and annual audit service fee as expressly set forth in the Fund Declarations for the Funds.

Fees shall be calculated quarterly, based on the market value of assets held in the Accounts on the last day of each current calendar quarter end. For the avoidance of doubt, fee calculations for the first calendar quarter will be based on the market value of assets held in the Accounts on the last day of March. Fees are charged quarterly based on one-fourth of the annual fee. Fees will be prorated appropriately if investments are not held for a full quarter.

Investment Fiduciary agrees that fees for all Accounts governed by this Agreement shall be paid as follows (please check one):

____ Automatically debited from the Accounts

____ An invoice shall be sent to the Investment Fiduciary

If one of the fee payment options above has not been selected, the second option shall be applied.

BOARD OF TRUSTEES OF THE EMPLOYEES' RETIREMENT FUND OF THE CITY OF DALLAS

By: _____

Name: _____

Title: _____

Date: _____

NORTHERN TRUST INVESTMENTS, INC.

By: _____

Name: _____

Title: _____

Date: _____