DISCUSSION SHEET

Employees' Retirement Fund
Board of Trustees Meeting

September 13, 2016

Issue: Amendment to Baring Asset Management Contract

Attachment: Amendment to Investment Management Agreement

Discussion: Baring Active/Passive strategy invests actively in international countries and passively in equities through various State Street (SSgA) index funds.

MSCI has elected to remove Real Estate as an asset class from the Financials Sector of the Index and promote it as its own individual Sector. As such, Baring is preparing for this change by adding a real estate sector fund to the SSgA line of funds available for our Active Passive portfolios – the new fund is called State Street MSCI EAFE Real Estate Index Non-Lending Fund.

The addition of this Index will permit Baring to continue investing on an ongoing basis in Real Estate as it has previously.

Recommendation: Approve the new amendment to the Barings contract. Suggested motion for the approval is as follows: Move to approve the amendment as noted and authorize the Board Chair to sign.

AMENDMENT TO
INVESTMENT MANAGEMENT
AGREEMENT

This amendment dated ~~August~~September , 2016 (the "Amendment"), is by and between Baring International Investment Limited ("BIIL"), the Employees' Retirement Fund of the City of Dallas (the "Client") and State Street Global Advisors, a division of State Street Bank and Trust Company ("State Street"), and amends certain terms and conditions of the Investment Management Agreement among BIIL, the Client and State Street dated May 1, 1996, as amended from time to time (the "Agreement"). Capitalized terms not defined herein shall have the meaning ascribed to them in the Agreement, and in the event of a conflict between the Agreement and this Amendment with respect to such a term, the Agreement shall control unless otherwise noted herein.

WHEREAS, pursuant to the Agreement, State Street manages certain assets of the Client in accordance with the terms and conditions set forth in the Agreement;

WHEREAS, pursuant to the Agreement, the Client currently invests certain of its assets in certain bank commingled funds maintained by State Street; and

WHEREAS, the Client now desires to allocate assets ~~to~~of the Account to be invested in an additional commingled fund or funds, and make certain other amendments to the Agreement as set forth herein.

NOW THEREFORE, BIIL, the Client and State Street hereby agree to the following terms and conditions:

Client hereby authorizes the allocation of ~~additional~~ assets ~~to~~of the Account to be invested in the State Street MSCI EAFE Real Estate Index Non-Lending Fund ("Fund") effective upon receipt of a duly authorized letter of direction by State Street.

The amended Investment Objectives and Fee Schedule are attached hereto as Exhibits 1 and 2, respectively, and shall replace in full Exhibits 1 and 2 currently attached to the Amendment to Investment Management Agreement~~.~~ dated July 11, 2014.

The Client acknowledges receipt of the applicable Fund Declaration(s), Class Description(s), fund operating guidelines, and Strategy Disclosure Document(s) that relate to the Investment Objectives set forth in Exhibit 1.

Section 28 of the Agreement is deleted in its entirety and replaced with the following Section 28:

"**Miscellaneous.** To help the U.S. government fight the funding of terrorism and money laundering activities, U.S. federal law requires financial institutions, including State Street, to obtain, verify and record information that identifies each client who opens and maintains an account. In connection therewith, the Client acknowledges and agrees: (i) to provide State Street, prior to the time of investment under this Agreement and at such other times as State Street may reasonably determine, with any information and organizational documentation that State Street may reasonably require to allow it to identify the Client, Plan, and any directors, controllers or beneficial owners, pursuant to State Street's due diligence obligations under federal law; (ii) that State Street may be unable to permit investment of the assets of the Plan in the State Street Trust, and shall have no obligation to commence or continue services in the event the Client fails to provide the information requested; (iii) that State Street may suspend services or terminate this Agreement upon thirty (30) days' notice to Client in the event State Street reasonably believes its continued

provision of services could expose State Street to an unreasonable regulatory compliance risk; (iv) that State Street may carry out anti-money laundering and "know your customer" functions in State Street's, or an affiliate's offices, outside the United States; (v) that State Street may supply "know your customer" and other information to a centralized industry utility hub, including the Clarient Entity Hub, in connection with counterparty account set up; and (vi) that while no fees will be charged to the Client or Plan for the utilization of the industry utility, due to an ownership interest in such industry utility, State Street's parent company may in the future receive a benefit as a result of utilizing it."

Except as provided herein, the terms and conditions contained in the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed and delivered by their duly authorized officers as of the date hereof.

EMPLOYEES' RETIREMENT FUND OF THE CITY OF DALLAS

_____

Name: Title:

APPROVED AS TO FORM:
V. Rafael Stone Foster Pepper PLLC

_____

Name: Title:

BARING INTERNATIONAL INVESTMENT LIMITED

_____

Name: Title:

STATE STREET GLOBAL ADVISORS, a division of State Street Bank and Trust Company

_____

Name: Title:

Exhibit 1

AMENDED INVESTMENT OBJECTIVES

State Street MSCI EAFE Real Estate Index Non-Lending Fund

The Fund seeks an investment return that approximates as closely as practicable, before expenses, the performance of the MSCI EAFE Real Estate Index (the "Index") over the long term. In seeking to accomplish this investment objective, the Fund may invest directly or indirectly in securities and other instruments, including in other pooled investment vehicles sponsored or managed by, or otherwise affiliated with the Trustee ("Commingled Funds").

State Street MSCI EAFE Consumer Discretionary Index Non-Lending Fund

The Fund seeks an investment return that approximates as closely as practicable, before expenses, the performance of the MSCI EAFE Consumer Discretionary Index (the "Index") over the long term. In seeking to accomplish this investment objective, the Fund may invest directly or indirectly in securities and other instruments, including in other pooled investment vehicles sponsored or managed by, or otherwise affiliated with the Trustee ("Commingled Funds").

State Street MSCI EAFE Consumer Staples Index Non-Lending Fund

The Fund seeks an investment return that approximates as closely as practicable, before expenses, the performance of the MSCI EAFE Consumer Staples Index (the "Index") over the long term. In seeking to accomplish this investment objective, the Fund may invest directly or indirectly in securities and other instruments, including in other pooled investment vehicles sponsored or managed by, or otherwise affiliated with the Trustee ("Commingled Funds").

State Street MSCI EAFE Telecommunications Services Index Non-Lending Fund

The Fund seeks an investment return that approximates as closely as practicable, before expenses, the performance of the MSCI EAFE Telecommunications Services Index (the "Index") over the long term. In seeking to accomplish this investment objective, the Fund may invest directly or indirectly in securities and other instruments, including in other pooled investment vehicles sponsored or managed by, or otherwise affiliated with the Trustee ("Commingled Funds").

State Street MSCI EAFE Materials Index Non-Lending Fund

The Fund seeks an investment return that approximates as closely as practicable, before expenses, the performance of the MSCI EAFE Materials Index (the "Index") over the long term. In seeking to accomplish this investment objective, the Fund may invest directly or indirectly in securities and other instruments, including in other pooled investment vehicles sponsored or managed by, or otherwise affiliated with the Trustee ("Commingled Funds").

State Street MSCI EAFE Financials Index Non-lending Fund

The Fund seeks an investment return that approximates as closely as practicable, before expenses, the performance of the MSCI EAFE Financials Index (the "Index") over the long term. In seeking to accomplish this investment objective, the Fund may invest directly or indirectly in securities and other instruments, including in other pooled investment vehicles sponsored or managed by, or otherwise affiliated with the Trustee ("Commingled Funds").

State Street MSCI EAFE Information Technology Index Non-Lending Fund

The Fund seeks an investment return that approximates as closely as practicable, before expenses, the performance of the MSCI EAFE Information Technology Index (the "Index") over the long term. In seeking to accomplish this investment objective, the Fund may invest directly or indirectly in securities and other instruments, including in other pooled investment vehicles sponsored or managed by, or otherwise affiliated with the Trustee ("Commingled Funds").

State Street MSCI EAFE Industrials Index Non-Lending Fund

The Fund seeks an investment return that approximates as closely as practicable, before expenses, the

performance of the MSCI EAFE Industrials Index (the "Index") over the long term. In seeking to accomplish this investment objective, the Fund may invest directly or indirectly in securities and other instruments, including in other pooled Investment vehicles sponsored or managed by, or otherwise affiliated with the Trustee ("Commingled Funds").

State Street MSCI EAFE Utilities Index Non-Lending Fund

The Fund seeks an investment return that approximates as closely as practicable, before expenses, the performance of the MSCI EAFE Utilities Index (the "Index") over the long term. In seeking to accomplish this investment objective, the Fund may invest directly or indirectly in securities and other instruments, including in other pooled Investment vehicles sponsored or managed by, or otherwise affiliated with the Trustee ("Commingled Funds").

State Street MSCI EAFE Energy Index Non-Lending Fund

The Fund seeks an Investment return that approximates as closely as practicable, before expenses, the performance of the MSCI EAFE Energy Index (the "Index") over the long term. In seeking to accomplish this investment objective, the Fund may invest directly or indirectly in securities and other instruments, including in other pooled investment vehicles sponsored or managed by, or otherwise affiliated with the Trustee ("Commingled Funds").

State Street MSCI EAFE Health Care Index Non-Lending Fund

The Fund seeks an investment return that approximates as closely as practicable, before expenses, the performance of the MSCI EAFE Health Care index (the "Index") over the long term. In seeking to accomplish this investment objective, the Fund may invest directly or indirectly in securities and other instruments, including in other pooled investment vehicles sponsored or managed by, or otherwise affiliated with the Trustee ("Commingled Funds").

State Street MSCI Australia Index Non-Lending Fund

The Fund seeks an investment return that approximates as closely as practicable, before expenses, the performance of the MSCI Australia Index (the "Index") over the long term. In seeking to accomplish this investment objective, the Fund may invest directly or indirectly in securities and other instruments, including in other pooled investment vehicles sponsored or managed by, or otherwise affiliated with the Trustee ("Commingled Funds").

State Street MSCI Austria Index Non-Lending Fund

The Fund seeks an investment return that approximates as closely as practicable, before expenses, the performance of the MSCI Austria Index (the "Index") over the long term. In seeking to accomplish this investment objective, the Fund may invest directly or indirectly in securities and other instruments, including in other pooled investment vehicles sponsored or managed by, or otherwise affiliated with the Trustee ("Commingled Funds").

State Street MSCI Belgium Index Non-Lending Fund

The Fund seeks an investment return that approximates as closely as practicable, before expenses, the performance of the MSCI Belgium Index (the "Index") over the long term. In seeking to accomplish this investment objective, the Fund may invest directly or indirectly in securities and other instruments, including in other pooled Investment vehicles sponsored or managed by, or otherwise affiliated with the Trustee ("Commingled Funds").

State Street MSCI Canada Index Non-Lending Fund

The Fund seeks an investment return that approximates as closely as practicable, before expenses, the performance of the MSCI Canada index (the "Index") over the long term. In seeking to accomplish this investment objective, the Fund may invest directly or indirectly in securities and other instruments, including in other pooled investment vehicles sponsored or managed by, or otherwise affiliated with the Trustee ("Commingled Funds").

State Street MSCI Denmark Index Non-Lending Fund

The Fund seeks an Investment return that approximates as closely as practicable, before expenses, the performance of the MSCI Denmark Index (the "Index") over the long term. In seeking to accomplish this investment objective, the Fund may invest directly or indirectly in securities and other Instruments, including in other pooled Investment vehicles sponsored or managed by, or otherwise affiliated with the Trustee ("Commingled Funds").

State Street MSCI Finland Index Non-Lending Fund

The Fund seeks an investment return that approximates as closely as practicable, before expenses, the performance of the MSCI Finland Index (the "Index") over the long term. In seeking to accomplish this investment objective, the Fund may invest directly or indirectly in securities and other instruments, including in other pooled investment vehicles sponsored or managed by, or otherwise affiliated with the Trustee ("Commingled Funds").

State Street MSCI France Index Non-Lending Fund

The Fund seeks an investment return that approximates as closely as practicable, before expenses, the performance of the MSCI France Index (the "Index") over the long term. In seeking to accomplish this investment objective, the Fund may invest directly or indirectly in securities and other instruments, including in other pooled investment vehicles sponsored or managed by, or otherwise affiliated with the Trustee ("Commingled Funds").

State Street MSCI Germany Index Non-Lending Fund

The Fund seeks an Investment return that approximates as closely as practicable, before expenses, the performance of the MSCI Germany Index (the "Index") over the long term. In seeking to accomplish this investment objective, the Fund may invest directly or indirectly in securities and other instruments, including in other pooled investment vehicles sponsored or managed by, or otherwise affiliated with the Trustee ("Commingled Funds").

State Street MSCI Hong Kong Index Non-Lending Fund

The Fund seeks an investment return that approximates as closely as practicable, before expenses, the performance of the MSCI Hong Kong Index (the "Index") over the long term. In seeking to accomplish this investment objective, the Fund may invest directly or indirectly in securities and other instruments, including in other pooled investment vehicles sponsored or managed by, or otherwise affiliated with the Trustee ("Commingled Funds").

State Street MSCI Ireland Index Non-Lending Fund

The Fund seeks an investment return that approximates as closely as practicable, before expenses, the performance of the MSCI Ireland Index (the "Index") over the long term. In seeking to accomplish this investment objective, the Fund may invest directly or indirectly in securities and other instruments, including in other pooled Investment vehicles sponsored or managed by, or otherwise affiliated with the Trustee ("Commingled Funds").

State Street MSCI Italy Index Non-Lending Fund

The Fund seeks an investment return that approximates as closely as practicable, before expenses, the performance of the MSCI Italy Index (the "Index") over the long term. In seeking to accomplish this investment objective, the Fund may invest directly or indirectly in securities and other instruments, including in other pooled Investment vehicles sponsored or managed by, or otherwise affiliated with the Trustee ("Commingled Funds").

State Street MSCI Israel index Non-Lending Fund

The Fund seeks an investment return that approximates as closely as practicable, before expenses, the performance of the MSCI Israel index (the "Index") over the long term. In seeking to accomplish this investment objective, the Fund may invest directly or indirectly in securities and other instruments, Including in other pooled investment vehicles sponsored or managed by, or otherwise affiliated with the Trustee ("Commingled Funds").

State Street MSCI Japan Index Non-Lending Fund

The Fund seeks an Investment return that approximates as closely as practicable, before expenses, the performance of the MSCI Japan index (the "Index") over the long term. In seeking to accomplish this investment objective, the Fund may invest directly or indirectly in securities and other Instruments, including in other pooled investment vehicles sponsored or managed by, or otherwise affiliated with the Trustee ("Commingled Funds").

State Street MSCI Netherlands Index Non-Lending Fund

The Fund seeks an Investment return that approximates as closely as practicable, before expenses, the performance of the MSCI Netherlands index (the "Index") over the long term. In seeking to accomplish this investment objective, the Fund may invest directly or indirectly in securities and other instruments, including in other pooled investment vehicles sponsored or managed by, or otherwise affiliated with the Trustee ("Commingled Funds").

State Street MSCI New Zealand Index Non-Lending Fund

The Fund seeks an investment return that approximates as closely as practicable, before expenses, the performance of the MSCI New Zealand Index (the "Index") over the long term. In seeking to accomplish this investment objective, the Fund may invest directly or indirectly in securities and other instruments, including in other pooled investment vehicles sponsored or managed by, or otherwise affiliated with the Trustee ("Commingled Funds").

State Street MSCI Norway Index Non-Lending Fund

The Fund seeks an investment return that approximates as closely as practicable, before expenses, the performance of the MSCI Norway Index (the "index") over the long term. In seeking to accomplish this investment objective, the Fund may invest directly or indirectly in securities and other instruments, including in other pooled investment vehicles sponsored or managed by, or otherwise affiliated with the Trustee ("Commingled Funds").

State Street MSCI Portugal Index Non-Lending Fund

The Fund seeks an investment return that approximates as closely as practicable, before expenses, the performance of the MSCI Portugal Index (the "index") over the long term. In seeking to accomplish this investment objective, the Fund may invest directly or indirectly in securities and other instruments, including in other pooled investment vehicles sponsored or managed by, or otherwise affiliated with the Trustee ("Commingled Funds").

State Street MSCI Singapore Index Non-Lending Fund

The Fund seeks an investment return that approximates as closely as practicable, before expenses, the performance of the MSCI Singapore Index (the "Index") over the long term. In seeking to accomplish this investment objective, the Fund may invest directly or indirectly in securities and other instruments, including in other pooled investment vehicles sponsored or managed by, or otherwise affiliated with the Trustee ("Commingled Funds").

State Street MSCI Spain Index Non-Lending Fund

The Fund seeks an investment return that approximates as closely as practicable, before expenses, the performance of the MSCI Spain index (the "Index") over the long term. In seeking to accomplish this investment objective, the Fund may invest directly or indirectly in securities and other instruments, including in other pooled Investment vehicles sponsored or managed by, or otherwise affiliated with the Trustee ("Commingled Funds").

State Street MSCI Sweden Index Non-Lending Fund

The Fund seeks an investment return that approximates as closely as practicable, before expenses, the performance of the MSCI Sweden Index (the "Index") over the long term. In seeking to accomplish this investment objective, the Fund may invest directly or indirectly in securities and other instruments, including in other pooled investment vehicles sponsored or managed by, or otherwise affiliated with the Trustee ("Commingled Funds").

State Street MSCI Switzerland Index Non-Lending Fund

The Fund seeks an Investment return that approximates as closely as practicable, before expenses, the performance of the MSCI Switzerland Index (the "Index") over the long term. In seeking to accomplish this investment objective, the Fund may invest directly or indirectly in securities and other instruments, including in other pooled Investment vehicles sponsored or managed by, or otherwise affiliated with the Trustee ("Commingled Funds").

State Street MSCI UK Index Non-Lending Fund

The Fund seeks an investment return that approximates as closely as practicable, before expenses, the performance of the MSCI UK Index (the "Index") over the long term. In seeking to accomplish this investment objective, the Fund may invest directly or indirectly in securities and other instruments, including in other pooled investment vehicles sponsored or managed by, or otherwise affiliated with the Trustee ("Commingled Funds").

Due to the uncertainty in all investments, there can be no assurance that the Strategies will achieve their investment objective. For more information about Investment policies, principal investment strategy and associated risks, please see the "Global Equity Index Strategy Disclosure Document" (as may be amended, modified, or supplemented from time to time, the "Strategy Disclosure Document").

Currency Hedging:

BIIL shall direct State Street in writing to execute certain foreign exchange transactions for purposes of currency hedging. BIIL shall have sole responsibility for its direction to State Street with respect to currency hedging. Based on BIIL's instructions, State Street will employ currency hedges, including cross currency hedging, using forward foreign exchange instruments, *excluding Non-Deliverable Forwards*.

Where BIIL directs State Street to execute foreign exchange transactions for purposes of hedging currency, State Street may only execute such transactions with its approved counterparties as set forth in State Street's approved counterparty list, as amended from time to time.

Exhibit 2 "Exhibit D"

AMENDED FEE SCHEDULE

<u>Fees to be paid by BIIL to State Street</u>

BIIL shall pay a fee to State Street at an annual rate of 0.045% of the net asset value of all assets subject to <u>Exhibit 1</u> of this Agreement.

Administrative fees: Each Fund will be charged certain administrative, audit, custody and transaction costs as further outlined in either the applicable Fund Declaration or Class Description.

Fees are charged for services rendered to the account assets quarterly in arrears based on the quarter-end market value of the Fund(s) within each quarter. Invoices shall be rendered subsequent to the end of the calendar quarter. The invoice for any period that is less than a full quarter shall be prorated on a daily basis.