

**FORT WORTH EMPLOYEES' RETIREMENT FUND
BOARD OF TRUSTEES' POLICY
REGARDING THE RETENTION OF
MINORITY AND WOMAN-OWNED INVESTMENT
MANAGERS**

I. STATEMENT OF POLICY

It is hereby declared to be the policy of the Fort Worth Employees' Retirement Fund that there are no barriers on the basis of race, gender or national origin to the engagement of any firm, partnership or corporation as an investment asset manager for the Fund. It is further declared to be the policy of the Fund, to the greatest extent feasible within the bounds of financial and fiduciary prudence that requires the Fort Worth Employees' Retirement Funds to achieve superior long-term rates of return through the use of a diversified investment portfolio, to use qualified minority and woman-owned investment managers in the investment of Fund assets.

II. DEFINITIONS

For the purposes of this policy, the following terms shall be defined as follows:

1. Fund shall mean the Fort Worth Employees' Retirement Fund.
2. Board or Board of Trustees shall mean the Board of Trustees of the Fort Worth Employees' Retirement Fund.
3. Financial and Fiduciary Prudence shall mean the standard of care applicable to the selection of an investment manager as determined by the Section 802.203 of the Texas Government Code, the applicable provisions of the Texas Trust Code and the common law of the State of Texas as it applies to the fiduciary duties of public pension trustees.
4. Emerging MWBE Investment Manager means a qualified investment advisor with not less than five (5) years experience in the management of the particular asset class for which investment services are sought and who manages an investment portfolio of at least \$10 million but less than \$2 billion and is a minority owned business as defined in this

policy. The qualified investment advisor must be also meet the requirements set forth in Section 802.204 of the Texas Government Code.

5. Minority Owned Business means a business concern which is at least 51% owned by one or more minority persons or, in the case of a corporation, at least 51% of the stock of which is owned by one or more minority persons and the management and daily business operations of which are controlled by one or more minority individuals who own it. It shall thereafter be referred to in this policy as “MWBE”.

6. Minority Person means a person who is a citizen or lawful permanent resident of the United States and who is African American, Hispanic, Asian, or is a female of any ethnicity.

III. IMPLEMENTATION OF THE MWBE MANAGER POLICY

The Fund shall take the following steps to implement this policy:

1. Request the investment consultants to prepare and maintain a database of qualified MWBE managers, including performance data over a period of not less than five (5) years and to forward such data to the Investment Committee for its consideration and review.
2. Include in all asset manager searches qualified MWBE investment managers who meet the financial and fiduciary prudent standards otherwise required of all perspective investment managers.
3. Post a copy of this policy on the Fund website and encourage qualified MWBE investment managers to forward information establishing their qualifications as required under this policy to the Fund consultant for inclusion in his database.
4. The Executive Director shall take reasonable steps to publicize the adoption of this policy in publications of general circulation in the institutional investment community.

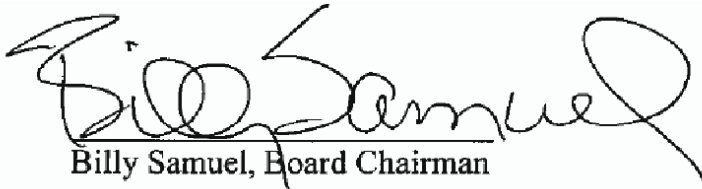
IV. MAINTENANCE OF FIDUCIARY STANDARDS

It shall be the policy of the Fund at all times to observe the prudent investor standard of responsibility as outlined in the Texas Constitution, Section 802.203 of

the Texas Government Code, the applicable provisions of the the Texas Trust Code, the administrative rules of the Fund and the common law of trusts as they relate to the effective and prudent management of a public employee retirement system. No firm, corporation or partnership shall be retained for an investment of Fund assets who is not qualified by experience and proven performance in the asset class for which an investment manager is sought.

V. PERIODIC REVIEW OF POLICY; ADOPTION

This policy shall be reviewed annually to determine its continued viability and the need for revision. This policy was adopted by the Board of Trustees at its regular meeting of August 26, 2009.



Billy Samuel, Board Chairman