

**Minutes of the Meeting of the Investment Committee of the TCRS Board of Trustees
July 24, 2014**

The Investment Committee ("Investment Committee") of the Tennessee Consolidated Retirement System ("TCRS") Board of Trustees met at 3:25 p.m. on July 24, 2014 in the Executive Conference Room on the ground floor of the State Capitol. The Honorable David H. Lillard, Jr., State Treasurer, called the meeting to order at 3:25 p.m. Investment Committee members in attendance included Treasurer Lillard; Mr. Bill Kemp, Sumner County Clerk; and Mr. Bob Wormsley, Local Government Insurance Pool. Additional attendees included Bill Abney, Assistant to the Treasurer for Investments; Michael Brakebill, Chief Investment Officer; Andy Palmer, Deputy Chief Investment Officer; Daniel Crews, Director of Private Equity; JP Rachmaninoff, Director of Real Estate; Matthew Haitas, Real Estate Analyst; Carrie Green, Senior Portfolio Manager; Grant Leslie, Senior Portfolio Manager; and Richard Newton, F&A Division of Budget.

Treasurer Lillard began the meeting by requesting that Carrie Green present the proposed investment in Khosla Ventures Fund V.

Ms. Green addressed TCRS' history of investing with Khosla Ventures, the strength of the performance of the existing investments with Khosla Ventures, the long-term, strategic nature of the fund's investment strategy, and the extent of the diligence conducted on Khosla Ventures by TCRS staff in evaluating the fund. Upon request from Treasurer Lillard for a motion to approve the proposed investment, Mr. Kemp made a motion to approve, and Mr. Wormsley seconded the motion. The proposed investment was then unanimously approved.

Treasurer Lillard then requested that JP Rachmaninoff present the proposed investment in an office property in the Westchase sub-market of the Houston, Texas metropolitan statistical area.

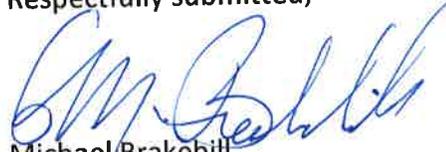
Mr. Rachmaninoff then presented the aforementioned proposed office property investment. Mr. Rachmaninoff addressed the high level of current occupancy, the credit quality of current tenants, the physical quality of the asset, and the attractiveness of both the location and the purchase price. Mr. Rachmaninoff also addressed key risks associated with the investment, most notably the potential for new supply. Upon request from Treasurer Lillard for a motion to approve the proposed investment in the Westchase office property, Mr. Wormsley made a motion to approve, and Mr. Kemp seconded the motion. The proposed investment was then unanimously approved.

Treasurer Lillard then asked Mr. Brakebill to provide a brief update on the TCRS portfolio. Mr. Brakebill noted that the total assets of the TCRS portfolio exceeded \$43 billion for the first time as of July 23, 2014.

Treasurer Lillard then thanked Mr. Brakebill and the TCRS staff for their efforts and noted the strength of recent investment returns.

The meeting adjourned at 3:34 p.m.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "M. Brakebill", written in a cursive style.

Michael Brakebill
Chief Investment Officer

APPROVED:

A handwritten signature in blue ink, appearing to read "David H. Lillard, Jr.", written in a cursive style.

David H. Lillard, Jr. Chairman
TCRS Board of Trustees