

**Investment Committee Meeting
Board of Trustees
of the Employees' Retirement System
of the City of New Orleans
1100 Poydras Street, Suite 3250
Morgan Stanley Conference Room
April 23, 2012
1:15 p.m.**

Trustees Present:

Ms. Lynne Schackai, Chairperson
Dr. Edgar L. Chase, III
Ms. Lisa M. Hudson
Ms. Courtney B. Bagneris
Mr. Norman S. Foster

Others Present:

Jesse Evans, Jr., Director
Janet H. Easterling, Administrative Support Supervisor
Harby Kreeger, Morgan Stanley
Michael Kreeger, Morgan Stanley
Corien Nunez, Omni Research
Moshe Bajnon, Triam Partners
Ed Garden, Triam Partners
Tom Culture, Carlson Capital
Robert Sherman, GoldenTree Asset Management
Andrew Salem, Select Equity Group

The Chairperson called the meeting to order at 1:15 p.m.

Mr. Kreeger discussed WestEnd Advisors a large cap core equity manager. He informed the Board of the meeting with the manager from WestEnd Advisors regarding their portfolio. Mr. Kreeger briefly talked about the 20 holdings in their portfolio. No action was taken.

Mr. Kreeger made a presentation on two performance charts for Apple and Priceline from November 25, 2011 to April 10, 2012. He said that the estimated rate of returns on the Apple stocks is 77% and 69% on Priceline.

Mr. Kreeger said that the Board has to review the Hedge fund-of-fund managers only because of poor performances. Schackai said that at the last meeting the Board discussed terminating of hedge fund-of-fund managers based on performance. A motion was Dr. Chase and seconded by Ms. Bagneris to liquidate Hatteras. The motion passed unanimously. Ms. Hudson suggested a motion for all the hedge fund-of-fund managers that the Board is terminating based on performance. A motion was made by Ms. Hudson and seconded by Ms. Bagneris to terminate Soc. Generale, K2 and Meridian. The motion passed unanimously.

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Conference Calls

Trian Partners Mr. Bajnon gave an overview of the firm. He discussed the investment philosophy and strategy of Trian Partners. Mr. Garden talked about the companies they invest in and what they look for in a company. He gave a brief summary of the companies in the portfolio. Mr. Garden discussed the investment process and the due diligence of Trian Partners. He made a presentation on the hedge program.

Carlson Capital Tom Culture gave an overview of the firm. He said that the firm has \$6.3 billion under management and has \$4 billion in the Double Black Diamond fund. Mr. Culture said that the firm has 182 employees which include investments and business professionals. He said that they are located in Dallas, Texas with research offices in New York, Greenwich, London and Houston. Mr. Culture said that 70% of the firm's capital comes from the institutional investments and the large portion is from public and private pensions. He talked about the investment approach and strategies. Mr. Culture made a presentation on the multi-strategy model and the investment strategies; equity relative, credit relative, event-driven, long/short equity, credit directional, strategic investment, convertible arbitrage and volatility.

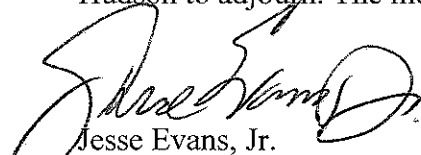
Mr. Foster left the meeting.

GoldenTree Asset Management Robert Sherman discussed the executive summary of the firm including the facts and key characteristics. He said that there are 179 employees including 22 partners. Mr. Sherman said that the firm has \$16 billion in assets under management. He informed the Board that the employees of the firm invest their money alone with the investors. Mr. Sherman discussed the disciplined and consistent investment process of GoldenTree. He talked about the portfolio ranking investment selection model (PRISM). Mr. Sherman made a presentation on the Master Fund Strategy and Performance.

Select Equity Group, Incorporation Andrew Salem talked about the US Long/Short (SEG Partners) strategy that is managed by the founder, George Leoning. He said that there is \$2.1 billion in this strategy and it has a fourteen year history. Mr. Salem said that this strategy returned 11.5% net of fees versus 3% for S&P 500. He said that they manage money in a very different way compared to their peers. Mr. Salem gave an overview of the firm and background information on the founder. He said that the firm has \$5.8 billion under management, 71 employees which includes 22 professional investors. Mr. Salem informed the Board that they are 100% employee owned. He discussed the investment philosophy and the rigorous research. Mr. Salem said that they look at companies with three attributes; 1) can grow their earnings by 10% a year over the next three or five years, 2) profitable with above average returns on capital and 3) establish barriers to competition. He said that they study a company for a two-year period before investing. Mr. Salem made a presentation on the investment process. He briefly discussed the portfolio performance.

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There being no further business, a motion was made by Ms. Schackai and seconded by Ms. Hudson to adjourn. The motion passed.



Jesse Evans, Jr.
Director

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