

**MINUTES OF MEETING  
KENTUCKY RETIREMENT SYSTEMS  
SPECIAL CALLED INVESTMENT COMMITTEE  
APRIL 15, 2020, 10:00 A.M., E.T.  
VIA LIVE VIDEO TELECONFERENCE DUE TO SB 150,  
SIGNED INTO LAW BY THE GOVERNOR ON MARCH 30, 2020,  
AND EXECUTIVE ORDER 2020-215 DECLARING A STATE OF  
EMERGENCY EFFECTIVE MARCH 6, 2020 DUE TO COVID-19**

At the April 15, 2020 Special Called Investment Committee Meeting, the following Committee members were present: Prewitt Lane (Chair), Joseph Grossman, Sherry Kremer, Kelly Downard, Keith Percy, David Harris, Matthew Monterio and John Cheshire, III. Trustees Betty Pendergrass, Jerry Powell and Dave Rich were also present. Staff members present were David Eager, Victoria Hale, Kathy Rupinen, Rebecca Adkins, Erin Surratt, Shaun Case, Jared Crawford, Rich Robben, Andy Kiehl, Anthony Chiu, Joseph Gilbert, Alane Foley and Carol Johnson. Also in attendance were Chris Tessman, Craig Morton, Marc Friedberg, Chris Shelby and David Lindberg from Wilshire, Kevin Genda and Gary Manowitz from Blue Torch Capital and Neil Ramsey.

Mr. Prewitt Lane called the meeting to order and Ms. Alane Foley called roll.

Mr. Prewitt Lane introduced agenda item *Approval of Minutes- February 4, 2020*. Mr. Kelly Downard moved and was seconded by Mr. Joseph Grossman to approve the minutes as presented. The motion passed unanimously.

Mr. Prewitt Lane introduced agenda item *Public Comment*. Ms. Alane Foley stated that no public comments were submitted.

Mr. Prewitt Lane introduced agenda item *New Fund Recommendation Blue Torch*. Mr. Rich Robben introduced Mr. Kevin Genda from Blue Torch Capital. Mr. Kevin Genda provided an overview of Blue Torch Capital. Mr. Kelly Downard voiced his concerns over the timing of the

investment and the key man risk that exists with Blue Torch Capital. Mr. Rich Robben stated that when we sense that there are key man risks we address that in our contracts. Mr. Rich Robben stated that with Blue Torch Capital we would include language that if something were to happen to Mr. Kevin Genda that our investment with Blue Torch Capital would stop and then it would go into harvest mode. Mr. Joseph Grossman agreed with the concern of the key man risk and asked if there is anything that we can add into the agreement related to covenants. Mr. Joseph Grossman stated that the covenants should stay heavy to make sure that it mitigates a lot of the risk. Mr. Rich Robben agreed and stated that we would look to negotiate that and we would express to Blue Torch Capital that we are only looking for loans with covenants. Ms. Victoria Hale stated that we often do these in the side letter agreements so that the main fund itself, which appears to everyone else, does not have those provisions in there. Ms. Victoria Hale stated that they separately negotiate things for us because we are a public pension plan, such as jurisdiction (so that we do not waive a jury trial), key man provisions, succession, training and various other issues. Ms. Victoria Hale stated that the key man provision would be important with regard to Blue Torch Capital. After a brief discussion Mr. John Cheshire, III moved and was seconded by Mr. David Harris to approve an investment of \$200 million in Blue Torch Capital. After a roll call vote, all Investment Committee Members were in favor of the motion except Mr. Kelly Downard and Ms. Sherry Kremer. The motion passed.

Mr. Prewitt Lane introduced agenda item *Performance Review*. Mr. Rich Robben provided an overview of investment performance. This was provided for informational purposes only.

Mr. Prewitt Lane introduced agenda item *Recent Transactions and Current Allocations*. Mr. Rich Robben provided an overview of our recent transactions and current allocations which were contained in his memorandum dated April 15, 2020.

Mr. Prewitt Lane introduced agenda item *TIPS Portfolio Runoff*. Mr. Rich Robben stated that the TIPS Portfolio has been liquidated entirely and that the account needs to be closed. A motion was made by Mr. John Cheshire to close out the TIPS Portfolio account and was seconded by Ms. Sherry Kremer. The motion passed unanimously.

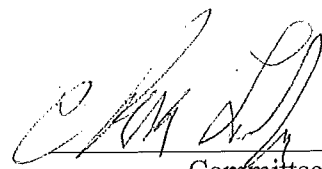
There being no further business, Mr. Prewitt Lane moved and was seconded by Mr. Joseph Grossman to adjourn the meeting at 11:54 a.m. The next meeting of the Investment Committee is scheduled for 9:00 a.m. May 5, 2020. Copies of all documents presented are incorporated as part of the minutes of the Special Called Investment Committee meeting held April 15, 2020.

### CERTIFICATION

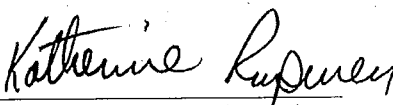
I do certify that I was present at this meeting and I have recorded above the action of the Committee on the various items considered by it at this meeting. Further, I certify that all requirements of KRS 61.805-61.850 were met in connection with this meeting.

  
Recording Secretary

I, as Chair of the Investment Committee of the Board of Trustees of the Kentucky Retirement Systems, do certify that the Minutes of the meeting held on April 15, 2020 were approved by the Investment Committee on May 5, 2020.

  
Committee Chair

I have reviewed the Minutes of the Special Called Investment Committee Meeting on April 15, 2020 for form, content, and legality.

  
Office of Legal Services