

Minutes of the special meeting of the Board of Trustees of the Louisiana District Attorneys' Retirement System held at the Louisiana District Attorneys Association headquarters on January 14, 2016, at 9:30 a.m.

Present: Anthony Falterman, Houston C. Gascon III, Van Kyzar, Scott Perrilloux, David Burton, Andy Shealy and Reed Walters

Also Present: Pete Adams, Roxanne Barrios Juneau, Kristi Spinosa, Gwen Hicks, Steve Mergler, John Vann, Lal Echterhoff, Brandt Heitzman, Tom Anderson, Corey Griffin and Greg Curran.

Absent: Representative J. Kevin Pearson and Senator Elbert L. Guillory

Roll call was conducted and there was a quorum.

Mr. Falterman polled for any conflicts; none were reported.

Mr. Falterman discussed the format of the meeting which will solely focus on DARS Financial Advisor Services. All parties agreed to remain in the room for the others' presentation.

Mr. Mergler led the presentation of Boston Private (BP), Corey Griffin, CEO, Brant Heitzman, and Tom Anderson, CIO, joined him in the presentation. He began by noting that BP is not a bank, it is a registered investment advisor. BP Financial is only a holding company. Boston Private Wealth (BPW) is a wholly owned subsidiary and separate from the Bank. Mr. Griffin introduced himself to the Trustees and gave a brief description of his financial management experience and the recent history of BPW, including the purchase of Banyan. He stressed that BPW is not for sale.

Mr. Falterman noted that the Trustees are concerned about stability.

Mr. Mergler and Mr. Anderson then discussed the future plans for DARS assets and BPW's expertise in wealth management.

Mr. Burton noted that BPW is very large and wanted assurance that BPW will not try to offer us any BP Bank proprietary products. Mr. Mergler responded that at all times they have acted as fiduciaries with the goal of building the best DARS portfolio. He further noted that 15% of their assets have institutional relationships so they are experienced in this area. They have a committee of 8 dedicated to asset allocation and about 20% of their portfolio is of this type. They also have a dedicated manager search and selection team to manage the asset managers and ETFs they use.

Mr. Falterman questioned the methods on how they determine where to invest. Mr. Anderson stated that from an asset allocation standpoint, 10 classes are covered and their Asset Allocation Committee meets to determine target allocations to reach specific investment objectives. Then they tailor those portfolios to the needs/policy of the particular client. Research, analytics and relationship and risk tolerance of client are all considered.

Mr. Falterman asked their thoughts on the future of the economy? Discussion was had.

Mr. Shealy asked if there was any pressure from the holding company to market bank products. Mr. Anderson stated that affiliates of the holding company tend not to use the other affiliates' products or approaches. On the bank side, the only way that happens is by specific client request. Mr. Shealy further inquired as to how many entities are in the holding company. Mr. Mergler stated the only

potential crossover would be with the bank by client request and further noted there would be a conflict to do business with other subsidiaries.

Mr. Gascon inquired about the level of bank influence on BPW, specifically, if any Bank Board members serving on BPW board? Mr. Griffin is on the Board of the Bank, but not the holding company. It was again emphasized that wealth management is the primary focus of BPW. Additional discussion was had on BPW strategies for the DARS portfolio.

Mr. Gascon inquired whether BPW's fees were competitive. Mr. Mergler responded that the current fee agreement would not change. Mr. Griffin offered to waive DARS fees for 2016 to compensate for the issues this year and as a gesture of good faith.

Discussion was had about recent news reports on BPW. Mr. Griffin was aware that new business model they implemented would cause traditional Boston oriented people to leave. He expects no more departures. Since the change, they have brought in \$1 billion in 2015 (new money, new investors).

Mr. Walters asked whether there is any relation between BPW and reports of a Banyan investment scheme. Mr. Griffin had no knowledge of this company and stated there was no relation.

When asked who is better for this portfolio, Mr. Mergler noted that BPW has a depth of professionals on these accounts, approximately 160. The team from Rushmore, except for Mr. Vann and his son, remains at BPW. Mr. Mergler further stated that Mr. Vann was allowed to reach out to these old employees and all declined to leave BPW. He and Brandt Heitzman have handled DARS since 2002.

Discussion was had on the use of puts and calls, and whether they are the best way to protect the portfolio.

John Vann began the Level 4 Advisory Services presentation.

Mr. Vann introduced Lal Echerhoff from the Shreveport office. Mr. Vann stated he would focus on his philosophy of investing and the history of Level 4 which is a wholly owned subsidiary of Carr, Riggs, & Ingram, LLC, (CRI) a regional accounting firm. They have over 200 wealth advisors nationwide.

His philosophy is to be proactive with clients and to work closely with monitoring portfolios and building a team long term. When he decided to become CFO of Level 4, he interviewed the entire investment committee to advocate stability. At Level 4 they have weekly meetings and implement decisions daily.

Mr. Vann next stated that his investment fee would not be waived for 2016.

Mr. Falterman questioned the future of Level 4. Mr. Vann stated the industry today, specifically since 2007, has experienced consolidation due to increased regulations. That is why there have been so many mergers. Level 4 is 100% privately owned. This type of firm does not go public. He is also a partner with the parent company, CRI. His contract gives him the right to keep his clients if a future merger occurs. Mr. Vann further noted that Level 4 turnover almost nonexistent.

Mr. Vann further explained that CRI and Level 4 began a relationship in 2002. Level 4 began as a wealth management firm that worked mostly with CPA firms to provide wealth management. The 4 original

partners are still with the firm. CRI was originally one of the first major clients. They offer no products or other complete organizations and use all third party products.

Mr. Burton noted this is the first time DARS has been put in this type of position. He feels the Board must also explore other options besides these two firms.

Mr. Vann noted that Level 4 would have a fiduciary responsibility to DARS. Currently, Level 4 is contracted with the Shreveport and Bossier City Pension Funds and nine municipal retirement plans. No other state plans use Level 4.

Mr. Falterman inquired about succession procedures if something happens to John Vann.

Mr. Vann stated that Lal Echterhoff will also be on the DARS team. He has been with Level 4 since 2013 following employment with Morgan Stanley. Mr. Vann also agreed to provide the Board with a copy of his agreement with Level 4 indicating that he can retain his clients if there is a sale of the company.

Mr. Vann also stated that his litigation with BPW is complete.

Mr. Falterman asked all visitors to leave for discussion.

Mr. Falterman called for a 15 minute recess.

The meeting reconvened.

The Board discussed the information provided by all parties.

Mr. Gascon noted that BPW had good points and that the Rushmore people are still there. He also stressed that Mr. Vann has improved our system's investment performance and developed a long term relationship with us.

Mr. Burton stated that he has been very impressed with Mr. Mergler, but has concerns over what happens is he moves up and off our account.

Mr. Greg Curran was asked by the Board if sees any issues with a CPA firm as the Level 4 parent company. To his knowledge, this is not common, but he does not see a conflict for our positions. He noted that neither of these groups is heavily weighted to public clients.

Mr. Adams stressed we also consider the question of Mr. Vann's succession and several members noted we need to begin looking at other options, regardless of today's decision.

Mr. Falterman noted he personally feels Mr. Vann is exceptionally experienced and has been active historically on our account and is knowledgeable about the DARS portfolio. Mr. Burton is leaning to Mr. Vann but wants to keep looking as well.

Mr. Gascon noted that Mr. Vann and Level 4 seem innovative, unlike BPW.

Mr. Kyzar noted that he likes the Louisiana presence of Level 4.

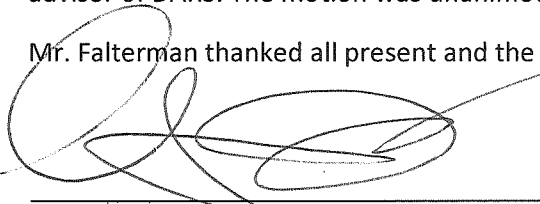
Mr. Falterman stated more often than not John Vann has been correct since he began a relationship with DARS on September 19, 1990.

Members agreed other advisors need to be researched. Mr. Adams provided a list of the advisors used for other Louisiana plans. He will investigate and look at the "real" performance of the investment portfolio. Mr. Curran volunteered to provide the Board with statewide system market return numbers.

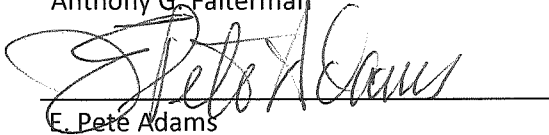
Mr. Kyzar suggested the Board begin an informal process of reviewing others.

A motion was made and seconded to engage John Vann and Level 4 Advisory Services as the financial advisor of DARS. The motion was unanimously approved.

Mr. Falterman thanked all present and the meeting was adjourned.



Anthony G. Falterman



E. Pete Adams