

LASERS

Statement of Investment Objectives

Section B – Investment Manager Guidelines

The following pages detail the specific investment guidelines that relate to each of the managers retained by LASERS. Each manager shall be primarily governed by Section A of this Policy Statement, with exceptions granted herein (Section B).

ACADIAN ASSET MANAGEMENT, INC.	2
ADAMS STREET PARTNERS, LLC	3
ARONSON JOHNSON & ORTIZ	4
BRANDYWINE ASSET MANAGEMENT, LLC	5
CHICAGO EQUITY PARTNERS, LLC	6
ERASMUS ADVISORS	7
GOLDMAN SACHS ASSET MANAGEMENT	8
HARBOURVEST PARTNERS, LLC	10
INTERNALLY MANAGED S&P 100 INDEX FUND	11
INTERNALLY MANAGED S&P 400 INDEX FUND	12
INTERNALLY MANAGED S&P 500 INDEX FUND	13
INTERNALLY MANAGED S&P 600 INDEX FUND	14
K2 ADVISORS, LLC	15
LOOMIS, SAYLES & COMPANY, L.P.	16
LSV ASSET MANAGEMENT	17
MONDRIAN INVESTMENT PARTNERS, LTD. (GLOBAL BONDS)	18
MONDRIAN INVESTMENT PARTNERS, LTD. (INT’L EQUITY)	19
ORLEANS CAPITAL MANAGEMENT CORPORATION	20
PACIFIC ALTERNATIVE ASSET MANAGEMENT CO., LLC	21
REXITER CAPITAL MANAGEMENT, LTD.	22
RICE HALL JAMES & ASSOCIATES, LLC	23
SMITH ASSET MANAGEMENT GROUP, LP	24
STANDISH MELLON ASSET MANAGEMENT CO.	25
STATE STREET GLOBAL ADVISORS (INT’L LARGE CAP GROWTH INDEX)	26
STATE STREET GLOBAL ADVISORS (U.S. SMALL CAP EQUITY INDEX)	27
TCW ASSET MANAGEMENT COMPANY	28
THE BOSTON COMPANY, LLC	29
THOMSON HORSTMANN & BRYANT, INC.	30
WELLS CAPITAL MANAGEMENT	31
WILLIAMS CAPITAL PARTNERS	32
W.R. HUFF ASSET MANAGEMENT COMPANY	33

LASERS

Statement of Investment Objectives

Section B – Investment Manager Guidelines

Manager Name

Acadian Asset Management, Inc.

Asset Class

International Developed Large Cap Value Equity

Long-term Benchmark

MSCI World Ex-US Index

Style Benchmark

MSCI World Ex-US Value Index

Peer Group Universe

International Established Equity Managers

Exemptions from General Guidelines:

1. In addition to ADRs (American Depositary Receipts), Acadian may invest in GDRs (Global Depositary Receipts) and EDRs (European Depositary Receipts), based on local market conditions and for better liquidity.
2. Acadian may invest in ETFs (Exchange Traded Funds), as needed, to gain exposure to certain markets.
3. In recognition of the lack of a liquid market for some companies' common shares, Acadian may purchase Preferred stocks, based on their discretion.
4. Rights and Warrants are allowed provided that the issuing security would normally be held in the portfolio.

LASERS

Statement of Investment Objectives

Section B – Investment Manager Guidelines

Manager Name

Adams Street Partners, LLC

Asset Class

Private Equity Fund of Funds

Long-term Benchmark

Long-term rate of return for private equity (17%)

Style Benchmark

Long-term rate of return for private equity (17%)

Peer Group Universe

Private Equity Managers*

Exemptions from General Guidelines:

This portfolio is managed in a commingled (limited partnership) format. As such, LASERS' investment guidelines do not apply. The commingled fund's guidelines are broadly similar to LASERS' and shall take precedent.

* style specific universe (private equity) not available

LASERS

Statement of Investment Objectives

Section B – Investment Manager Guidelines

Manager Name

Aronson Johnson & Ortiz

Asset Class

U.S. Large Cap Value Equity

Long-term Benchmark

S&P 500 Index

Style Benchmark

S&P 500 Citigroup Value Index

Peer Group Universe

U.S. Large Cap Value Equity Managers

Exemptions from General Guidelines:

Aronson may use exchange-traded funds, such as S&P Depository Receipts (“SPYDERS”), for the purpose of short-term equitization of unused funds, including cash in the account due to a contribution or a pending withdrawal.

LASERS

Statement of Investment Objectives

Section B – Investment Manager Guidelines

Manager Name

Brandywine Asset Management, LLC

Asset Class

U.S. Small Cap Value Equity

Long-term Benchmark

S&P 600 Index

Style Benchmark

S&P 600 Citigroup Value Index

Peer Group Universe

U.S. Small Cap Value Equity Managers

Exemptions from General Guidelines:

None

LASERS

Statement of Investment Objectives

Section B – Investment Manager Guidelines

Manager Name

Chicago Equity Partners, LLC

Asset Class

U.S. Large Cap Growth Equity

Long-term Benchmark

S&P 500 Index

Style Benchmark

S&P 500 Citigroup Growth Index

Peer Group Universe

U.S. Large Cap Growth Equity Managers

Exemptions from General Guidelines:

None

LASERS

Statement of Investment Objectives

Section B – Investment Manager Guidelines

Manager Name

Erasmus Advisors

Asset Class

In-State (Louisiana) Private Equity Fund

Long-term Benchmark

Long-term rate of return for private equity (17%)

Style Benchmark

Long-term rate of return for private equity (17%)

Peer Group Universe

Private Equity Managers*

Exemptions from General Guidelines:

This portfolio is managed in a commingled (limited partnership) format. As such, LASERS' investment guidelines do not apply. The commingled fund's guidelines are broadly similar to LASERS' and shall take precedent.

* style specific universe (private equity) not available

LASERS

Statement of Investment Objectives

Section B – Investment Manager Guidelines

Manager Name

Goldman Sachs Asset Management

Asset Class

U.S. Large Cap Growth Equity

Long-term Benchmark¹

S&P 500 Index

Style Benchmark¹

S&P 500 Citigroup Growth Index

Peer Group Universe²

U.S. Large Cap Growth Equity Managers

Exemptions from General Guidelines:

Goldman Sachs may hold up to 8% of the portfolio, at market, in any one security, and must hold at least 30 securities in their portfolio at all time.

Investment Objectives

LASERS acknowledges that the nominal return requirements, real return requirements and relative return requirements referenced in Section A are requirements of the Fund and not the Account, as defined in the Contract for Investment Management Services between LASERS and Goldman Sachs.

¹ Reference to the benchmark does not imply that the portfolio will achieve returns, volatility or other results similar to the benchmark. The composition of the benchmark may not reflect the manner in which a portfolio is constructed in relation to expected or achieved returns, portfolio guidelines, restrictions, sectors, correlations, concentrations, volatility or tracking error targets, all of which are subject to change over time.

² LASERS understands that Goldman Sachs does not intend to manage the Account (as defined herein) to achieve performance results relative to a specific peer universe.

LASERS

Statement of Investment Objectives

Section B – Investment Manager Guidelines

Goldman Sachs US Large Cap Growth Equity (continued)...

Relevant Legislation and Responsibilities

LASERS acknowledges that the requirement that investments of LASERS be made in accordance with Louisiana Revised Statutes, as well as any other applicable legislation or regulation is a requirement of the Fund and not the Account.

Roles and Responsibilities – Investment Managers

LASERS acknowledges that any reference to meeting or exceeding benchmarks are not expectations of Goldman Sachs but rather are targets or goals. LASERS also acknowledges that Goldman Sachs may not comply with the CFA Institute Code of Ethics and PPS but complies with its own Code of Ethics.

Manager Reporting Requirements – Portfolio Holdings

LASERS acknowledges that the reports referenced will provide the cost and the market value for all securities held. In addition, the securities will be listed by the Barra or Liberty sectors for domestic equities.

Manager Reporting Requirements – Ethics Report

LASERS acknowledges that Goldman Sachs shall be required to disclose pertinent information regarding regulatory findings and/or litigation, which would be relevant to the Account.

LASERS

Statement of Investment Objectives

Section B – Investment Manager Guidelines

Manager Name

Harbourvest Partners, LLC

Asset Class

Private Equity Fund of Funds

Long-term Benchmark

Long-term rate of return for private equity (17%)

Style Benchmark

Long-term rate of return for private equity (17%)

Peer Group Universe

Private Equity Managers*

Exemptions from General Guidelines:

This portfolio is managed in a commingled (limited partnership) format. As such, LASERS' investment guidelines do not apply. The commingled fund's guidelines are broadly similar to LASERS' and shall take precedent.

* style specific universe (private equity) not available

LASERS

Statement of Investment Objectives

Section B – Investment Manager Guidelines

Manager Name

Internally Managed S&P 100 Index Fund

Asset Class

U.S. Large Cap Core Equity

Long-term Benchmark

S&P 100 Index

Style Benchmark

S&P 100 Index

Peer Group Universe

Not applicable

Exemptions from General Guidelines:

Reporting requirements outlined for active managers (strategy review, etc.) in Section A of the Investment Policy Statement shall not apply to this and any passively managed strategies. The reporting requirements for the Internally Managed portfolio specified in Section A apply instead.

LASERS

Statement of Investment Objectives

Section B – Investment Manager Guidelines

Manager Name

Internally Managed S&P 400 Index Fund

Asset Class

U.S. Mid Cap Core Equity

Long-term Benchmark

S&P 400 Index

Style Benchmark

S&P 400 Index

Peer Group Universe

Not applicable

Exemptions from General Guidelines:

Reporting requirements outlined for active managers (strategy review, etc.) in Section A of the Investment Policy Statement shall not apply to this and any passively managed strategies. The reporting requirements for the Internally Managed portfolio specified in Section A apply instead.

LASERS

Statement of Investment Objectives

Section B – Investment Manager Guidelines

Manager Name

Internally Managed S&P 500 Index Fund

Asset Class

U.S. Large Cap Core Equity

Long-term Benchmark

S&P 500 Index

Style Benchmark

S&P 500 Index

Peer Group Universe

Not applicable

Exemptions from General Guidelines:

Reporting requirements outlined for active managers (strategy review, etc.) in Section A of the Investment Policy Statement shall not apply to this and any passively managed strategies. The reporting requirements for the Internally Managed portfolio specified in Section A apply instead.

LASERS

Statement of Investment Objectives

Section B – Investment Manager Guidelines

Manager Name

Internally Managed S&P 600 Index Fund

Asset Class

U.S. Small Cap Core Equity

Long-term Benchmark

S&P 600 Index

Style Benchmark

S&P 600 Index

Peer Group Universe

Not applicable

Exemptions from General Guidelines:

Reporting requirements outlined for active managers (strategy review, etc.) in Section A of the Investment Policy Statement shall not apply to this and any passively managed strategies. The reporting requirements for the Internally Managed portfolio specified in Section A apply instead.

LASERS

Statement of Investment Objectives

Section B – Investment Manager Guidelines

Manager Name

K2 Advisors, LLC

Asset Class

Absolute Return Fund of Funds

Long-term Benchmark

HFRI HFOF Index

Style Benchmark

HFRI HFOF Index

Peer Group Universe

Broadly diversified Absolute Return Fund of Funds portfolios *

Exemptions from General Guidelines:

This portfolio is managed in a commingled (limited partnership) format. As such, LASERS' investment guidelines do not apply. The commingled fund's guidelines are broadly similar to LASERS' and shall take precedent.

* style specific universe (fund of funds) will be available on a lagged basis (usually 60 days after the quarter end and will consist of manager supplied data

LASERS

Statement of Investment Objectives

Section B – Investment Manager Guidelines

Manager Name

Loomis, Sayles & Company, L.P.

Asset Class

Core Plus Fixed Income

Long-term Benchmark

LB Aggregate Bond Index

Style Benchmark

LB Aggregate Bond Index

Peer Group Universe

Core Plus Fixed Income Managers

Exemptions from General Guidelines:

1. Overall quality rating of A as measured by Standard & Pools.
2. Securities issued pursuant to Rule 144 are permissible.
3. May invest up to 20% of the portfolio in below Investment Grade issues (rated below BBB- and Baa3 by both Moody's and Standard & Poor's), as determined at purchase.
4. May invest up to 10% of the portfolio in non-US dollar denominated securities as determined at purchase.

LASERS

Statement of Investment Objectives

Section B – Investment Manager Guidelines

Manager Name

LSV Asset Management

Asset Class

U.S. Small Cap Value Equity

Long-term Benchmark

S&P 600 Index

Style Benchmark

S&P 600 Citigroup Value Index

Peer Group Universe

U.S. Small Cap Value Equity Managers

Exemptions from General Guidelines:

None

LASERS

Statement of Investment Objectives

Section B – Investment Manager Guidelines

Manager Name

Mondrian Investment Partners, Ltd. (Global Bonds)

Asset Class

Global Fixed Income

Long-term Benchmark

S&P Citigroup World Government Bond Index

Style Benchmark

S&P Citigroup World Government Bond Index

Peer Group Universe

Global Fixed Income Managers

Exemptions from General Guidelines:

None

LASERS

Statement of Investment Objectives

Section B – Investment Manager Guidelines

Manager Name

Mondrian Investment Partners, Ltd. (Int'l Equity)

Asset Class

International Large Cap Value Equity

Long-term Benchmark

MSCI World Ex-US Index

Style Benchmark

MSCI World Ex-US Value Index

Peer Group Universe

International Established Markets Equity Managers

Exemptions from General Guidelines:

Mondrian may hold up to 10% of the portfolio, at market, in any one security, subject to having a minimum of 30 stocks in the portfolio.

Notes:

This product is a concentrated version of their standard product and is to reflect a value-oriented “best ideas” strategy.

LASERS

Statement of Investment Objectives

Section B – Investment Manager Guidelines

Manager Name

Orleans Capital Management Corporation

Asset Class

Core Fixed Income

Long-term Benchmark

LB Aggregate Bond Index

Style Benchmark

LB Aggregate Bond Index

Peer Group Universe

Core Fixed Income Managers

Exemptions from General Guidelines:

None

LASERS

Statement of Investment Objectives

Section B – Investment Manager Guidelines

Manager Name

Pacific Alternative Asset Management Co., LLC

Asset Class

Absolute Return Fund of Funds

Long-term Benchmark

HFRI HFOF Index

Style Benchmark

HFRI HFOF Index

Peer Group Universe

Broadly diversified Absolute Return Fund of Funds portfolios *

Exemptions from General Guidelines:

This portfolio is managed in a commingled (limited partnership) format. As such, LASERS' investment guidelines do not apply. The commingled fund's guidelines are broadly similar to LASERS' and shall take precedent.

* style specific universe (fund of funds) will be available on a lagged basis (usually 60 days after the quarter end and will consist of manager supplied data

LASERS

Statement of Investment Objectives

Section B – Investment Manager Guidelines

Manager Name

Rexiter Capital Management, Ltd.

Asset Class

Emerging Markets Equity

Long-term Benchmark

MSCI Emerging Markets Free Index

Style Benchmark

MSCI Emerging Markets Free Index

Peer Group Universe

Emerging Markets Equity Managers

Exemptions from General Guidelines:

This portfolio is managed in a commingled account. As such, LASERS' investment guidelines do not apply. The commingled fund's guidelines are broadly similar to LASERS' and shall take precedent.

LASERS

Statement of Investment Objectives

Section B – Investment Manager Guidelines

Manager Name

Rice Hall James & Associates, LLC

Asset Class

U.S. Small Cap Growth Equity

Long-term Benchmark

S&P 600 Index

Style Benchmark

S&P 600 Citigroup Growth Index

Peer Group Universe

U.S. Small Cap Growth Equity Managers

Exemptions from General Guidelines:

None

LASERS

Statement of Investment Objectives

Section B – Investment Manager Guidelines

Manager Name

Smith Asset Management Group, LP

Asset Class

U.S. Small Cap Growth Equity

Long-term Benchmark

S&P 600 Index

Style Benchmark

S&P 600 Citigroup Growth Index

Peer Group Universe

U.S. Small Cap Growth Equity Managers

Exemptions from General Guidelines:

None

LASERS

Statement of Investment Objectives

Section B – Investment Manager Guidelines

Manager Name

Standish Mellon Asset Management Co.

Asset Class

Custodian Bank Cash Sweep Service (STIF) – “Proprietary Active Cash LP”

Long-term Benchmark

182-Day T-Bills

Style Benchmark

182-Day T-Bills

Peer Group Universe

Cash Managers

Exemptions from General Guidelines:

- LASERS has directed Mellon Bank to invest short-term, overnight cash into the “Standish Mellon Proprietary Active Cash LP.”
- Because this fund is an LP with its own internally-adopted policy and guidelines as prescribed by Standish Mellon, LASERS agrees to the principles set forth therein.
- As an exception to the LASERS’ Section A Guidelines, Standish Mellon can use derivative future instruments for portfolio and duration management purposes. The Standish Mellon policy reads as follows:

“Derivative duration management techniques, such as futures, may be used to achieve portfolio average duration goals. The futures used will be limited to Eurodollar futures contracts.”

LASERS

Statement of Investment Objectives

Section B – Investment Manager Guidelines

Manager Name

State Street Global Advisors (Int'l Large Cap Growth Index)

Asset Class

International Developed Large Cap Growth Equity

Long-term Benchmark

MSCI World Ex-US Growth Index

Style Benchmark

MSCI World Ex-US Growth Index

Peer Group Universe

International Developed Equity Manageres

Exemptions from General Guidelines:

None

LASERS

Statement of Investment Objectives

Section B – Investment Manager Guidelines

Manager Name

State Street Global Advisors (U.S. Small Cap Equity Index)

Asset Class

U.S. Small Cap Equity

Long-term Benchmark

Russell 2000 Index

Style Benchmark

Russell 2000 Index

Peer Group Universe

Small Cap Core Equity Managers

Exemptions from General Guidelines:

None

LASERS

Statement of Investment Objectives

Section B – Investment Manager Guidelines

Manager Name

TCW Asset Management Company

Asset Class

Mortgage-Backed Fixed Income

Long-term Benchmark

LB Mortgage Index

Style Benchmark

LB Mortgage Index

Peer Group Universe

Mortgage-Backed Fixed Income Managers

Exemptions from General Guidelines:

None

LASERS

Statement of Investment Objectives

Section B – Investment Manager Guidelines

Manager Name

The Boston Company, LLC

Asset Class

International Small Cap Equity

Long-term Benchmark

MSCI World Ex-US Small Cap Index

Style Benchmark

MSCI World Ex-US Small Cap Index

Peer Group Universe

International Established Markets Equity Managers*

Exemptions from General Guidelines:

This portfolio is managed in a commingled account. As such, LASERS' investment guidelines do not apply. The commingled fund's guidelines are broadly similar to LASERS' and shall take precedent.

* style specific universe (international small cap) not currently available

LASERS

Statement of Investment Objectives

Section B – Investment Manager Guidelines

Manager Name

Thomson Horstmann & Bryant, Inc.

Asset Class

U.S. Small Cap Value Equity

Long-term Benchmark

S&P 600 Index

Style Benchmark

S&P 600 Citigroup Value Index

Peer Group Universe

U.S. Small Cap Value Equity Managers

Exemptions from General Guidelines:

None

LASERS

Statement of Investment Objectives

Section B – Investment Manager Guidelines

Manager Name

Wells Capital Management

Asset Class

High Yield Fixed Income

Long-term Benchmark

CSFB High Yield Index

Style Benchmark

CSFB High Yield Index

Peer Group Universe

High Yield Fixed Income Managers

Exemptions from General Guidelines:

None

LASERS

Statement of Investment Objectives

Section B – Investment Manager Guidelines

Manager Name

Williams Capital Partners

Asset Class

In-State (Louisiana) Private Equity Fund

Long-term Benchmark

Long-term rate of return for private equity (17%)

Style Benchmark

Long-term rate of return for private equity (17%)

Peer Group Universe

Private Equity Managers*

Exemptions from General Guidelines:

This portfolio is managed in a commingled (limited partnership) format. As such, LASERS' investment guidelines do not apply. The commingled fund's guidelines are broadly similar to LASERS' and shall take precedent.

* style specific universe (private equity) not available

LASERS

Statement of Investment Objectives

Section B – Investment Manager Guidelines

Manager Name

W.R. Huff Asset Management Company

Asset Class

High Yield Fixed Income

Long-term Benchmark

CSFB High Yield Index

Style Benchmark

CSFB High Yield Index

Peer Group Universe

High Yield Fixed Income Managers

Exemptions from General Guidelines:

1. Up to 10% of the portfolio may be invested in a single security (at market).
2. A minimum of 30 securities must be held in the portfolio at all times.
3. Up to 20% of the portfolio may be invested in the WRH Partners Global Securities, L.P., a commingled fund that invests in emerging markets corporate debt securities.

LASERS

Statement of Investment Objectives

Section B – Investment Manager Guidelines

Manager Name

Nomura Asset Management, Inc.

Asset Class

High Yield Fixed Income

Long-term Benchmark

CSFB High Yield Index

Style Benchmark

CSFB High Yield Index

Peer Group Universe

High Yield Fixed Income Managers

Exemptions from General Guidelines:

1. Up to 10% of the portfolio may be invested in a single security (at market).
2. A minimum of 30 securities must be held in the portfolio at all times.
3. Up to 20% of the portfolio may be invested in emerging markets corporate debt securities.