

**THE TENNESSEE CONSOLIDATED RETIREMENT SYSTEM
INVESTMENT POLICY
AMENDMENT ONE**

WHEREAS, the final authority for investing and reinvesting the assets of the Tennessee Consolidated Retirement System (System) is subject to approval of the System's Board of Trustees (Board);

WHEREAS, the Board has the authority, pursuant to Tennessee Code Annotated Section 8-37-109, to establish the System's Investment Policy (Investment Policy);

WHEREAS, the Board most recently amended and restated the System's Investment Policy in its entirety, effective as of the November 1, 2012 signature date on the Investment Policy;

WHEREAS, the Board now desires to amend the Investment Policy;

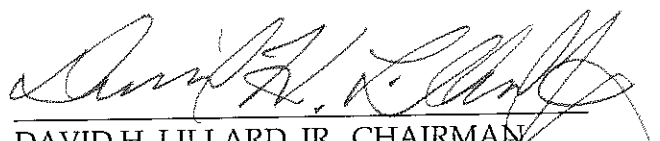
NOW, THEREFORE, the Investment Policy is hereby amended, effective as set forth herein:

1. Section entitled Exchange Traded Funds (ETFs) is hereby amended effective 12-16-13 to be and read as follows:

Equity ETFs may be included in the equity portfolio and bond ETFs in the bond portfolio and shall be ~~subject to the~~ included in the asset class limitations of those portfolios. However, Equity and Bond ETFs shall not be subject to the 4.99% outstanding shares of any one issuer limitation, as referenced in the Section entitled Common, Preferred Stock and Convertible Bonds, and shall not be subject to a ratings requirement, as referenced in the Section entitled Notes, Bonds, and Mortgages.

2. In all other respects, the Investment Policy shall be and remain unchanged.

IN WITNESS WHEREOF, this Amendment One is adopted by the Board of Trustees of the Tennessee Consolidated Retirement System at its Board Meeting on the 16th day of December, 2013.


DAVID H. LILLARD, JR., CHAIRMAN
BOARD OF TRUSTEES
Tennessee Consolidated Retirement System