

**SPECIAL MEETING OF THE BOARD OF TRUSTEES
GENERAL EMPLOYEES' RETIREMENT SYSTEM
316 NE 4th STREET, SUITE 2, FORT LAUDERDALE, FL
MONDAY, JUNE 22, 2009**

At 9:05 A.M., Chairman Bucci gavelled the special meeting of the Board of Trustees to order with a light tap of his mallet. Roll call was taken.

Present: John "Le" Bucci, Chairman
Sean Jones, Secretary
Julius Delisio
Ron Cameron
Darlene Pfeiffer

Absent: Dr. Robert Helmholdt
Mark Darmanin, Vice Chairman

Also Present: Robert Dunckel, Asst. City Attorney
David Desmond, Pension Administrator

Chairman Bucci asked Attorney Dunckel to review the details since the Board approval to become the lead plaintiff in the Mechel OAO lawsuit and the need to hold this special meeting. Mr. Dunckel outlined the steps taken since the regular Board meeting on June 4, 2009. The portfolio monitoring firm of Abraham, Fruchter & Twersky, LLP has been approved by the City Commission to be retained to represent the GERS in the lawsuit. A retainer agreement has been completed and signed. Mitchell Twersky has since proposed that the GERS consider being a co-lead plaintiff with the firm Coughlin, Stoia, Geller, Rudman & Robbins, LLP. This firm represents three investors that sustained a total loss of \$650,000. Mr. Dunckel explained that he needed the Board's approval in this matter. Discussion began on the significance of the proposal and the potential outcomes of authorizing the teaming up with another group. Mr. Dunckel said that he did not have expertise in these types of lawsuits and that Mr. Twersky would join the meeting by telephone in order to answer any and all queries from the Board.

Mitchell Twersky called at 9:20 AM and joined the meeting via speakerphone. He introduced himself and stated that Atara Hirsch was also with him. The Board in turn introduced themselves to the callers.

Mr. Twersky responded to various questions posed by Mr. Dunckel and the Board. He explained the nature of co-lead plaintiffs and that each legal firm's clients would be represented as 50% equals. The fees paid to the firms at the conclusion will be determined by the judge and split equally. Having two firms would not increase the amount of fees.

Mr. Twersky explained that Coughlin Stoia had approached him with the co-lead proposal and that they have successfully worked together in the past. By combining, the firms would save time and overall expenses, as all information gathered would be shared.

Chairman Bucci asked Mr. Twersky on his view of the merger versus going alone. He responded that the only reason to try for single lead plaintiff status would be if the Board wanted sole control in obtaining a judgement. However, he warned, the judge could forego GERS altogether and name another plaintiff.

Ms. Pfeiffer then asked whether the claim would be domestic or international since Mechel OAO was a Russian company. Mr. Twersky returned that it was domestic since the stock is listed as an American Depository Receipt (ADR) on the New York Stock Exchange.

She continued by asking how it would actually benefit GERS by joining forces with another plaintiff. Mr. Twersky responded that the benefit of joining forces would be a larger voice with loss; \$1,265,000. Additionally, together there would be a better chance of affecting the outcome with a say in how companies are governed.

Mr. Jones asked for clarification on the decisions by the two groups that they be treated equals with each having a 50/50 say on all matters. Mr. Twersky reiterated that the two groups are 50/50 partners and the three litigants represented by Coughlin Stoia need to speak with one voice. He will immediately advise the Board if the judge would decide otherwise.

Mr. Dunckel inquired if the original cost estimate to litigate of between \$350,000 and \$700,000 would change should the Board agree to become co-lead plaintiffs. Mr. Twersky remarked that the estimate would not change as all costs are split between the two firms.

Chairman Bucci checked if there were any further questions and announced that the Trustees would discuss the matter. Once a decision was reached, the Board would recall Mr. Twersky with the result. Mr. Twersky gave his phone number and hung up at 9:37 AM.

Discussion began with Mr. Delisio questioning if all the stakeholders would get all their money back. Mr. Dunckel answered that everyone who lost money would be in the class, if they registered, and the judge would make the determination as to the amount the class would receive. He said generally the recovery is cents on the dollar, not 100%.

The discourse continued with a request from Navellier to explain their due diligence in this stock purchase. Additionally, Consultant Richard Dahab should confab with Navellier to find out why Mechel OAO was thought to be a good investment at the time of purchase. Mr. Cameron was dismayed that neither Navellier nor Mr. Dahab notified the Board of the severity of the loss in the portfolio or that the company, Mechel, had declined into serious problems with the Russian government. Mr. Jones brought up the idea of the Trustee's fiduciary responsibility in doing all that is possible to try to recover the loss through the litigation.

Chairman Bucci called for everyone's impression regarding the question of joining forces and becoming a co-lead plaintiff. Each Trustee voiced their opinion on the topic. Mr. Bucci stated he had reservations at first but listening to Mr. Twersky had made him feel that working together as co-lead plaintiff is for the best. The Chairman then asked Mr. Dunckel for his advice and he recommended joining forces with the other law firm, as he could see no downside problem. Mr. Bucci then thanked the Attorney for all his hard work seeing this matter to fruition in such a short period of time.

In a call for a motion, Mr. Cameron moved to join forces with Coughlin Stoia and be a co-lead plaintiff in the lawsuit. Mr. Delisio seconded and the motion was unanimously approved.

Mr. Dunckel called Mr. Twersky at 10:13 AM and informed him of the Board's decision. Mr. Twersky said he would get started right away on setting GERS up as a co-lead. Mr. Dunckel asked the identities of the three programs represented by Coughlin Stoia. The response was the City of Westland, MI with a \$300,000 loss and two trade unions with a \$175,000 loss each.

The Board thanked Mr. Twersky and terminated the call. Ms. Pfeiffer then made a motion to adjourn, seconded by Mr. Delisio, approved by all, and the meeting ended at 10:16 AM.