

FIRST AMENDMENT TO CUSTODY AGREEMENT

THIS FIRST AMENDMENT TO CUSTODY AGREEMENT (this "Amendment") is dated as of February 27, 2014, but effective as July 1, 2013 (the "Effective Date"), by and between The Bank of New York Mellon ("Custodian") and the Board of Trustees of the Teachers' Retirement System of the State of Kentucky (the "Client").

WITNESSETH:

WHEREAS, the Custodian and the Client are parties to a Custody Agreement dated as of July 30, 2010, but effective as of July 1, 2010 (the "Custody Agreement"); and

WHEREAS, the Custodian and the Client now desire to amend the Custody Agreement as set forth below.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby agree as follows:

1. Capitalized terms used but not defined herein shall have the meanings assigned in the Custody Agreement.
2. Effective July 1, 2013, Section 9.4 of the Custody Agreement is hereby restated in its entirety to read as follows:

9.4 Duration of Contract. Subject to Section 9.2 and Section 8.6, the period during which custodial services are to be performed under this Agreement shall consist of a rolling five-year period, with the five-year period commencing on the first day of the month of July of each year and ending on the last day of the month of June in the fifth calendar year following the applicable commencement date. The first such period shall commence on July 1, 2013.

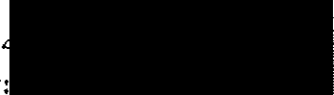
3. From and after the Effective Date, all references in the Custody Agreement to "this Agreement" shall be deemed to mean the Custody Agreement, as amended by this Amendment. As amended by this Amendment, the Custody Agreement remains in full force and effect.
4. The validity, interpretation, construction and performance of this Amendment shall be governed by and construed and enforced in accordance with the laws of the State of New York, without giving effect to principles regarding conflict of laws.
5. This Amendment may be executed in any number of counterparts, each of which shall be deemed an original, and said counterparts when taken together shall constitute but one and the same instrument and may be sufficiently evidenced by one set of counterparts.

6. Each party represents and warrants to the other that it has full authority to enter into this Amendment upon the terms and conditions hereof, that the individual executing this Amendment on its behalf has the requisite authority to bind such party to this Amendment, and that this Amendment, and the Agreement as amended by this Amendment, each constitutes a valid and binding obligation of such party enforceable in accordance with its terms.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound, have hereunto executed this Amendment on the date set forth below.

Authorized Signer of:

BOARD OF TRUSTEE OF THE
TEACHERS' RETIREMENT SYSTEM
OF THE STATE OF KENTUCKY

By: 

Name: GARY L. HARDIN, CPA
Title: EXECUTIVE SECRETARY
Date: 3/24/14

Authorized Officer of:

THE BANK OF NEW YORK MELLON

By: 

Name: David W. Ryan
Title: Managing Director
Date: 3/1/14

CUSTODY AGREEMENT

by and between

Board of Trustees of the Teachers' Retirement System of the State of Kentucky

and

THE BANK OF NEW YORK MELLON

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CUSTODY AGREEMENT

AGREEMENT, dated as of July 30, 2010, effective date July 1, 2010.
("Agreement") between Board of Trustees of the Teachers' Retirement System of the State of Kentucky (the "Client") and THE BANK OF NEW YORK MELLON, a bank organized under the laws of the state of New York (the "Custodian").

SECTION 1 – CUSTODY ACCOUNTS; INSTRUCTIONS

1.1 **Definitions.** Whenever used in this Agreement, the following words shall have the meanings set forth below:

"Account" or "Accounts" shall have the meaning set forth in Section 1.2.

"Authorized Instructions" shall have the meaning set forth in Section 1.4.

"Authorized Person" shall mean any Person authorized by the Client to give Oral or Written Instructions with respect to one or more Accounts or with respect to foreign exchange, derivative investments or information and transactional web based services provided by the Custodian or a BNY Mellon Affiliate. Authorized Persons shall include Persons authorized by an Authorized Person. Authorized Persons, their signatures and the extent of their authority shall be provided by Written Instructions. The Custodian may conclusively rely on the authority of such Authorized Persons until it receives a Written Instruction to the contrary.

"BNY Mellon Affiliate" shall mean any direct or indirect subsidiary of The Bank of New York Mellon Corporation.

"Book-Entry System" shall mean the U.S. Federal Reserve/Treasury book-entry system for receiving and delivering securities, its successors and nominees.

"Business Day" shall mean any day on which the Custodian and relevant Depositories and Subcustodians are open for business.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Data Providers" shall mean pricing vendors, analytics providers, brokers, dealers, investment managers, Authorized Persons, Subcustodians, Depositories and any other Person providing Market Data to the Custodian.

"Data Terms Website" shall mean <http://www.bnymellon.com/products/assetservicing/vendoragreement.pdf> or any successor website the address of which is provided by the Custodian to the Client.

"Depository" shall include the Book-Entry System, the Depository Trust Company, Euroclear, Clearstream Banking S.A., the Canadian Depository System, CLS Bank and any other

securities depository, book-entry system or clearing agency (and their respective successors and nominees) authorized to act as a securities depository, book-entry system or clearing agency pursuant to applicable law.

"Losses" shall mean, collectively, losses, costs, expenses, damages, liabilities and claims.

"Market Data" shall mean pricing or other data related to Securities and other assets. Market data includes but is not limited to security identifiers, valuations, bond ratings, classification data, and other data received from investment managers and others.

"Non-Custody Assets" shall have the meaning set forth in Section 9.1.

"Oral Instructions" shall mean instructions expressed in spoken words received by the Custodian.

"Person" or "Persons" shall mean any entity or individual.

"Securities" shall include, without limitation, any common stock and other equity securities, depository receipts, limited partnership and limited liability company interests, bonds, debentures and other debt securities, notes or other obligations, and any instruments representing rights to receive, purchase, or subscribe for the same, or representing any other rights or interests therein (whether represented by a certificate or held in a Depository, with a Subcustodian or on the books of the issuer) that are acceptable to the Custodian.

"Subcustodian" shall mean a bank or other financial institution (other than a Depository) that is utilized by the Custodian or by a BNY Mellon Affiliate, in its discretion, in connection with the purchase, sale or custody of Securities or cash hereunder.

"Tax Obligations" shall mean taxes, withholding, certification and reporting requirements, claims for exemptions or refund, interest, penalties, additions to tax and other related expenses.

"Third Party Service Provider" shall mean a service provider hired by the Custodian to provide or to assist the Custodian with providing value-added services requested by the Client.

"Written Instructions" shall mean written communications received by the Custodian by S.W.I.F.T., overnight delivery, postal services, facsimile transmission, email, on-line communication system or other method or system, each as specified by the Custodian as available for use in connection with the services hereunder.

1.2 Establishment of Accounts. The Client hereby appoints the Custodian as custodian of all Securities and cash at any time delivered to the Custodian to be held under this Agreement. The Custodian hereby accepts such appointment and agrees to establish and maintain one or more accounts in which the Custodian will hold Securities and cash as provided herein. Such accounts (each, an "Account," and collectively, the "Accounts") shall be in the name of the Client. If requested in writing by the Client, the Custodian agrees to establish separate accounts for separate funds and account separately for (i) the trust assets for a plan qualified under Internal

Revenue Code sections 401(a) and 401(h); (ii) a section 115 insurance trust; and (iii) such other funds as the Client may establish.

1.3 Distributions. The Custodian shall make distributions or transfers out of an Account pursuant to Written Instructions. In making payments to service providers pursuant to Written Instructions, the Client acknowledges that the Custodian is acting as a paying agent, and not as the payor, for tax information reporting and withholding purposes. The client may withdraw any or all of the cash, securities and other property held in the Account at any time upon giving Custodian written notice. All assets shall be free and clear of rights, charges, security, interests, or liens arising through Custodian or its Subcustodians except as indicated elsewhere in this Agreement.

1.4 Authorized Instructions. The Custodian shall be entitled to rely upon any Oral or Written Instructions actually received by the Custodian and reasonably believed by the Custodian to be from an Authorized Person ("Authorized Instructions"). The Client agrees that an Authorized Person shall forward to the Custodian Written Instructions confirming Oral Instructions by the close of business of the same day that such Oral Instructions are given to the Custodian. The Custodian may act on such Oral Instructions but is not obligated to do so until Written Instructions are received. The Client agrees that the fact Written Instructions confirming Oral Instructions are not received or that contrary Written Instructions are received by the Custodian shall in no way affect the validity or enforceability of transactions authorized by such Oral Instructions and effected by the Custodian. The Client agrees to bear the risk of errors if Oral Instructions are not given over recorded lines. Any ability of the Custodian to avoid or limit liability by relying on Authorized Instructions shall not apply to the extent that the Custodian would otherwise be liable pursuant to the Agreement, e.g. by conducting its responsibilities in a negligent manner or by failing to follow procedures or satisfy the standard of care required by the Agreement.

1.5 Authentication. If the Custodian receives Written Instructions that appear on their face to have been transmitted by an Authorized Person via (i) facsimile, email, or other electronic method that is not secure, or (ii) secure electronic transmission containing applicable authorization codes, passwords or authentication keys, the Client understands and agrees that the Custodian cannot determine the identity of the actual sender of such Written Instructions and that the Custodian shall be entitled to conclusively presume that such Written Instructions have been sent by an Authorized Person. The Client shall be responsible for ensuring that only Authorized Persons transmit such Written Instructions to the Custodian and that all Authorized Persons treat applicable user and authorization codes, passwords and authentication keys with extreme care.

1.6 Security Procedure. The Client acknowledges and agrees that it is fully informed of the protections and risks associated with the various methods of transmitting Written Instructions to the Custodian and that there may be more secure methods of transmitting Written Instructions than the method selected by the sender. The Client agrees that the security procedures, if any, to be followed in connection with a transmission of Written Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances.

1.7 On-Line Systems. If an Authorized Person elects to transmit Written Instructions through an on-line communication system offered by the Custodian, the use thereof shall be subject to any terms and conditions contained in a separate written agreement. If the Client or an Authorized Person elects, with the Custodian's prior consent, to transmit Written Instructions through an on-line communications service owned or operated by a third party, the Client agrees that the Custodian shall not be responsible or liable for the reliability or availability of any such service.

SECTION 2—CUSTODY SERVICES

2.1 Holding Securities. Subject to the terms hereof, the Client hereby authorizes the Custodian to hold any Securities in registered form in the name of the Custodian or one of its nominees. Securities held for the Client hereunder shall be segregated on the Custodian's books and records from the Custodian's own property. The Custodian shall be entitled to utilize Subcustodians and Depositories in connection with its performance hereunder. Securities and cash held through Subcustodians shall be held subject to the terms and conditions of the Custodian's or a BNY Mellon Affiliate's agreements with such Subcustodians. Securities and cash deposited by the Custodian in a Depository will be held subject to the rules, terms and conditions of such Depository. Subcustodians may hold Securities in Depositories in which such Subcustodians participate. Unless otherwise required by local law or practice or a particular subcustodian agreement, Securities deposited with Subcustodians will be held in a commingled account in the name of the Custodian or a BNY Mellon Affiliate for its clients. The Custodian shall identify on its books and records the Securities and cash belonging to the Client, whether held directly or indirectly through Depositories or Subcustodians.

2.2 Subcustodians. The Custodian shall exercise reasonable care in the selection or retention of Subcustodians in light of prevailing rules, practices and procedures in the relevant market. Notwithstanding any other provisions hereof, with respect to any Losses incurred by the Client as a result of the acts or the failure to act by any Subcustodian (other than a BNY Mellon Affiliate), Custodian shall take appropriate action to recover such Losses from such Subcustodian, and Custodian's sole responsibility and liability to the Client shall be limited to amounts so received from such Subcustodian (exclusive of costs and expenses incurred by Custodian). The Custodian's responsibility for Losses with respect to Securities or cash held by a Subcustodian is limited to the failure on the part of the Custodian to exercise reasonable care in selecting, monitoring and retaining such Subcustodian in light of prevailing rules, practices and procedures in the relevant market. Any such appointment of a Subcustodian shall not relieve the Custodian of responsibility or liability for its own acts or omissions under this Agreement. In no event shall the Custodian be liable for any Losses arising out of the holding of any Securities or cash in any particular country, including but not limited to, Losses resulting from nationalization, expropriation or other governmental actions; regulation of the banking or securities industry; exchange or currency controls or restrictions, devaluations or fluctuations; availability of Securities or cash or market conditions which prevent the transfer of property or the execution of Securities transactions or affect the value of property. Nothing within this Agreement or any agreement

between Custodian and a Subcustodian or foreign custodian shall affect or relieve Custodian's obligations and duties with respect to Client assets held by Subcustodian or foreign custodian.

2.3 Depositories. The Custodian shall have no liability whatsoever for the action or inaction of any Depository or for any Losses resulting from the maintenance of Securities or cash with a Depository.

2.4 Agents. The Custodian may appoint agents, including BNY Mellon Affiliates, on such terms and conditions as it deems appropriate to perform its services hereunder. Except as otherwise specifically provided herein, no such appointment shall discharge the Custodian from its obligations hereunder.

2.5 Custodian Actions without Direction. With respect to Securities held hereunder, the Custodian shall:

- a. Receive income and other payments due to the Account;
- b. Carry out any exchanges of Securities or other corporate actions not requiring discretionary decisions;
- c. Facilitate access by the Client or its designee to ballots or online systems to assist in the voting of proxies received for eligible positions of Securities held in the Account (excluding bankruptcy matters);
- d. Forward to the Client or its designee information (or summaries of information) that the Custodian receives from Depositories or Subcustodians concerning Securities in the Account (excluding bankruptcy matters);
- e. Forward to the Client or its designee an initial notice of bankruptcy cases relating to Securities held in the Account and a notice of any required action related to such bankruptcy cases as may be received by the Custodian. No further action or notification related to the bankruptcy case shall be required;
- f. Endorse for collection checks, drafts or other negotiable instruments; and
- g. Execute and deliver, solely in its custodial capacity, certificates, documents or instruments incidental to the Custodian's performance under this Agreement.
- h. Report the value of the Account as of such dates mutually agreed upon by the Client and the Custodian, with such dates being no less frequently than monthly, and in accordance with methods consistently followed and uniformly applied in a manner mutually agreed upon by the parties;
- i. Maintain a disaster recovery plan.

j. Support the Client and any appointed investment manager in management of available cash in the Account; and

k. Promptly notify the Client in writing upon the occurrence of the following:

i. Changes in senior personnel or officers handling the Account;

ii. Significant changes in the ownership of the Custodian;

iii. Any known breaches of Client's confidential information.

2.6 Custodian Actions with Direction. The Custodian shall take the following actions in the administration of the Account only pursuant to Authorized Instructions:

a. Settle purchases and sales of Securities and process other transactions, including, without limitation, free receipts and deliveries;

b. Take actions necessary to settle transactions in connection with futures or options contracts, short-selling programs, foreign exchange or foreign exchange contracts, swaps and other derivative investments;

c. Deliver Securities in the Account if an Authorized Person advises the Custodian that the Client has entered into a separate securities lending agreement, provided that the Client executes such agreements as Custodian may require in connection with such arrangements;

d. Invest available cash in any collective investment fund, including a collective investment fund maintained by the Custodian or an affiliate of the Custodian for collective investment of employee benefit trusts or to deposit available cash in interest bearing accounts in the banking department of the Custodian or an affiliated banking organization. To the extent that any investment is made in any such collective investment fund, the Client hereby represents and confirms that the Account is a governmental plan within the meaning of Section 414(d) of the Code and the declaration of trust of said collective investment fund and the trust thereby created shall be a part of this Agreement and of the governmental plan. The Client agrees to notify the Custodian immediately in the event the Account ceases to be tax exempt. The Client expressly understands and agrees that any such collective investment fund may provide for the lending of its securities by the collective investment fund trustee and that such collective investment fund trustee will receive compensation for the lending of securities that is separate from any compensation of the Custodian hereunder, or any compensation of the collective investment fund trustee for the management of such fund. The Custodian is authorized to invest in a collective fund which invests in The Bank of New York Mellon Corporation stock in accordance with the terms and conditions of the Department of Labor Prohibited Transaction Exemption 95-56 (the "Exemption") granted to Mellon Bank, N.A. and its affiliates and to use a cross-trading program in accordance with the Exemption. The Client acknowledges receipt of the notice entitled "Cross-Trading Information," a copy of which is attached to this Agreement as Exhibit A.

e. Submit master ballots in accordance with Authorized Instructions in bankruptcy matters in cases where an Authorized Party is unable to submit an individual ballot with respect to the Account;

f. Lend the assets of the Account if the Client advises the Custodian that it has entered into a separate securities lending agreement

2.7 Foreign Exchange Transactions. Any foreign exchange transaction effected by the Custodian in connection with this Agreement shall be either negotiated directly with Custodian or provided pursuant to the Custodian's "FX Program for Trade Requests Processed through BNY Mellon Custody." (A current copy of which procedure is attached as Exhibit B.) Foreign exchange transactions may be entered into with the Custodian or a BNY Mellon Affiliate acting as a principal or otherwise through customary channels. The Client may issue standing Written Instructions with respect to foreign exchange transactions, but the Custodian may establish rules or limitations concerning any foreign exchange facility made available to the Client.

SECTION 3 – CORPORATE ACTIONS

3.1 Notification. The Custodian shall notify the Client or its designee of rights or discretionary corporate actions as promptly as practicable under the circumstances, provided that the Custodian has actually received notice of such right or discretionary corporate action from the relevant Subcustodian or Depository. Absent actual receipt of such notice, the Custodian shall have no liability for failing to so notify the Client.

3.2 Direction. Whenever there are voluntary rights that may be exercised or alternate courses of action that may be taken by reason of the Client's ownership of Securities, the Client or its designee shall be responsible for making any decisions relating thereto and for directing the Custodian to act. In order for the Custodian to act, it must receive Authorized Instructions using the Custodian generated form or clearly marked as instructions addressed as the Custodian may from time to time request, by such time as the Custodian shall advise the Client or its designee. Absent the Custodian's receipt of such Authorized Instructions by such deadline, the Custodian shall not be liable for failure to take any action relating to or to exercise any rights conferred by such Securities.

3.3 Partial Redemptions, Payments, Etc. The Custodian shall promptly advise the Client or its designee upon its notification of a partial redemption, partial payment or other action with respect to a Security affecting fewer than all such Securities held within the Account. If the Custodian, any Subcustodian or Depository holds any Securities affected by one of the events described, the Custodian, the Subcustodian or Depository may select the Securities to participate in such partial redemption, partial payment or other action in any non-discriminatory manner that it customarily uses to make such selection.

SECTION 4– CLASS ACTIONS

4.1 Notification. When the Custodian receives a notice of settlement from the

administrator of a domestic class action, relevant information concerning the settlement will be provided to the Client or its designee, by Account, as promptly as practicable under the circumstances, but only where the Client Account contains records of transactions and positions covered by the settlement. Notice will not be given if records of relevant transactions and positions are not found in Account records maintained by the Custodian, nor can the Custodian undertake to advise the Client if such records do not encompass the entire period covered by a settlement. Where a settlement involves a time period, in whole or in part, outside of the Custodian's period of service under this Agreement, it is the Client's responsibility to provide Custodian with supplemental records necessary to make or complete a filing in such form as the Custodian may require, by such deadline as Custodian may set to file a claim.

The Custodian presently continues to provide notice of class actions to former clients to the extent holdings and transaction records are available, provided that a current address for notice is on file with the Custodian. If this continuing service is ever terminated, Custodian will attempt to notify former clients based on the notice address on file with the Custodian.

4.2 Filings and Directed Actions. Unless the Custodian is given timely direction by the Client (or former client) or its designee that it will file claims directly or that it wishes to opt out of an action, where permitted, the Custodian will file a claim or claims on behalf of each Account based on relevant transaction and position records maintained by the Custodian (or where supplemental records have been timely provided in proper form).

4.3 Receipt of Settlement Funds; Charges. If a claim is approved, relevant Client Accounts will be credited with settlement funds when received, net of the Custodian's applicable service charge. (Funds will be sent to former clients net of the service charge based on the notice address on file with the Custodian.)

4.4 Records and Changes to Class Action Service. Information concerning all class action filing deadlines (whether or not deemed applicable to the Client), and the status of pending claims is available on Workbench®, together with a more detailed description of the service provided. The Custodian reserves the right to amend or terminate class action services upon notice. Changes to the services will be communicated via such method(s) as are used for clients generally.

SECTION 5 – SETTLEMENT OF TRADES

5.1 Trading Instructions. Promptly after each purchase or sale of Securities by the Client, an Authorized Person shall deliver to the Custodian Written Instructions specifying all information necessary for the Custodian to settle such purchase or sale. For the purpose of settling purchases of Securities, the Client shall provide the Custodian with sufficient immediately available funds for all such transactions by such time and date as conditions in the relevant market dictate.

5.2 Contractual Settlement and Income. The Custodian may, as a matter of bookkeeping convenience, credit the Account with the proceeds from the sale, redemption or other

disposition of Securities or interest, dividends or other distributions payable on Securities prior to its actual receipt of final payment therefor. All such credits shall be conditional until the Custodian's actual receipt of final payment and may be reversed by the Custodian to the extent that final payment is not received. Payment with respect to a transaction will not be "final" until the Custodian shall have received immediately available funds that under applicable local law, rule or practice are irreversible and not subject to any security interest, levy or other encumbrance, and that are specifically applicable to such transaction.

5.3 Trade Settlement. Transactions will be settled using practices customary in the jurisdiction or market where the transaction occurs. The Client understands that when the Custodian is instructed to deliver Securities against payment, delivery of such Securities and receipt of payment therefore may not be completed simultaneously. The Client assumes full responsibility for all risks involved in connection with the Custodian's delivery of Securities pursuant to Authorized Instructions in accordance with local market practice.

SECTION 6 – DEPOSITS AND ADVANCES

6.1 Deposits. The Custodian may hold cash in Accounts or may arrange to have such cash held by a BNY Mellon Affiliate, Subcustodian, or with a Depository. Where cash is on deposit with the Custodian, a Subcustodian, or a BNY Mellon Affiliate, it will be subject to the terms of this Agreement and such deposit terms and conditions as may be issued by the Custodian or a BNY Mellon Affiliate or a Subcustodian, to the extent applicable, from time to time, including rates of interest and deposit account access.

6.2 Sweep and Float. Cash may be swept as directed by the Client or its investment manager to investment vehicles offered by the Custodian or to other investment vehicles. Cash may be uninvested when it is received or reconciled to an Account after the deadline to be swept into a target vehicle, or when held for short periods of time related to transaction settlements. The Client acknowledges that, as part of the Custodian's compensation, the Custodian will earn interest on cash balances held by the Custodian, including disbursement balances and balances arising from purchase and sale transactions, as disclosed in the Custodian's float policy.

6.3 Overdrafts and Indebtedness. The Custodian may, in its sole discretion, advance funds in any currency hereunder. If an overdraft occurs in an Account (including, without limitation, overdrafts incurred in connection with the settlement of securities transactions, funds transfers or foreign exchange transactions) or if the Client is for any other reason indebted to the Custodian, the Client agrees to repay the Custodian on demand or upon becoming aware of the amount of the advance, overdraft or indebtedness, plus accrued interest at a rate then charged by the Custodian to its institutional custody clients in the relevant currency.

6.4 Securing Repayment. In order to secure repayment of the Client's obligations to the Custodian, the Client hereby pledges and grants to the Custodian a continuing first lien and security interest in, and right of setoff against all of the Client's right, title and interest in and to all Accounts in the Client's name and the Securities, money and other property now or hereafter held in such Accounts (including proceeds thereof); provided that the Client does not grant the

Custodian a security interest in any Securities issued by an affiliate of the Custodian (as defined in Section 23A of the Federal Reserve Act). The Client represents that it owns the Securities in the Account free and clear of all liens, claims, security interests, and the first lien and security interest granted herein shall be subject to no setoffs, counterclaims, or other liens prior to or on a parity with it in favor of any other party (other than specific liens granted preferred status by statute). The Client shall take any additional steps required to assure the Custodian of such priority security interest, including notifying third parties or obtaining their consent. The Custodian shall be entitled to collect from the Accounts sufficient cash for reimbursement, and if such cash is insufficient, to sell the Securities in the Accounts to the extent necessary to obtain reimbursement, upon at least two business days prior written notice to the Client. In this regard, the Custodian shall be entitled to all the rights and remedies of a pledgee and secured creditor under applicable laws, rules or regulations as then in effect.

SECTION 7 – TAXES, REPORTS AND RECORDS

7.1 Tax Obligations. The Client shall be liable for all taxes, assessments, duties and other governmental charges, including interest and penalties, with respect to any cash and Securities held on behalf of the Client and any transaction related thereto. To the extent that the Custodian has received relevant and necessary information with respect to the Account, the Custodian shall perform the following services with respect to Tax Obligations:

- a. The Custodian shall, upon receipt of sufficient information, file claims for exemptions or refunds with respect to withheld foreign (non-United States) taxes in instances in which such claims are appropriate;
- b. The Custodian shall withhold appropriate amounts, as required by United States tax laws, with respect to amounts received on behalf of nonresident aliens upon receipt of Written Instructions; and
- c. The Custodian shall provide to the Client such information received by the Custodian that could, in the Custodian's reasonable belief, assist the Client or its designee in the submission of any reports or returns with respect to Tax Obligations. An Authorized Person shall inform the Custodian in writing as to which party or parties shall receive information from the Custodian.
- d. The Custodian shall provide Client with a foreign tax receivables report in a manner and at times agreed upon by the parties, but no less frequently than monthly;
- e. The Custodian shall provide such other services with respect to Tax Obligations, including preparation and filing of tax returns and reports and payment of amounts due (to the extent funded) as requested by the Client and agreed to by the Custodian in writing.

7.2 Pricing and Other Data. In providing Market Data related to the Account in connection with this Agreement, the Custodian is authorized to use Data Providers. The Custodian may follow Authorized Instructions in providing pricing or other Market Data, even if such

instructions direct the Custodian to override its usual procedures and Market Data sources. The Custodian shall be entitled to rely without inquiry on all Market Data (and all Authorized Instructions related to Market Data) provided to it, and the Custodian shall not be liable for any Losses incurred as a result of errors or omissions with respect to any Market Data utilized by the Custodian or the Client hereunder. The Client acknowledges that certain pricing or valuation information may be based on calculated amounts rather than actual market transactions and may not reflect actual market values, and that the variance between such calculated amounts and actual market values may be material. The Custodian shall not be required to inquire into the pricing of any Securities or other assets even though the Custodian may receive different prices for the same Securities or assets. Market Data may be the intellectual property of the Data Providers, which may impose additional terms and conditions upon the Client's use of the Market Data. The additional terms and conditions can be found on the Data Terms Website. The Client agrees to those terms as they are posted in the Data Terms Website from time to time. Certain Third Party Service Providers may not utilize the Client's directed price due to system constraints or differing data sources. Performance measurement and analytic services may use different data sources than those used by the Custodian to provide Market Data for the Account, which may result in differences between custodial reports and performance measurement and analytic reports. Notwithstanding the preceding, Custodian shall retain liability under this section to the extent that the Custodian conducts its own responsibilities in violation of the standard of care required by the Agreement.

7.3 Statements and Reports. The Custodian shall make available to the Client a monthly report of all transfers to or from the Accounts and a statement of all holdings in the Accounts as of the last Business Day of each month. The Client may elect to receive certain information electronically through the Internet to an email address specified by it for such purpose. By electing to use the Internet for this purpose, the Client acknowledges that such transmissions are not encrypted and therefore are not secure. The Client further acknowledges that there are other risks inherent in communicating through the Internet such as the possibility of virus contamination and disruptions in service, and agrees that the Custodian shall not be responsible for any loss, damage or expense suffered or incurred by the Client or any person claiming by or through the Client as a result of the use of such methods.

7.4 Review of Reports. If, within ninety (90) days after the Custodian makes available to the Client a statement with respect to the Accounts, the Client has not given the Custodian written notice of any exception or objection thereto, the statement shall be deemed to have been approved, and in such case, the Custodian shall not be liable for any claims concerning such statements. Custodian will, on an annual basis, provide Client with a copy of its SAS 70 pertaining to its internal controls of the services provided hereunder conducted by a qualified third party.

7.5 Inspection of Books and Records. The Client shall have the right, at its own expense and with reasonable prior written notice to the Custodian, to inspect and copy the Custodian's books and records directly relating to the Account during normal business hours or to designate an accountant to make such inspection. Custodian shall maintain all records related to this Agreement for a minimum of six years beyond termination of this Agreement, unless a longer

time period is required by this Agreement or applicable law. In the event of termination of the Agreement, upon request by Client as provided above, Custodian shall provide Client with copies of all records still in its possession which are directly related to the Account within 90 days of the effective date of termination. Custodian shall work with any successor custodian in transferring records as may be necessary for the successor custodian to provide continuing services to the Client.

7.6 Required Disclosure. With respect to Securities issued in the United States, the Shareholders Communications Act of 1985 (the "Act") requires the Custodian to disclose to issuers, upon their request, the name, address and securities position of the Custodian's clients who are "beneficial owners" (as defined in the Act) of the issuer's Securities, unless the beneficial owner objects to such disclosure. The Act defines a "beneficial owner" as any person who has or shares the power to vote a security (pursuant to an agreement or otherwise) or who directs the voting of a security. The Custodian shall contact the Client or (if the Client has appointed an investment manager) the investment manager with respect to relevant Securities to make the decision whether it objects to the disclosure of the beneficial owner's name, address and securities position to any U.S. issuer that requests such information pursuant to the Act.

With respect to Securities issued outside the United States, the Custodian shall disclose information required by law, regulation, rules of a stock exchange or organizational documents of an issuer. The Custodian is also authorized to supply any information regarding the Accounts that is required by any law, regulation or rules now or hereafter in effect. The Client agrees to supply the Custodian with any required information if it is not otherwise reasonably available to the Custodian.

SECTION 8 – PROVISIONS REGARDING CUSTODIAN

8.1 Standard of Care. In performing its duties under this Agreement, the Custodian shall exercise the standard of care and diligence, skill and prudence that a professional custodian would observe in these affairs. Custodian acknowledges that, to the extent it exercises any discretionary authority or control over the management or disposition of assets in the Account, it shall be deemed a fiduciary with respect to the Account.

8.2 Limitation of Duties and Liability. Notwithstanding anything contained elsewhere in this Agreement, the Custodian's liability hereunder is limited as follows:

a. The duties of the Custodian shall only be those specifically undertaken pursuant to this Agreement and shall be subject to such other limits on liability as are set out herein;

b. The Custodian shall not be liable for Losses that do not arise out of the Custodian's negligence or willful misconduct or the breach of its standard of care required of Custodian with respect to its duties under this Agreement;

c. The Custodian shall not be responsible for the title, validity or genuineness of any Securities or evidence of title thereto received by it or delivered by it pursuant to this Agreement or for Securities held hereunder being freely transferable or deliverable without encumbrance in any relevant market;

d. The Custodian shall not be responsible for the failure to receive payment of, or the late payment of, income or other payments due to the Account, unless such failure results from Custodian's negligence or willful misconduct or the breach of its standard of care with respect to its duties under this Agreement;

e. ~~The Custodian shall have no duty to take any action to collect any amount payable on Securities in default or if payment is refused after due demand and presentment, provided Custodian would not otherwise be specifically required to do so by the terms of this Agreement;~~

f. The Custodian shall have no duty or responsibility to inquire into, make recommendations, supervise, or determine the suitability of any transactions affecting any Account and shall have no liability with respect to the Client's or an Authorized Person's decision to invest in Securities or to hold cash in any currency, provided Custodian would not otherwise be specifically required to do so by the terms of this Agreement; and

g. The Custodian shall have no responsibility if the rules or procedures imposed by Depositories, exchange controls, asset freezes or other laws, rules, regulations or orders at any time prohibit or impose burdens or costs on the transfer to, by or for the account of the Client of Securities or cash provided Custodian has exercised its own responsibilities in a manner consistent with the requirements of this Agreement.

8.3 Losses. Under no circumstances shall the Custodian be liable to, or be required to indemnify, the Client or any third party for indirect, consequential or special damages arising in connection with this Agreement. If the Custodian is liable, it shall be liable only to the extent Losses constitute direct damages.

8.4 Gains. Where an error or omission has occurred under this Agreement, the Custodian may take such remedial action as it considers appropriate under the circumstances and, provided that the Client is put in the same or equivalent position as it would have been in if the error or omission had not occurred, any favorable consequences of the Custodian's remedial action shall be solely for the account of the Custodian, without any duty to report to the Client any loss assumed or benefit received by it as a result of taking such action.

8.5 Force Majeure. Notwithstanding anything in this Agreement to the contrary, the Custodian shall not be responsible or liable for any failure to perform under this Agreement or for any Losses to the Account resulting from any event beyond the reasonable control of the Custodian.

8.6 **Fees.** The Client shall pay to the Custodian the fees and charges as may be specifically agreed upon from time to time and such other fees and charges at the Custodian's standard rates for such services as may be applicable, provided such other fees and charges not documented in this Agreement are reasonable or are agreed to by Client in advance of Custodian providing the related services. The Client shall also reimburse the Custodian for out-of-pocket expenses that are a normal incident of the services provided hereunder.

8.7 **Indemnification.** To the extent permitted by applicable law (and the Custodian acknowledges that it has been advised by the Client that, in the Client's opinion, the Kentucky Constitution does not so permit), the Client shall indemnify and hold harmless the Custodian from and against all Losses, including reasonable counsel fees and expenses in third party suits and in a successful defense of claims asserted by the Client, relating to or arising out of the performance of the Custodian's obligations under this Agreement, except to the extent resulting from the Custodian's negligence or willful misconduct. Custodian shall indemnify and hold Client harmless from all losses, claims, damages, liabilities, judgments, actions, costs and expenses (including reasonable attorney's fees) arising out of the negligence, willful misconduct, or breach of its standard of care with respect to acts or failure to act by Custodian or its agents, nominees, or appointees appointed in Custodian's sole discretion. This provision shall survive the termination of this Agreement.

SECTION 9 – AMENDMENT; TERMINATION; ASSIGNMENT

9.1 **Amendment.** This Agreement may be amended only by written agreement between the Client and the Custodian.

9.2 **Termination.** Custodian may terminate this Agreement by giving to the Client a notice in writing specifying the date of such termination, which shall be not less than ninety (90) days after the date of such notice. Client may terminate this Agreement by giving to Custodian a notice in writing specifying the date of such termination, which shall not be less than thirty (30) days after the date of such notice. Upon termination hereof, the Client shall pay to the Custodian such compensation as may be due to Custodian, and shall likewise reimburse the Custodian for other amounts payable or reimbursable to the Custodian hereunder. Custodian shall follow such reasonable Written Instructions concerning the transfer of custody of records, Securities and other items as the Client shall give; provided that (a) the Custodian shall have no liability for shipping and insurance costs associated therewith, and (b) full payment shall have been made to the Custodian of its compensation, costs, expenses and other amounts to which it is entitled hereunder. If any Securities or cash remain in any Account after termination, the Custodian may deliver to the Client such Securities and cash. Except as otherwise provided herein, all obligations of the parties to each other hereunder shall cease upon termination of this Agreement. Custodian agrees to work in good faith with any successor custodian to effect an orderly transfer of assets and records. Upon termination, Custodian shall retain the appropriate records of the Client in accordance with its records retention standards as set forth in the service level agreement, and Client shall be given reasonable access to such records upon request.

9.3 **Successors and Assigns.** This Agreement is not assignable by either party without the prior written consent of the other, except that (i) the Custodian may assign this Agreement to any BNY Mellon Affiliate, and (ii) any entity, that shall by merger, consolidation, purchase, or otherwise, succeed to substantially all the institutional custody business of the Custodian shall, upon such succession and without any appointment or other action by the Client, be and become successor custodian hereunder. The Custodian agrees to provide notice of such successor custodian to the Client. Any assignment in violation of this provision shall be voidable at the option of the non-assigning party. This Agreement shall be binding upon, and inure to the benefit of, the Client and the Custodian and their respective successors and permitted assigns.

9.4 **Duration of Contract.** The period in which custodial services are to be performed under this Agreement is July 1, 2010, through June 30, 2015. At the expiration of its term, this Agreement may, at the option of the parties hereto, be renewed by negotiation for further periods not to exceed twelve (12) months for each such renewal.

SECTION 10 – ADDITIONAL PROVISIONS

10.1 **Non-Custody Assets.** As an accommodation to the Client, the Custodian may provide consolidated recordkeeping services pursuant to which the Custodian reflects on statements securities and other assets not held by, or under the control of, the Custodian. Non-Custody Assets shall be designated on Custodian's books as "shares not held" or by other similar characterization. The Client acknowledges and agrees that it shall have no security entitlement against the Custodian with respect to Non-Custody Assets, that the Custodian shall rely, without independent verification, on information provided by the Client or its designee regarding Non-Custody Assets (including but not limited to positions and market valuations), and that the Custodian shall have no responsibility whatsoever with respect to Non-Custody Assets or the accuracy of any information maintained on the Custodian's books or set forth on account statements concerning Non-Custody Assets.

10.2 **Appropriate Action.** The Custodian is hereby authorized and empowered, in its sole discretion, to take any action with respect to an Account that it deems necessary or appropriate in carrying out the purposes of this Agreement.

10.3 **Governing Law.** All questions as to the execution, validity, interpretation, construction, and performance of this contract shall be construed in accordance with the laws of the Commonwealth of Kentucky, without regard to conflicts of laws principles thereof. Custodian hereby consents to the jurisdiction of the courts of the Commonwealth of Kentucky and further consents that venue shall lie in Franklin Circuit Court located in Franklin County, Kentucky. The parties hereby expressly waive, to the full extent permitted by applicable law, any right to trial by jury with respect to any judicial proceeding arising from or related to this Agreement. To the extent that in any jurisdiction Custodian may now or hereafter be entitled to claim for itself or its assets immunity from suit, execution, attachment (before or after judgment) or other legal process, Custodian, to the extent it may effectively do so, irrevocably agrees not to claim, and it hereby waives, same.

10.4 Sovereign Immunity. To the extent that in any jurisdiction the Client may now or hereafter be entitled to claim, for itself or its assets, immunity from suit, execution, attachment (before or after judgment) or other legal process, the Client irrevocably agrees not to claim, and it hereby waives, such immunity insofar as such immunity would serve to protect the Client from direct contractual claims by the Custodian against the Client under this Agreement (as distinguished from claims in tort or other extra-contractual theories, or claims by third parties unrelated to the services provided under this Agreement).

10.5 Conflict of Interest. Custodian hereby certifies that it has not and will not pay or cause to be paid any money, fees, political contributions or other things of value to any third party as a result of or in relation to banking services provided to the Client, without the Client's informed written consent. Custodian hereby certifies that it has not and will not accept any money, fees, or other things of value from any third party as a result of or in relation to the banking services provided to the Client, without the Client's informed written consent. In addition, Custodian agrees to forward to the Client any payments, fees or other things of value received from a third party in relation to providing banking services to the Client, unless the Custodian's acceptance and retention of such item was fully disclosed to and approved by the Client in writing. Custodian agrees to exercise independent professional judgment, without conflict of interest, in providing banking services to the Client. Notwithstanding the foregoing, Custodian may, from time to time, retain rebates and other monies that may be difficult to trace back to client accounts generally and the retention of which are customary industry or market practice. Client acknowledges that Custodian may collect and retain such rebates and other monies, and that such does not constitute a conflict of interest. Custodian shall certify as to its compliance with this section and the Client's Conflict of Interest and Confidentiality Policy by executing the Client's External Service Provider Conflict of Interest Statement. The Client's Conflict of Interest and Confidentiality Policy and External Service Provider Conflict of Interest Statement are attached hereto and incorporated herein as Exhibit B. The Custodian hereby certifies that the Custodian is legally entitled to enter into the subject contract with the Commonwealth of Kentucky and certifies that the Custodian is not and will not be violating any conflict of interest statute (KRS 121.056 or any other applicable statute) by the performance of this contract. The Custodian shall not engage directly or indirectly in any financial or other transaction with a trustee or employee of the Client which would violate standards of the Executive Branch Ethics provisions, as set forth in KRS Chapter 11A. Further, the Custodian certifies that it has not knowingly violated any of the Executive Branch Ethics provisions nor the campaign finance laws of the Commonwealth, and the award of a contract to the Custodian will not violate any of the Executive Branch Ethics provisions nor the campaign finance laws of the Commonwealth nor the Client's Conflict of Interest and Confidentiality Policy. Finally, Custodian shall assist Client, subject to Client's instructions, in responding to requests made to Client pursuant to Kentucky's open records law. Client will provide Custodian with copies of all referenced or applicable conflicts or ethics laws, rules, regulations or policies and will advise Custodian of all amendments or proposed amendments regarding the same. Custodian will provide Client with Custodian's relevant conflicts and ethics policies and any updates thereto, and Client agrees to fully cooperate with Custodian in the enforcement of such policies.

10.6 Representations. Each party represents and warrants to the other that it has full authority to enter into this Agreement upon the terms and conditions hereof and that the individual executing this Agreement on its behalf has the requisite authority to bind such party to this Agreement, and that the Agreement constitutes a binding obligation of such party enforceable in accordance with its terms.

10.7 USA PATRIOT Act. The Client hereby acknowledges that the Custodian is subject to federal laws, including the Customer Identification Program ("CIP") requirements under the USA PATRIOT Act and its implementing regulations, pursuant to which the Custodian must obtain, verify and record information that allows the Custodian to identify the Client. Accordingly, prior to opening an Account hereunder, the Custodian will ask the Client to provide certain information including, but not limited to, the Client's name, physical address, tax identification number and other information that will help the Custodian to identify and verify the Client's identity, such as organizational documents, certificate of good standing, license to do business, or other pertinent identifying information. The Client agrees that the Custodian cannot open an Account hereunder unless and until the Custodian verifies the Client's identity in accordance with the Custodian's CIP.

10.8 Non-Fiduciary Status. Except as specifically provided in section 8.1 of this Agreement, Client hereby acknowledges and agrees that the Custodian is not a fiduciary by virtue of accepting and carrying out its obligations under this Agreement, is not acting as a collateral agent and has not accepted any fiduciary duties, responsibilities or liabilities with respect to its services hereunder.

10.9 Notices. Notices shall be in writing and shall be addressed to the Custodian or the Client at the address set forth on the signature page or such other address as either party may designate in writing to the other. All notices shall be effective upon receipt.

10.10 Entire Agreement. This Agreement and any related fee agreement constitute the entire agreement with respect to the matters dealt with herein, and supersede all previous agreements, whether oral or written, and documents with respect to such matters.

10.11 Necessary Parties. All of the understandings, agreements, representations and warranties contained herein are solely for the benefit of the Client and the Custodian, and there are no other parties who are intended to be benefited by this Agreement.

10.12 Execution in Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and said counterparts when taken together shall constitute but one and the same instrument and may be sufficiently evidenced by one set of counterparts.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first set forth above.

Authorized Signer of:

Board of Trustees of the Teachers'
Retirement System of the State of
Kentucky,

By: 

Name: Gary L. Harbin
Title: Executive Secretary
Date: July 1, 2010

Authorized Officer of:

THE BANK OF NEW YORK
MELLON

By: 

Name: Dean Scharolt
Title: Vice President
Date: July 30, 2010

Address for Notice:

Kentucky Teachers' Retirement System
479 Versailles Road
Frankfort, KY 40601-3800

Attention: Gary L. Harbin
Executive Secretary

Address for Notice:

The Bank of New York Mellon
c/o BNY Mellon Asset Servicing
500 Grant Street, Ste 625
Pittsburgh, PA 15250

Attention: _____

EXHIBIT A

CROSS-TRADING INFORMATION

As part of the Cross-Trading Program covered by the Department of Labor Prohibited Transaction Exemption ("PTE") 95-56 for Mellon Bank, N.A. and its affiliates ("BNY Mellon"), BNY Mellon is to provide to the Client the following information:

I. The Existence of the Cross-Trading Program

BNY Mellon has developed and intends to utilize, wherever practicable, a Cross-Trading Program for Indexed Accounts and Large Accounts as those terms are defined in PTE 95-56.

II. The "Triggering Events" Creating Cross-Trade Opportunities

In accordance with PTE 95-56, three "Triggering Events" may create opportunities for Cross-Trading transactions. They are generally the following (see PTE 95-56 for more information):

1. A change in the composition or weighting of the index by the independent organization creating and maintaining the index;
2. A change in the overall level of investment in an Indexed Account as a result of investments and withdrawals on the Indexed Account's opening date, where the Indexed Account is a bank collective fund, or on any relevant date for non-bank collective funds; provided, however, a change in an Indexed Account resulting from investments or withdrawals of assets of BNY Mellon's own plans (other than BNY Mellon's defined contributions plans under which participants may direct among various investment options, including Indexed Accounts) are excluded as a "Triggering Events"; or
3. A recorded declaration by BNY Mellon that an accumulation of cash in an Indexed Account attributable to interest or dividends on, and/or tender offers for portfolio securities equal to not more than .5% of the Indexed Account's total value has occurred.

III. The Pricing Mechanism Utilized for Securities Purchased or Sold

Securities will be valued at the current market value for the securities on the date of the crossing transaction.

Equity Securities - the current market value for the equity security will be the closing price on the day of trading as determined by an independent pricing service; unless the security was added to or deleted from an index after the close of trading, in which case the price will be the opening price for that security on the next business day after the announcement of the addition or deletion.

Debt Securities - the current market value of the debt security will be the price determined by BNY Mellon as of the close of the day of trading according to the Securities and Exchange Commission's Rule 17a-7(b)(4) under the Investment Company Act of 1940. Debt securities that are not reported securities or traded on an exchange, will be valued based on an average of the highest current independent bids and the lowest current independent offers on the day of cross trading. BNY Mellon will use reasonable inquiry to obtain such prices from at least three independent sources that are brokers or market makers. If there are fewer than three independent sources to price a certain debt security, the closing price quotations will be obtained from all available sources.

IV. The Allocation Method

Direct cross-trade opportunities will be allocated among potential buyers or sellers of debt or equity securities on a pro-rata basis. With respect to equity securities, please note BNY Mellon imposes a trivial dollar amount constraint to reduce excessive custody ticket charges to participating accounts.

V. Other Procedures Implemented by BNY Mellon for its Cross-Trading Practices

BNY Mellon has developed certain internal operational procedures for cross-trading debt and equity securities. These procedures are available upon request.

KENTUCKY TEACHERS' RETIREMENT SYSTEM
CONFLICT OF INTEREST AND CONFIDENTIALITY POLICY
Adopted: March 16, 2009

INTRODUCTION

Adoption of Conflict of Interest and Confidentiality Policy:

Pursuant to the provisions of KTRS 161.250, the Board of Trustees ("Board") of the Kentucky Teachers' Retirement Systems ("KTRS") is vested with the responsibility for the general administration and management of the retirement system. The Board may adopt procedures necessary to conduct the business of the Retirement System as needed. The law shall control if any inconsistency exists between the law and this policy.

Statement of Conflict of Interest and Confidentiality Policy:

KTRS recognizes the need to maintain the public's confidence and trust in the integrity of KTRS and the Commonwealth of Kentucky. Individuals associated with KTRS must not engage in activities that have the potential to become a conflict of interest with their association with KTRS. Likewise, individuals associated with KTRS must not release information about KTRS or any of its members that would breach any duty to protect such information. KTRS recognizes the need to establish procedures to prevent such conflicts or breaches.

Purpose:

The purpose of this Conflict of Interest and Confidentiality Policy is to: a) establish what individuals are subject to conflict of interest provisions of KTRS; b) establish the specific standards of conduct with regard to conflict of interest; c) establish standards with regard to the confidentiality of information; and d) establish procedures for the obtaining of written conflict of interest statements and confidentiality agreements from certain individuals.

PROCEDURES REGARDING CONFLICTS
OF INTEREST AND CONFIDENTIALITY

Section 1: Application of Policy

1. This policy shall apply to all individuals who have a statutory, contractual or working relationship with KTRS.
2. Individuals affected by this policy shall include, but are not limited to:
 - A. Employees of KTRS; The Board;
 - B. Independent contractors of KTRS;

Exhibit B

- C. Vendors of KTRS;
- D. Employees or Officers of the Commonwealth of Kentucky providing legal or expert advice at the request of KTRS; and
- E. Any person acting in a fiduciary capacity for KTRS.

Section 2: Standards of Conduct Regarding Conflicts of Interest

1. Individuals have an obligation to diligently identify, disclose, avoid, and manage conflicts of interest.
2. ~~Potential conflicts of interest exist when an individual or an individual's family may be directly or indirectly financially impacted, whether favorably or detrimentally, by a decision made by KTRS in which the individual participates.~~
3. Individuals and their family members should not enter into any contract with KTRS or any agency doing business with KTRS, for financial gain, apart from an employment contract, without full disclosure and satisfactory management of any potential conflict of interest in accordance with the Executive Branch Code of Ethics and this policy.
4. Individuals should not be involved in the decision by KTRS to hire or in the supervision by KTRS of any member of the individual's "family" as defined by the Executive Branch Code of Ethics.
5. Individuals should not conduct KTRS business or participate in a decision by KTRS concerning a company or agency in which the individual or an individual's family member is employed or is actively seeking employment.
6. Individuals should not accept campaign contributions, gifts, loans, gratuities, discounts, services, or other compensation under circumstances from which it could reasonably be inferred that a major purpose of the donor is to influence the individual in the performance of their duties for KTRS.
7. Individuals must avoid all conduct which in any way might lead the public to believe that the individual is using his or her position with KTRS to further a professional, political, or private interest.
8. Individuals not covered by the conflict of interest provisions under KRS Chapter 11A must not violate any conflict of interest statute or principle by the performance of their duties with KTRS. These individuals must not engage directly or indirectly in any financial or other transaction with a trustee or employee of KTRS that would violate the standards of the Executive Branch Ethics provisions, as set forth in KRS Chapter 11A.

Section 3: Standards of Conduct Regarding Confidentiality

1. Individuals associated with KTRS may be granted access to confidential information in the course of an employment, Board or contractual relationship with KTRS.
2. This information may include, but is not limited to, investment trade data, individual member information, including but not limited to, Social Security numbers, names, addresses, phone numbers, birth dates, beneficiaries, health insurance information, member numbers, as well as documents, records, programs, files, scientific or technical information, or other information made available to individuals for purposes of completing their obligations to KTRS.
3. These individuals have a duty to keep confidential the information to which they are granted access as a result of their association with KTRS.
4. KTRS and these individuals shall also recognize that confidential member information is protected under KRS 161.585.

Section 4: Written Statements of Conflict of Interest and Confidentiality

1. On an annual basis, the Executive Secretary, Deputy Executive Secretaries, Chief Investment Officer, Director of Investment Strategies, Chief Financial Officer, the members of the Board, independent contractors, vendors of KTRS, and other persons identified in Section 1(2) shall file a written conflict of interest statement on the form(s) provided by KTRS and adopted by the Board of Trustees.
2. Upon proposal for contract, and continuing on an annual basis, any independent contractors and vendors of KTRS shall file a written confidentiality agreement on the form provided by KTRS and adopted by the Board of Trustees. This form may be amended to conform to specific needs of the individual vendor or contractor as deemed necessary.
3. Other employees of KTRS may also be requested to file a written conflict of interest statement as needed or requested by the Board.
4. An individual who abstains from involvement in an official decision because of a personal or private interest must disclose that fact in writing to his or her supervisor or contact person at KTRS.

ETHICS AND CONFIDENTIALITY

Individuals as set forth above shall conform to the Executive Branch Code of Ethics with regard to conflicts of interests as set forth in KRS Chapter 11A and this policy. Individuals as set forth above shall conform to the confidentiality requirements of KRS 161.585.

KENTUCKY TEACHERS' RETIREMENT SYSTEM
EXTERNAL SERVICE PROVIDER
CONFLICT OF INTEREST STATEMENT

I, Jessica Strub, in my role as Client Service Officer for the Kentucky Teachers' Retirement Systems ("KTRS"), recognize the need to maintain the public's confidence and trust in the integrity of KTRS and the Commonwealth of Kentucky.

I understand that I have the obligation to diligently identify, disclose, avoid, and manage conflicts of interest that may arise through my relationship with KTRS.

I will conduct my activities with KTRS so that I do not advance or protect my own interests or the private interests of others with whom I have a relationship, in a way that is detrimental to the interests of KTRS.

In every instance in which I am acting on behalf of KTRS, I will conduct my activities in a manner to best promote the interests of KTRS.


I agree not to attempt to influence KTRS in disregard of the public interest at large.

In all matters where an official decision must be made that may favorably or detrimentally impact my own financial interests or the financial interests of other individuals or organizations with whom I have a relationship, I will reveal that relationship and abstain from involvement in the official decision.

When a conflict of interest arises, or when a potential conflict of interest arises, I will disclose that conflict or potential conflict to my contact person at KTRS and seek resolution of that issue.

I agree not to violate any conflict of interest statute or principle by the performance of my duties with KTRS. I will not engage directly or indirectly in any financial or other transaction with a trustee or employee of KTRS that would violate the standards of the Executive Branch Ethics provisions, as set forth in KRS Chapter 11A.

Agreed this the 30 day of July, 2010.


Signature Jessica Strub
Name Client Service Officer
Title BM Mellan
Company

KENTUCKY TEACHERS' RETIREMENT SYSTEM
BOARD OF TRUSTEES AND EMPLOYEES
CONFLICT OF INTEREST STATEMENT

I, Jessica Strub, in my role as Client Service Officer on behalf of the Bank of NY Mellon for the Kentucky Teachers' Retirement Systems ("KTRS"), recognize the need to maintain the public's confidence and trust in the integrity of KTRS and the Commonwealth of Kentucky.

I understand that I have the obligation to diligently identify, disclose, avoid, and manage conflicts of interest that may arise through my relationship with KTRS.

I will conduct my activities with KTRS so that I do not advance or protect my own interests or the private interests of others with whom I have a relationship, in a way that is detrimental to the interests of KTRS.

In every instance in which I am acting on behalf of KTRS, I will conduct my activities in a manner to best promote the interests of KTRS.

I agree not to attempt to influence KTRS in disregard of the public interest at large.

In all matters where an official decision must be made that may favorably or detrimentally impact my own financial interests or the financial interests of other individuals or organizations with whom I have a relationship, I will reveal that relationship and abstain from involvement in the official decision.

When a conflict of interest arises, or when a potential conflict of interest arises, I will disclose that conflict or potential conflict to the KTRS Executive Secretary, or his or her designee, and seek resolution of that issue.

I agree not to violate any conflict of interest statute or principle by the performance of my duties with KTRS. I will not engage directly or indirectly in any financial or other transaction with a trustee, employee of KTRS, or any other person or organization that would violate the standards of the Executive Branch Ethics provisions, as set forth in KRS Chapter 11A.

Agreed this the 29 day of November, 2011.



Signature

Jessica Strub

Name

Client Service Officer

Title