Exhibit 2
ADVANTUS CAPITAL MANAGEMENT
Guidelines
for the

Employees' Retirement Fund of the City of Dallas

I. Investment Philosophy, Policy & Process

The Full Duration Fixed Income strategy utilizes a long-developed, bottom-up style to add value. The process emphasizes the precise measurement and management of risk and return of individual securities relative to the benchmark. The foundation of the strategy is based on high-quality, proprietary research generated by the research team. Critical to the philosophy is the belief that a bottom-up, fundamental process is the most effective way to produce consistent long-term alpha in an actively managed fixed income portfolio.

II. Portfolio Characteristics

A. Permitted Markets

Investments in securities that are defined as investment grade by Moody's, Standard & Poor's or Fitch's are permitted. Investment in split rated securities is permitted as long as one or more of the rating agencies has the security rated as investment grade. See II D. Portfolio Restrictions for exception limits to investment grade requirements.

B. Permitted Instruments

Units of the Master Custodian STIF
U.S. Treasury Bonds
U.S. Government-Backed Mortgages
(Pass Throughs and CMOs, note restriction below)
Federal Agency Bonds
Corporate Bonds
Asset Backed Securities
Yankee Bonds

C. Restricted Instruments

The manager may not invest in the following securities without prior written approval:

(changed 6/17/13)

Leveraged/Residual CMOs
Structured Notes

D. Portfolio Restrictions

Maximum Corporates	50%, based on market value
Maximum Mortgages	50%, based on market value
Duration Range relative to stated benchmark	± 25%
Average Credit Quality	~~AA- or Aa3~~A or A2 (revised 12/16)
Minimum Credit Rating Per Issue	BBB- or Baa3
Maximum allocation to a single issuer	5%, based on market value except government securities
Maximum allocation to a single industry	20%, based on market value except government securities
Maximum holdings in BB+ or Ba1 or lower	5% based on market value (added 4/09)
Maximum holding period for individual securities rated BB+ or Ba1 or lower	270 days from date of downgrade (added 4/09)
Maximum allocation to 144A Private Placements without Registration Rights	10% based on market value (changed 6/18/13)

E. Maximum Allocation to Derivatives

1. Maximum allocation to derivatives is 10% of the entire account on a market value basis.

III. General Investment Manager Guidelines and Requirements

1. Investment Manager shall take note of and operate under the "Fixed Income Asset Class Policy for the Employees' Retirement Fund of the City of Dallas", which specifies the strategic role its portfolio is to fulfill in the overall investment structure of the Fund, a copy of which is appended to, and is a part of, these guidelines and objectives.

2. Purchases and sales, security selection, and portfolio implementation of investment strategies are delegated to the discretion of the investment manager.

3. The following transactions are prohibited: purchase of non-negotiable securities, short sales, stock and bond transactions on margin, straddles, options, leverage, or letter stock.

4. Derivatives.

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Notwithstanding any other language in ~~the~~ Advantus Capital Management's ~~I~~investment ~~M~~management ~~A~~agreement ~~for~~with the Employees' Retirement Fund of the City of Dallas effective April 26, 2007 and as thereafter amended, which may relate to Advantus Capital Management's' investment authority in and use of derivatives of any type, the provisions of:

a. the Employees' Retirement Fund General Investment Policy, dated December 13, 2016, at Paragraph G.7, found as Exhibit 2-A, and the Employees' Retirement Fund Fixed Income Asset Class Investment Policy, found at Exhibit 2-B,~~X~~.

as may later be amended which ~~is~~are both attached hereto and made a part hereof and a part of the April 26, 2007 investment management agreement as if fully set forth in ~~the body of this Agreement~~both, shall control (revised 12/16).

~~2. The use of derivatives is prohibited unless specifically authorized in a managers' individual guidelines. Managers shall only be authorized to use derivatives if they can present a written detailed derivatives investment policy that addresses at a minimum the standard of care, the back office and accounting, valuation and reconciliation procedures, monitoring procedures and permitted uses and circumstances. Further, managers shall specifically demonstrate an understanding of and processes to manage: market, credit, liquidity, cash flow, basis, legal, settlement, operational and other pertinent risks associated with the use of derivatives.~~

~~The strategic objectives of the use of derivatives is to facilitate risk management and to manage the cost of investing in publicly-traded stocks and bonds. Of the four basic strategies that can be achieved through the use of derivatives, only substitution and risk control are permitted. Arbitrage and speculation are never permitted to be used as a strategy. Any derivative transaction that results in the leveraging of the portfolio is strictly prohibited.~~

~~Derivatives can be divided into seven classes. Two of these classes, options on futures and warrants, are prohibited investments except warrants that are attached to securities purchased. The other five classes, futures contracts, options, currency forward contracts, swaps, and structured notes, are permitted when the manager is authorized to invest in and holds investments in the underlying cash market instrument.~~

~~The listing requirements for permitted derivatives are that they must be either exchange traded or traded over the counter.~~

~~Over the counter traded derivatives are subject to counter party risk. Managers shall prepare, maintain, and review a detailed counter party credit~~

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~~policy for non-exchange traded derivatives that outlines a standard of care in selecting appropriate counter-parties. Counter-party requirements are as follows:~~

~~a. Counter-party creditworthiness shall be equivalent to "investment grade" of "A3" as defined by Moodys Investor Services or "A " by Standard and Poor's. the use of counter-parties holding a split rating with one of the ratings below A3/A- is prohibited. Managers shall notify the Administrator if a counter-party is downgraded below A3/A- while an instrument held in the portfolio is outstanding with that counter-party unless that counter-party has a written unconditional guarantee from a rated counter-party. The rated counter-party must meet the requirements listed above. The use of unrated counter-parties is prohibited.~~

~~b. For non-exchange traded derivatives, individual counter-party exposure, including the Fund's master custodial bank, is limited to 33% of the notional amount of the derivative exposure of the portfolio being managed for the Fund.~~

~~c. Any entity acting as a counter-party shall be regulated in either the United States or the United Kingdom.~~

~~d. The manager shall, where applicable and enforceable, use master agreements permitting the netting of counter-party exposures to minimize credit risk.~~

~~e. Managers are prohibited from "name washing" where credit guarantees extend through to another party or parties, regardless of which party holds a higher rating.~~

~~The Board may at its discretion in terms of time and content request reports from the manager on the use of derivatives in the Fund's portfolio.~~

5. Transactions that involve a broker acting as a "principal" where such broker is also the investment manager who is making the transaction is prohibited.

6. Transactions shall be executed at a reasonable cost, taking into consideration prevailing market conditions and services and research provided by the executing broker.

7. Each investment manager shall have full responsibility for the exercise of all rights appurtenant to any securities under its management, including responsibility to vote proxies, except to the extent otherwise directed by the

Trustees. Investment managers shall maintain records of proxy votes and make them available for inspection upon reasonable request.

8. Performance objectives are to be met on a net of fees basis.

9. Any investment or action with respect to an investment not expressly allowed is prohibited, unless presented to and approved prospectively by the Trustees of the Dallas Employees' Retirement Fund. All guidelines must be adhered to by the manager. If from time to time an exception to the guidelines shall be deemed appropriate by a manager, it must seek review and approval by the Trustees prior to making such an exception. However, if a guideline is violated due to market events, actions, or conditions, the manager must immediately inform the Administrator to determine a course of action. This course of action will be based upon the best judgement recommendation of the manager and the Administrator's discussion with the investment consultant and Board members. Correction of the violation may be postponed if it is deemed to be in the best interest of the Fund.

10. Should any temporary or permanent change regarding a manager occur, the manager shall notify the Trustees immediately via phone. A letter, detailing the circumstances of the change and the possible impact to the portfolio management, will be faxed immediately to the Trustees. Changes include, but are not limited to: a) a significant change in investment philosophy, b) a loss of one or more key management personnel, c) a new portfolio manager on the account, d) a change in ownership structure of the firm, or e) any occurrence which might potentially impact the management, professionalism, integrity or financial position of the investment manager.

11. For purposes of the guidelines, (a) all percentages apply on a market value basis immediately after a purchase or initial investment and (b) any subsequent change in any applicable percentage resulting from market fluctuations or other changes in total assets does not require immediate elimination of any security from the Portfolio.

V. Performance Objective

Exceed the return of the Lehman Aggregate Bond Index by 50 basis points annually net of the base fee over a 5 year period.

Acknowledged: Advantus Capital Management

By: _____ Date: _____

Dallas Employees Retirement Fund

By: _____ Date: _____

Approved by Board: March 13, 2007

Date last revised: ~~April 14, 2009~~
~~Amended June 18th as per Board approval on June 11th, 2013~~December 13, 2016