


GOVERNMENT OF GUAM
RETIREMENT FUND
STABILITY · SECURITY · REWARDS

Felix P. Camacho
Governor

Michael W. Cruz, M.D.
Lieutenant Governor

Paula M. Blas
Director

Trustees:

Joe T. San Agustin
Chairman

Wilfred P. Leon Guerrero, Ed.D.
Vice-Chairman
Investment Committee, Chairman

James J. Taylor, Ph.D.
Secretary
Investment Committee, Vice-Chairman

Gerard A. Cruz
Treasurer
Audit & Operations Committee,
Chairman

George A. Santos
Members' & Benefits Committee,
Chairman

Katherine T.E. Taitano
Trustee

Antolina S. Leon Guerrero
Trustee

June 27, 2008

To: Joe T. San Agustin, Board Chairman
From: Wilfred Leon Guerrero, Investment Committee Chairman
Subject: Investment Committee Meeting – June 13, 2008

Defined Benefit Plan

On June 13, 2008, the Fund held its regular Investment Committee meeting. In attendance was Trustee Gerard Cruz and I. Other Attendees were Diana Bernardo, and Rosalia Bordallo.

The following was discussed and approved by the Committee for Board action.

1. Bernstein Litowitz Berger & Grossmann LLP (Bernstein's) – June 11, 2008 Letter

The Committee reviewed Bernstein's June 11, 2008 letter, and Bernstein's June 12, 2008 email to the GGRF Board Chairman, regarding the Lehman Brothers Securities Litigation. **According to Bernstein:**

- a. GGRF has incurred losses of approximately \$3.85M because of serious misconduct and securities fraud committed by Lehman Brothers.
- b. Bernstein has conducted a detail investigation into the misconduct by Lehman and strongly recommends that GGRF seek appointment as lead plaintiff.
- c. The deadline to move for lead plaintiff is June 30, 2008.

The Committee also reviewed the two emails from the GGRF Board Chairman on June 12, 2008, and the Certification from Bernstein, which was signed by the GGRF Board Chairman on June 12, 2008.

Recommendation

The Committee recommends that the Board reaffirm the Board Chairman's decision to authorize Bernstein to file a motion for appointment as lead plaintiff on its behalf.

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Informational Items:

1. **Contracts**

The Committee discussed the status of the contracts for the following:

1. Custodial Bank Services
2. Real Estate Investment Trusts (REITs)
3. U.S. Domestic Small Cap Core Equity
4. U.S. Domestic Core Fixed Income
5. U.S. Domestic Large Cap Growth Equity

2. **Minutes**

The Committee reviewed and approved the Investment Committee Minutes of May 8, 2008.