

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

**INVESTMENT COMMITTEE MEETING  
DEFINED BENEFIT PLAN**

Friday, September 12, 2008, 12:00pm  
Retirement Fund Conference Room

**MINUTES**

**I. CALL TO ORDER**

The Retirement Fund Investment Committee meeting was called to order at 12:35pm on Friday, September 12, 2008, in the Retirement Fund Conference Room. Investment Committee Chairman Wilfred Leon Guerrero officiated.

**Board of Trustees Present:**

Wilfred Leon Guerrero, Chairman  
Gerry Cruz, Member  
James Taylor, Member

**Staff Present:**

Paula M. Blas, Director  
Diana Bernardo, Controller  
Rosalie Bordallo, General Accounting Supervisor  
Stephanie Herrera, Recording Secretary

**II. ACTION ITEMS**

**1. Approval of Minutes – August 8, 2008**

A motion was made by Committee Member Cruz, to approve the minutes of August 8, 2008, subject to correction. Without objection, the motion was passed.

### **III. OPEN ITEMS**

#### **1. Contracts Pending**

**As reported by Director Blas:**

##### **a. Custodial Bank Services**

The contract has been finalized and will take effect on October 1, 2008.

##### **b. REITS – Real Estate Investment Trusts**

###### **1. Security Capital Research Mgmt**

The contract has been finalized. Director Blas added that the account for Cornerstone has been set up with Northern Trust and will be funded on October 1, 2008 when the new Custodian Bank takes place.

##### **c. U.S. Domestic Large Cap Growth Equity**

###### **1. INTECH**

The Fund is still working with INTECH's Legal Counsel to come to an agreement.

###### **2. Winslow Capital**

The contract has been finalized and will be routed for signature.

### **IV. NEW BUSINESS**

#### **1. Draft Proxy Voting Policy**

A sample Proxy Voting Policy was provided and the Committee needs to decide if they will accept the template or make changes to it.

#### **2. Milliman's Engagement Letter for an Asset/Liability Study**

A letter was submitted to the Fund Chairman for an evaluation of the fund's plan liabilities, to help to create an asset class and conduct asset/liability modeling. Director Blas stated that this study was to determine if the asset classes that the Fund's currently invested in are in line with Mercer's recommendation.

#### **3. Bernstein's June 30, 2008 Quarterly Report**

Committee Chairman Leon Guerrero stated that the filing for Lehman Brothers was to be done on September 23, 2008; however there is additional information forthcoming from Lehmen Brothers, so the Fund's attorneys have requested for an extension which the judge had granted.

**V. INFORMATIONAL ITEMS**

**1. Asset Allocation Summary**

An asset allocation summary was provided to the Committee for informational purposes.

**2. Investment Summaries By Manager**

Investment summaries by manager were provided to the Committee for informational purposes.

**3. Investment – Fee and Income Summaries**

Investment fees and income summaries by manager were provided to the Committee for informational purposes.

**4. Securities Concentration Report**

The securities concentration report was provided to the Committee for informational purposes

**VI. OPEN DISCUSSION**

None.

**VII. CORRESPONDENCE**

None.

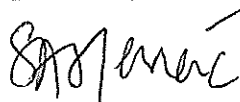
**VIII. ANNOUNCEMENTS**

None.

**IX. ADJOURNMENT**

There being no further business before the Investment Committee, Committee Chairman Leon Guerrero, seconded by Committee Member Cruz moved to adjourn the meeting at 1:40pm.

Respectfully submitted,



**STEPHANIE A. HERRERA**  
Recording Secretary

**AFFIRMED:**

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**Wilfred Leon Guerrero, Chairman**