



GOVERNMENT OF GUAM  
**RETIREMENT FUND**  
STABILITY · SECURITY · REWARDS

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Trustee

March 6, 2009

**To: Joe T. San Agustin, Board Chairman**  
**From: Wilfred Leon Guerrero, Investment Committee Chairman**  
**Subject: Quarterly Performance Meeting**

**Defined Contribution Plan**

On March 4, 5 and 6, 2009, the Investment Committee held its performance review for the quarter ended December 31, 2008 with Mercer Investment Consulting Inc.

In attendance were Trustees Gerard Cruz, James Taylor, Joe T. San Agustin, Katherine Taitano, George Santos, Antolina Leon Guerrero, and I. Other attendees were Terry Dennison of Mercer Investment Consulting Inc., Paula Blas, Diana Bernardo and Rosalia Bordallo.

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

**1. Replacement of BlackRock Aurora Fund**

Terry Dennison provided an overview of the possible replacements for the BlackRock Aurora Fund, which included the following:

- a. Champlain Investments Partners,
- b. Dimensional Fund Advisors,
- c. Atlanta Capital Management Company,
- d. IronBridge Capital Management, and
- e. Jennison Associates

**Recommendation**

The Committee recommended replacing the BlackRock Aurora Fund, with the Champlain Investments Partners Fund. According to Terry Dennison, Champlain does well in all market environments.

## Informational Items

### 2. Quarterly Performance Meeting

Terry Dennison provided an overview of the DC Plan's 12/31/08 Quarterly Investment Performance. He also noted the following:

- a. The Board should consider replacing the **American Bond Funds of America** due to continued poor performance.

#### Recommendation:

The Investment Committee recommended the following:

1. Replacing the American Bond Funds of America, and
  2. That Mercer Investment Consulting, Inc. perform a search for a replacement manager.
- b. Although no action is required at this time, the Board should consider adding the following to the DC Plan Portfolio sometime in the future:
    1. A **REITs Fund**, and
    2. A **Treasury Inflation Protected Securities Fund**

### 3. Hybrid DB/DC Plan

Terry Dennison provided a discussion of Hybrid DB/DC Plans

### 4. March 31, 2009 Quarterly Performance Meeting

The next Quarterly Performance Meeting is scheduled for May 28 and 29, 2009.