



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

January 16, 2009

To: Joe T. San Agustin, Board Chairman
From: Wilfred Leon Guerrero, Investment Committee Chairman
Subject: Investment Committee Meeting – January 9, 2009

Defined Contribution Plan

On January 9, 2009, the Fund held its regular Investment Committee meeting. In attendance were Trustee Gerard Cruz and I. Other Attendees were Paula Blas, Diana Bernardo and Rosalia Bordallo.

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

1. Great West Mutual Fund Restitution

The Fund received approximately \$6,500 from Franklin Advisers.

- A. This represented restitution, which was required by the Securities and Exchange Commission to be made to investors injured by market timing violations, which occurred between 1998 and 2003.
- B. Based on documentation provided by Great West the funds can be allocated as follows:
 1. To an account to pay for plan expenses,
 2. Equally to all current participants in the plan,
 3. Proportionally to all current participants in the plan based on their current account balance, or
 4. Proportionally to all current participants investing in the Franklin Fund, who were impacted by the market timing violations.

Recommendation:

The Committee recommends that the funds received from Franklin Advisers be allocated proportionally to all current participants invested in the Franklin Fund, who were impacted by the market timing violations.

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Informational Items:

1. Third Party Administrator

During the meeting, Management provided the Committee with an update on the status of the Third Party Administrator RFP.

2. Minutes

The Committee reviewed and approved the Investment Committee Minutes of November 14, 2008.