



GOVERNMENT OF GUAM
RETIREMENT FUND
STABILITY · SECURITY · REWARDS

Felix P. Camacho
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Michael W. Cruz, M.D.
Lieutenant Governor

Paula M. Blas
Director

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Joe T. San Agustin
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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

Anolina S. Leon Guerrero
Trustee

April 24, 2009

To: Joe T. San Agustin, Board Chairman
From: Wilfred Leon Guerrero, Investment Committee Chairman
Subject: Investment Committee Meeting – April 17, 2009

Defined Benefit Plan

On April 17, 2009, the Fund held its regular Investment Committee meeting. In attendance were Trustees Gerard Cruz, James Taylor, and I. Other attendees were Paula Blas, Diana Bernardo and Rosalia Bordallo.

Informational Items

1. Funding of Managers

Funding of the following Managers was deferred for discussion during the quarterly performance meetings with Mercer Investment Consulting Inc. on May 28, and 29, 2009.

- a) Cornerstone (REITs) – Partially funded on Dec. 2008.
- b) Security Capital (REITs) – Partially funded on Dec. 2008.
- c) Thomson Horstmann & Bryant (U.S. Domestic Small Cap) - Not yet funded.
 - The U.S. Domestic Small Cap Mandate was Partially Funded via \$8M in Exchange Traded Funds (ETF)

2. Aberdeen – Bernstein's Review of Asset Listing

The Committee previously requested that Bernstein review the list of Aberdeen's assets, which were transferred to Davis Hamilton and Income Research Management.

- The Committee requested that Bernstein also verify whether any of the assets purchased by Aberdeen were not in compliance with the Statutes and Investment Policy Statement (re: investment grade, assets of foreign companies, etc.). Upon review of Bernstein's findings, the Investment Committee will make its recommendation, if any, to the Board.

3. Asset Allocation

The Committee reviewed the latest asset allocation as of April 13, 2009, noting that the total market value of the portfolio dropped from approximately \$1.129 billion at 9/30/08 to approximately \$962.3 million as of 4/13/09.