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Trustee

May 29, 2009

To: Joe T. San Agustin, Board Chairman
From: Wilfred Leon Guerrero, Investment Committee Vice-Chair
Subject: Investment Committee Meeting – May 15, 2009

Defined Contribution Plan

On May 15, 2009, the Fund held its regular Investment Committee meeting. In attendance were Trustees Dr. James Taylor, Joe T. San Agustin, and I. Other attendees were Paula Blas, Diana Bernardo and Rosalia Bordallo.

Informational Items:

1. Replacement of American Bond Funds of America

During the March 6, 2009 meeting, the Board authorized replacement of the *American Bond Funds of America* and requested that Mercer Investment Consulting Inc. perform a search for a replacement manager.

- This item was deferred for discussion this week with Terry Dennison of Mercer.

2. Hybrid DB/DC Plan

Due to the impact of market volatilities on the DC Plan, the Committee previously requested that Milliman Consulting Inc. ("Milliman") provide an analysis/report of a Hybrid DB/DC Plan. During the April 24, 2009 Board Meeting, Rich Wright of Milliman discussed options for the Hybrid Plan.

- Management indicated that Milliman is still reviewing other options, which will be discussed with the Board when the reports are completed.