



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

Antolina S. Leon Guerrero
Secretary

Gerard A. Cruz
Treasurer
Audit & Operations Committee,
Chairman

George A. Santos
Members' & Benefits Committee,
Chairman

Katherine T.E. Taitano
Trustee

Wilfred G. Aflague
Trustee

October 30, 2009

To: Joe T. San Agustin, Board Chairman
From: Wilfred Leon Guerrero, Investment Committee Chairman
Subject: Investment Committee Meeting – October 16, 2009

Defined Benefit Plan

On October 16, 2009, the Fund held its regular Investment Committee meeting. In attendance were Trustees Gerard Cruz, Wilfred G. Aflague, and I. Other attendees were Paula Blas, Diana Bernardo, and Rosalia Bordallo.

Informational Items:

1) Funding of Managers

a) U.S. Domestic Small Cap Equity Mandate

This mandate has been partially funded with:

1. \$16.8M in Exchange Traded Funds, and
2. \$45M to Thomson Horstmann & Bryant (THB), representing approximately 40% of the mandate.

A Request for Proposal (RFP) has been issued to search for a second Domestic Small Cap Equity Manager. The deadline to submit proposals is Nov. 9, 2009.

b) Real Estate Investment Trusts (REITs)

Both investment managers Security Capital and Cornerstone have been partially funded.

Further funding will be discussed with Terry Dennison, of Mercer Investment Consulting, Inc., during the quarterly performance meetings in December 2009.

2) Investment Committee Goals & Objectives

The Investment Committee reviewed the Draft Matrix, which is subject to further discussion during the next Committee meeting.

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3) Asset Allocation

The Committee reviewed the latest asset allocation as of October 13, 2009, noting that the total market value of the portfolio increased from approximately \$1.170 billion at 9/30/09 to approximately \$1.182 billion as of 10/13/09.

4) Agenda for 9/30/09 Quarterly Performance Meetings

The Committee reviewed the Agenda for the 9/30/09 Quarterly Performance Meeting and Annual Manager Reviews, which is scheduled for December 16, 17 and 18, 2009.

5) Minutes

The Committee reviewed and approved the Investment Committee Minutes of September 11, 2009.