


GOVERNMENT OF GUAM
RETIREMENT FUND
STABILITY · SECURITY · REWARDS

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Investment Committee, Chairman

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Audit & Operations Committee,
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Katherine T.E. Taitano
Trustee

Antolina S. Leon Guerrero
Trustee

August 10, 2007

To: Joe T. San Agustin, Board Chairman

From: Wilfred Leon Guerrero, Investment Committee Chairman

**Subject: 7/27/07 Investment Committee Meeting;
8/08/07 and 8/09/07 Quarterly Performance Review;**

Defined Benefit Plan

On July 27, 2007, the Fund held its regular Investment Committee meeting. In attendance were Trustees Gerald Cruz and I. Other attendees were Paula Blas and Rosalia Bordallo.

On August 8, 2007, Investment Committee members along with other Board members met with Terry Dennison, from Mercer Investment Consulting Inc., our Investment Consultant, to discuss Defined Benefit Plan investment performance for the quarter ended June 30, 2007. In attendance were Trustees Dr. James Taylor, Gerald Cruz, Joe T. San Agustin, Katherine Taitano, Antolina Leon Guerrero, and I. Other attendees were Paula Blas, Diana Bernardo, and Rosalia Bordallo.

On August 9, 2007, Investment Committee members along with other Board members also met with Terry Dennison who provided clarification on the role of a Transition Manager. In attendance were Trustees Dr. James Taylor, Joe T. San Agustin, Katherine Taitano, and I. Other attendees were Paula Blas, Diana Bernardo, and Rosalia Bordallo.

Informational Items

1. During the July 27, 2007 meeting, the Investment Committee reviewed and approved the Investment Committee Minutes of June 29, 2007.
2. During the August 9, 2007 meeting, Board members discussed the need to consider:
 1. Possibly hiring two fixed income managers to replace both Aberdeen and Fiduciary, and
 2. Canceling the RFP for a Transition Manager. (Terry Dennison indicated that he will provide the Investment Committee with information and documents to facilitate the Transition Process upon termination of managers).

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