

STATE OF DELAWARE

INVESTMENT COMMITTEE MEETING MINUTES

October 26, 2010

The Investment Committee met at Walker's Mill at 8:30 a.m. on October 26, 2010. Present were Committee members George Saxon, Chair, Jan M. King, Philip S. Reese, Nancy Shevock, Clark Phippen and A. Dale Stratton and Board member Suzanne Grant. Also present were Robert D. Gooderham, Garry A. Musto, Cynthia L. Collins, Wade Sallings, Jeffrey Hoover, Seth J. Yablonovitz and Linda M. Drew. Present for portions of the meeting was David Craik.

Minutes of the October 12, 2010 Investment Committee meeting were approved as presented.

Mr. Reese moved, Mr. Phippen seconded, and the Committee unanimously approved a motion to enter Executive Session at 8:35 a.m. to consider sensitive commercial information, proprietary business information, trade secrets and confidential financial information.

The Committee returned to public session at 11:35 a.m. by unanimous vote, on the motion of Mr. Reese, seconded by Ms. King.

On the motion of Ms. Stratton, seconded by Ms. King, the Committee unanimously voted to recommend to the Board, that at the next fund opening, the DPERS investment in Farallon Capital Partners be redeemed.

On the motion of Mr. Reese, seconded by Ms. Stratton, the Committee, under its authority to execute documents relating to partnerships over which it exercises authority, approved a two year extension for Carlyle III.

On the motion of Mr. Phippen, seconded by Mr. Reese, the Committee unanimously voted to recommend to the Board the following actions:

- Withdraw \$50 million from the Mellon Capital Global Equitized Collateral Fund account
- Withdraw \$50 million from the Mellon Capital Large Cap Value Fund account
- Withdraw \$100 million from the Mellon Capital Treasury Inflation Protection Securities (TIPS) Fund account
- Commit \$200 million to a new account in either a separate account or commingled vehicle to be managed by Mellon Capital Management and designed to replicate the S&P MLP Index.

There being no further business to come before the Committee, the meeting was, on the motion of Ms. King, seconded by Mr. Reese and unanimously approved, adjourned at 11:40 a.m.

Respectfully submitted,

/S/Robert D. Gooderham

Robert D. Gooderham  
Executive Secretary

/S/George J. Saxon  
George J. Saxon, Chairperson