

STATE OF DELAWARE

INVESTMENT COMMITTEE MEETING MINUTES

August 21, 2012

The Investment Committee met at Walker's Mill at 8:30 a.m. on August 21, 2012. Present were Committee members George J. Saxon, Chair, Suzanne Grant, A. Dale Stratton, Nancy Shevock, Philip S. Reese, Jan M. King and Mark Stalnecker. Also present were Robert D. Gooderham, Garry A. Musto, David C. Craik, Cynthia L. Collins, Wade Sallings, Jeffrey Hoover and Linda M. Drew. Present for portions of the meeting was Sara E. Williams.

Minutes of the July 17, 2012 Investment Committee meeting were approved with corrections.

Ms. Shevock moved, Ms. Stratton 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 11:40 a.m. by unanimous vote, on the motion of Ms. Shevock, seconded by Mr. Reese.

It was moved by Ms. King to recommend to the Board a poll vote to approve the following actions:

- 1) Termination of the Daruma small cap equity account with the liquidation to be conducted by Northern Trust's Transition Management service,
- 2) \$30 million of the proceeds be contributed to the Rutabaga small cap equity account, and
- 3) The balance of proceeds be added to the Mellon Capital Non-Securities Lending S&P 500 Index fund

The motion was seconded by Mr. Reese, and unanimously approved by Committee.

There being no further business to come before the Committee, the meeting was, on the motion of Ms. Stratton, seconded by Mr. Reese and unanimously approved, adjourned at 11:45 a.m.

Respectfully submitted,

/S/Robert D. Gooderham

Robert D. Gooderham
Executive Secretary

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