

STATE OF DELAWARE

INVESTMENT COMMITTEE MEETING MINUTES

July 17, 2012

The Investment Committee met at Walker's Mill at 8:30 a.m. on July 17, 2012. Present were Committee members A. Dale Stratton, Chair, Jan M. King, George Saxon, Mark Stalnecker, Nancy Shevock, Philip S. Reese and Clark Phippen. Also present were Robert D. Gooderham, David C. Craik, Cynthia L. Collins, Jeffrey Hoover, Seth J. Yablonovitz and Linda M. Drew.

Minutes of the June 26, 2012 Investment Committee meeting were approved with corrections.

Mr. Reese moved, Ms. King 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 12:30 p.m. by unanimous vote, on the motion of Mr. Phippen, seconded by Mr. Reese.

On the motion of Ms. Shevock, seconded by Ms. King, and unanimously approved, the Committee voted to recommend to the Board redemption of the DPERS balance in the Oaktree Emerging Markets Absolute Return Fund.

On the motion of Mr. Reese, seconded by Mr. Stalnecker, and unanimously approved, the Committee voted to recommend to the Board a poll vote to approve the following actions:

- Withdraw \$100 million from the T. Rowe Price Global equity account
- Withdraw \$50 million from the Axiom Global equity account
- Withdraw \$100 million from the T. Rowe Price High Yield account using cross trading opportunities to minimize transaction costs
- Invest an additional \$150 million in the BBH domestic equity account
- Invest an additional \$50 million in the T. Rowe Price Institutional Floating Rate (senior loan) account
- Invest an additional \$50 million in the Mellon Capital Aggregate Bond Index fund account

There being no further business to come before the Committee, the meeting was, on the motion of Ms. Shevock, seconded by Mr. Reese and unanimously approved, adjourned at 12:35 p.m.

Respectfully submitted,

/S/Robert D. Gooderham

Robert D. Gooderham  
Executive Secretary

/S/A. Dale Stratton  
A. Dale Stratton, Chairperson