

STATE OF DELAWARE

INVESTMENT COMMITTEE MEETING MINUTES

June 28, 2005

The Investment Committee, in a joint meeting with the Board of Pension Trustees, met at Walker's Mill at 9:00 a.m. on June 28, 2005. Present were Committee members Elva B. Ferrari, Chair, A. Dale Stratton, Jan M. King and Philip S. Reese. Also present were Theodore H. Ashford, Robert D. Gooderham, Robert Allen, Nancy Shevock, Helen Foster, David C. Craik, Alice L. Simon, Kathy Kunkle, Kim Vincent, Terri Timmons, and Linda M. Drew.

Mr. Reese welcomed the Board to the Investment Committee meeting, noting that today marks Ms. Ferrari's last meeting as Chair of the Investment Committee and thanking her for many years of outstanding service to the Fund.


Minutes of the January 11, 2005 meeting were approved with corrections.

It was moved by Ms. Stratton, seconded by Ms. King, and unanimously approved that the Investment Committee go into executive session to discuss the qualifications of Legg Mason Capital Management including their account personnel, investment methodology and results, and confidential financial information.

The Committee returned to open session. Ms. Simon reported that Bank of New York (BoNY) has changed its procedure for processing international tax reclaims and now requires payment of the service fee in advance to file tax reclaims. BoNY is the US Sponsoring Agent for securities processed at the Tax Authorities for all DTC markets. Currently two reclaims are pending in the Jarislowsky Fraser account and payment in advance of the \$0.0035/share cost is required by BoNY to submit the claims. The two claims require a total payment of \$433.30 to process and recover the approximately \$22,000 tax reclaim amount. The Committee voted to authorize payment for the Jarislowsky Fraser account and requested the Audit Committee review the Mercantile and BoNY contracts regarding approval of the new procedure.

There being no further business to come before the Committee, the meeting was on motion adjourned.

Respectfully submitted,



Theodore H. Ashford



Elva B. Ferrari, Chairperson