

STATE OF DELAWARE

INVESTMENT COMMITTEE MEETING MINUTES

December 12, 2006

The Investment Committee met at Walker's Mill at 8:35 a.m. on December 12, 2006. Present were Committee members Jan M. King, Chair, A. Dale Stratton, Philip S. Reese, Elva B. Ferrari, Clark Phippen and Mark Stalnecker. Also present were Theodore H. Ashford, Robert D. Gooderham, David C. Craik, Kathy Kunkle, Cynthia L. Collins, Garry A. Musto and Linda M. Drew.

Mr. Ashford reported on correspondence from two partnerships advising limited partners of secondary partnership interests. Mr. Ashford stated that he did not support pursuing either opportunity.

Mr. Gooderham reviewed preliminary fiscal and calendar year performance through 11/30/06 for individual managers and the total fund, stating that the Fund has experienced strong fiscal year-to-date returns on both a relative and absolute basis.

Ms. Stratton moved, Mr. Phippen seconded, and the Committee unanimously approved a motion to enter Executive Session at 8:50 a.m. for consideration of personnel matters, trade secrets and confidential financial information.

The Committee returned to Public session at 9:05 a.m. by unanimous vote, on the motion of Mr. Phippen, seconded by Mr. Reese.

Mr. Ashford updated the Committee on developments in a Pecks Management Partners portfolio holding. On the motion of Mr. Phippen, seconded by Mr. Reese, with Ms. Stratton abstaining, the Committee voted to authorize the Investment Committee Chair to approve subscription of up to \$5 million for an expected rights offering in the Pecks portfolio company.

Ms. Stratton moved, Mr. Phippen seconded, and the Committee unanimously approved a motion to enter Executive Session at 9:10 a.m. to discuss the qualifications of Mellon Capital Management including personnel matters, trade secrets and confidential financial information.

The Committee returned to Public session at 11:35 a.m. by unanimous vote, on the motion of Ms. Stratton, seconded by Mr. Phippen.

Mr. Ashford reported that Carlyle IV has requested approval of two amendments necessary due to new SEC reporting requirements. Ms. Stratton moved, Mr. Stalnecker seconded, and the Committee unanimously approved the Carlyle IV amendments.

Ms. Stratton moved, Mr. Reese seconded, and the Committee unanimously approved a motion to enter Executive Session at 11:40 a.m. for consideration of personnel matters, trade secrets and confidential financial information.

The Committee returned to Public session at 11:55 a.m. by unanimous vote, on the motion of Ms. Stratton, seconded by Mr. Phippen.

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 11:55 a.m.

Respectfully submitted,

/S/Theodore H. Ashford  
Theodore H. Ashford

/S/Jan M. King \_\_\_\_\_  
Jan M. King, Chairperson