

STATE OF DELAWARE

INVESTMENT COMMITTEE MEETING MINUTES

September 25, 2007

The Investment Committee met at Walker's Mill at 8:30 a.m. on September 25, 2007. 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 Robert D. Gooderham, Cynthia Collins, David C. Craik, Jeffrey Hoover, Garry A. Musto, Seth J. Yablonovitz and Linda M. Drew.

Ms. Stratton moved, Mr. Reese seconded, and the Committee unanimously approved a motion to enter Executive Session at 8:30 a.m. for consideration of the qualifications of Baillie Gifford including personnel matters, trade secrets and confidential financial information.

The Committee returned to public session at 11:30 a.m. by unanimous vote, on the motion of Mr. Reese, seconded by Mr. Phippen.

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

- 1) Withdraw \$50 million from the OFI Institutional small cap equity account
- 2) Withdraw \$100 million from the INTECH large cap equity account
- 3) Withdraw \$50 million from the Legg Mason equity account
- 4) Withdraw \$110 million from the Mellon Capital Tactical Asset Allocation account
- 5) Withdraw \$100 million from the Oaktree Capital International Convertible account
- 6) Add \$50 million to the Rutabaga small cap equity account
- 7) Commit \$200 million to a new Baillie Gifford Long Term Global Growth account
- 8) Add \$35 million to the Dodge & Cox International Stock fund
- 9) Add \$25 million to the Axiom International Investors account
- 10) Commit \$100 million to an EAFE index fund managed by Mellon Capital Management

On the motion of Mr. Reese, seconded by Mr. Phippen, the Committee unanimously voted to recommend approval of a change to the Derivatives Policy in the Investment Policy for clarification of those managers authorized to use derivatives as part of their investment strategy.

Mr. Reese moved, Mr. Phippen seconded, and the Committee unanimously approved a motion to enter Executive Session at 11:35 a.m. for consideration of personnel matters, trade secrets and confidential financial information.

There being no further business to come before the Committee, the meeting was, on the motion of Mr. Reese, seconded by Mr. Phippen and unanimously approved, adjourned at 11:50 a.m.

Respectfully submitted,

/S/Robert D. Gooderham

Robert D. Gooderham

/S/Jan M. King _____
Jan M. King, Chairperson