

STATE OF DELAWARE

INVESTMENT COMMITTEE MEETING MINUTES

September 23, 2008

The Investment Committee met at Walker's Mill at 8:30 a.m. on September 23, 2007. Present were Committee members Jan M. King, Chair, A. Dale Stratton, Philip S. Reese, Elva B. Ferrari, Clark Phippen and Mark Stalnecker and Board members Nancy Shevock and Helen Foster. Also present were George Saxon, Robert D. Gooderham, Kathy Kunkle, Jeffery Hoover, Garry A. Musto, and Linda M. Drew. Present for portions of the meeting was Seth J. Yablonovitz.

Mr. Gooderham reviewed estimated performance for the month of September through 9/19/08 for individual managers and the total fund, noting that in September markets have continued to produce negative returns, with most being worse than those experienced in the previous months of the third quarter.

Mr. Reese moved, Mr. Phippen seconded, and the Committee unanimously approved a motion to enter Executive Session at 8:50 a.m. to consider sensitive commercial information, proprietary business information, trade secrets and confidential financial information.

The Committee returned to public session at 11:50 a.m. by unanimous vote, on the motion of Mr. Reese, seconded by Mr. Stalnecker.

On the motion of Mr. Stalnecker, seconded by Ms. Ferrari, with Ms. Stratton opposed, the Committee voted to recommend to the full Board commitment of \$10 million to Centerbridge Credit Partners.

On the Motion of Ms. Ferrari, seconded by Mr. Stalnecker, with Mr. Phippen opposed, the Committee voted to recommend to the full Board commitment of up to \$10 million to Accel India II.

Ms. Drew reviewed her memorandum on Manager Use of Soft Dollars, which had been circulated in advance.

Ashford Consulting presented reports of each manager's proxy voting record. The Committee had opportunity for review of the manager reports and voting guidelines. After discussion with ACG, the Committee concluded that all managers are voting proxies in a timely fashion, and determined to continue the present practice of having managers implement the Board's present policy of voting in the best interests of the Fund.

Mr. Gooderham reported that two managers have requested changes to their Schedule A investment objectives.

On the motion of Mr. Reese, seconded by Ms. Stratton, the Committee unanimously voted to approve a change in the Asset Options objective for the T. Rowe Price Natural Resources account to include rights generated from a portfolio holding.

On the motion of Mr. Reese, seconded by Ms. Stratton, the Committee unanimously voted to approve a change in the Normal Investment Range objective for the Oaktree Domestic convertible account from 95% to 90%.

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 12:00 noon.

Respectfully submitted,

/S/Robert D. Gooderham

Robert D. Gooderham  
Executive Secretary

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