

STATE OF DELAWARE

INVESTMENT COMMITTEE MEETING MINUTES

August 21, 2018

The Investment Committee met at 2 Righter Parkway, Suite 105 at 8:30 a.m. on July 17, 2018. Present were Committee members George J. Saxon, Chair, Suzanne B. Grant, A. Dale Stratton, Nancy J. Shevock, Mark Stalnecker, and Art Agra. Also present were David C. Craik, Ann Marie Johnson, Joshua Hitchens, Robert D. Gooderham, Garry A. Musto, Seth J. Yablonovitz, Sara E. Williams, Sophia S. Smith and Melysa Montano. Paul Roth participated via teleconference.

The public session minutes of the July 17, 2018 Investment Committee meeting were approved as presented.

Ms. Shevock moved, Mr. Agra 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 12:40 p.m. by unanimous vote, on the motion of Mr. Agra, seconded by Ms. Grant.

The executive session minutes of the July 17, 2018 Investment Committee meeting were approved as presented.

On the motion of Ms. Stratton, and seconded by Mr. Agra, the Committee voted to recommend that the Board approve, by poll vote, the Committee's recommendation to withdraw the following amounts for risk reduction purposes: \$20 million from Baillie Gifford, \$30 million from TRP Global Growth Equity, \$20 million from AJO Managed Volatility, \$20 million from Focused Investors, \$20 million from Wellington Dividend Growth, \$20 million from BNYMellon S&P 500, and \$20 million from BNYMellon Large Cap Value. Proceeds of \$150 million were to be allocated to the Cash account.

On the motion of Mr. Stalnecker, and seconded by Ms. Grant, the Committee voted to recommend that the Board approve, by poll vote, the Committee's recommendation to invest \$400 million in a new separate account managed by DoubleLine in their Total Return strategy, to be funded with \$200 million from each of the BNYMellon Aggregate Bond Index fund and the Cash Account, pending completion of satisfactory documentation.

There being no further business to come before the Committee, the meeting was, on the motion of Mr. Stalnecker, seconded by Ms. Grant and unanimously approved, adjourned at 12:45 p.m.

Respectfully submitted,



David C. Craik
Executive Secretary



George J. Saxon, Chairperson