

## SAN BERNARDINO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

The special meeting of the San Bernardino County Employees' Retirement Board was held September 14, 2009, in the Board of Retirement Board Room, 348 West Hospitality Lane, First Floor, San Bernardino, California.

Those present were:

ELLEN WEISSER, Appointed Member (Chairman)  
DAWN STAFFORD, General Member (Vice Chairman)  
ANNETTE KERBER, Assistant Treasurer/Tax Collector  
CHRISTOPHER LEGGIO, Appointed Member  
DON NEELY, General Member  
MARVIN REITER, Appointed Member  
PAUL RUSS, Appointed Member  
DAVID WILLIAMS, Safety Member

Also present were:

TIMOTHY BARRETT, Executive Director/CIO  
LANCE KJELDGAARD, Chief Counsel  
BRIAN LONG, Investment Officer  
JAMES PERRY, Investment Officer  
DONALD PIERCE, Investment Officer  
BILL MONAGLE, NEPC  
DON STRACKE, NEPC  
KEVIN TATLOW, NEPC  
DIANA JAY, Recorder

Not present were:

ROBERT MCDONALD, Retired Member  
BRET HENRY, Alternate Member

1. Chairman Weisser called the meeting to order at 9:02 a.m.
2. Monagle and Tatlow, NEPC, and Long reviewed the Distressed Investment Strategy. NEPC and SBCERA is recommending an allocation of €40 million to the Apollo European Principal Finance Fund and reserve €20 million for potential future co-investment opportunities.
3. David Abrams and Danielle Thorsen, Apollo, reviewed their strategies and management team for their Apollo European Principal Finance Fund.

4. Russ moved, Leggio seconded, to approve an allocation of €40 million to the Apollo European Principal Finance Fund and reserve €20 million for potential future co-investment opportunities. Motion carried.

Leggio left the meeting at 10:20 a.m.

The Chairman called a recess at 10:21 a.m. The meeting resumed at 10:35 a.m.

5. Stracke, NEPC, and Perry reviewed the International Convertible Bond Strategy. NEPC and SBCERA recommends expanding the Oaktree Convertible Bond Mandate to include international convertible bonds and fund an Oaktree International Convertible Bond separate account with \$50 million.
6. Tony Harrington and Abe Ofer, Oaktree, reviewed their strategies and management team for their Oaktree International Convertible Bond Strategy.
7. Russ moved, Stafford seconded, to approve an allocation of \$50 million to Oaktree International Convertible Bond Strategy. Motion carried.
8. Stracke, NEPC, Pierce and Perry reviewed the Declaration Management & Research LLC TALF Fund/Liquidity Structure. NEPC and SBCERA is recommending an allocation of \$50 million to Declaration Management & Research LLC TALF & ABS Fund Ltd.
9. Greg Casey and Pete Farley, Declaration, reviewed the strategies and management team for the Declaration Management & Research LLC TALF & ABS Fund Ltd.
10. Russ moved, Neely seconded, to approve a \$50 million allocation to Declaration Management & Research LLC TALF & ABS Fund Ltd. Motion carried.

Russ left the meeting at 11:50 a.m.

11. Long reviewed the 1<sup>st</sup> Quarter 2009 Performance Report on Private Alternative Investments.

12. The Chairman invited public comment. There was no public comment.

There being no further business, the meeting adjourned at 11:59 a.m.

Respectfully submitted,

\_\_\_\_\_  
ELLEN WEISSER, Chairman

\_\_\_\_\_  
TIMOTHY BARRETT, Secretary

DATED \_\_\_\_\_