

Michael C. Schlachter, CFA
Managing Director & Principal

March 6, 2013

Mr. Henry Jones
Chair, Investment Committee
California Public Employees' Retirement System
400 Q Street
Sacramento, CA 95814

Re: Revision of Global Fixed Income Delegation Resolution

Dear Mr. Jones,

You requested our opinion regarding the agenda item from Staff that presents the revisions to the Global Fixed Income Delegation Resolution.

Recommendation

Wilshire recommends that the Investment Committee adopt the revisions to the Delegation Resolution as presented by Staff.

Discussion

During the fall of 2012, the Investment Committee had extensive discussions regarding the investment of the Terminated Agency Pool and determined that the best course of action was to have the Global Fixed Income team invest the assets contained in this program. The policy that governs the investment of this program has already been presented to, and approved by, the Investment Committee. As this agenda item simply provides Staff with the authority to invest the assets as previously directed by the Investment Committee, we believe that it should be approved as presented.

Should you require anything further or have any questions, please do not hesitate to contact us.

Best regards,

A handwritten signature in black ink, appearing to read 'Michael C. Schlachter'.