

1. A summary of correspondence with companies engaged by the Board of Trustees

The System engaged RiskMetrics Group to provide a list of companies doing business in Iran and/or Sudan, and to manage the engagement process. RiskMetrics sent letters to all of the companies (43 for Iran and 45 for Sudan), whether or not the System was presently a holder of securities issued by the company. The letters described the requirements of the 2008 Divestiture from Iran and Sudan Act (the “Act”) and the information RiskMetrics had regarding the company’s activities in either country, and directing the companies to respond. Seventeen companies responded.

As of June 30, 2009, there were 16 companies on RiskMetrics’ list held in “eligible accounts”. Eight of the 16 companies responded to the System’s engagement efforts, and eight did not. One of the 16 companies is involved only in Sudan, and responded to the System’s letter. The other 15 companies are involved only in Iran. Seven of these 15 companies responded to the System’s letters. Three of the seven companies have acknowledged that they have on-going activities in Iran, and have said they are “withdrawing” their investments and other activities from the country, but have not provided a timetable. The other four companies acknowledged that they have on-going activities in Iran.

2. All divestment actions taken by the Board of Trustees

The Corporate Governance Subcommittee of the Board of Trustees has received the information gathered through the engagement process, as well as input from (i) the System’s external investment managers, (ii) Ennis Knupp, the System’s general investment consultant, (iii) legal counsel and (iv) staff of the Investment Division. The Subcommittee is expected to complete its review of this information and make an initial set of recommendations that can be presented to the Board of Trustees at its October 20, 2009 meeting. The Board of Trustees will submit a revised report shortly thereafter.

3. Companies that the Board of Trustees has determined are doing business in Iran and Sudan.

<u>OPERATING IN SUDAN OR IRAN?</u>	<u>COMPANY NAME</u> Note: Bold indicates a company whose securities are held in an actively managed separate account.	<u>INDUSTRY</u>	<u>COUNTRY</u>
Sudan	ABB LTD	Heavy Electrical Equipment	Switzerland
Iran	AKER SOLUTION ASA	Construction & Engineering	Norway
Sudan	Alcatel Lucent	Communications Equipment	France
Both	Alstom	Heavy Electrical Equipment	France

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Sudan	AREF Investment Group Co	Finance & Investment (Energy)	Kuwait
Sudan	Areva	Nuclear Power Company	France
Sudan	AviChina Industry & Technology	Oil & Gas Exploration & Production	Hong Kong
Sudan	Bharat Electronics Ltd	Defense communications	India
Sudan	Bharat Heavy Electricals Ltd.	Industrial Production (Energy)	India
Sudan	Bolloré	Transportation	France
Both	China Petroleum & Chemical Corp.	Integrated Oil & Gas	Hong Kong
Iran	CNOOC, LTD.	Oil & Gas Exploration & Production	China
Both	CNPC Hong Kong Ltd.	Oil & Gas Exploration & Production	Bermuda
Iran	Costain Group PLC	Oil & Gas Construction & Engineering	United Kingdom
Iran	Daelim Industrial Co.	Industrial Conglomerate	South Korea
Sudan	Dietswell	Oil & Gas Equipment & Services	France
Sudan	Dongfeng Motor Group Company Ltd	Construction & Farm Machinery & Heavy Trucks	Hong Kong
Iran	Edison Spa	Independent Power Producers & Energy Traders	Italy
Sudan	Egypt Kuwait Holding Company	Integrated Oil & Gas	Egypt
Sudan	Electricity Generating Public Co Ltd	Independent Electricity Producing Company.	Thailand
Iran	ENI, LTD.	Integrated Oil & Gas	Italy
Sudan	Finmeccanica SPA	Aerospace & Defense	Italy
Iran	GAZPROM	Integrated Oil & Gas	Russia
Iran	GS Engineering & Construction Ltd.	Oil & Gas Construction & Engineering	South Korea
Sudan	Harbin Power Equipment Co.	Energy Equipment & Services	China
Iran	Hyundai Heavy Industries Co.	Shipbuilding	South Korea
Sudan	I.C.S.A (INDIA) LTD	Electric Infrastructure	India
Both	Indian Oil Corporation Ltd	Oil, Gas & Consumable Fuels	India
Iran	Inpex Corporation	Oil & Gas Exploration & Production	Japan
Iran	JGC Corp.	Oil & Gas Construction & Engineering	Japan

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Sudan	Kejuruteraan Samudra Timur BHD	Oil & Gas Construction & Engineering	Malaysia
Sudan	Kencana Petroleum Bhd	Oil & Gas Construction & Engineering	Malaysia
Sudan	La Mancha Resources Inc.	Oil & Gas Exploration & Production	Canada
Iran	L'AIR LIQUIDE	Industrial Gasses	France
Iran	Liquefied Natural Gas Ltd.	Oil & Gas Storage & Transportation	Australia
Iran	LUKOIL OIL COMPANY	Integrated Oil & Gas	Russia
Sudan	Lundin Petroleum AB	Oil & Gas Exploration & Production	Sweden
Sudan	Mangalore Refinery & Petrochemicals Ltd.	Integrated Oil & Gas	India
Both	MISC Berhad	Marine Engineering & Services	Malaysia
Iran	Mitsui Engineering & Shipbuilding Co. Ltd.	Construction & Farm Machinery & Heavy Trucks	Japan
Sudan	MMC Corporation Bhd	Mining Engineering & Services	Malaysia
Sudan	Muhibbah Engineering Bhd	Marine Engineering & Services	Malaysia
Sudan	Nam Fatt Corporation Bhd	Engineering & Construction	Malaysia
Both	Oil & Natural Gas Corporation Ltd.	Oil, Gas & Consumable Fuels	India
Iran	OMV AG	Integrated Oil & Gas	Austria
Sudan	PECD BHD	Energy Services	Malaysia
Iran	PETROL BRASILEIROS	Integrated Oil & Gas	Brazil
Both	Petrochina Company Limited	Integrated Oil & Gas	China
Sudan	Petrofac Ltd	Integrated Oil & Gas	Jersey
Both	Petronas Dagangan Bhd	Integrated Oil & Gas	Malaysia
Both	Petronas Gas Bhd	Integrated Oil & Gas	Malaysia
Sudan	PSL Ltd.	Pipe Manufacturing	India
Sudan	Ranhill Bhd	Energy Equipment & Services	Malaysia
Sudan	Reliance Industries Ltd.	Industrial Conglomerate	India
Iran	REPSOL YPF SA	Integrated Oil & Gas	Spain
Iran	ROYAL DUTCH SHELL, PLC	Integrated Oil & Gas	United Kingdom
Iran	SAIPEM	Oil, Gas & Consumable Fuels	Italy
Iran	Samsung Engineering Co. Ltd.	Engineering & Services	South Korea

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Sudan	Sarawak Energy Bhd	Energy Services	Malaysia
Iran	SASOL LTD	Oil & Gas Exploration & Production	South Africa
Sudan	Schlumberger Ltd.	Oil & Gas Equipment & Services	Netherlands Antilles
Sudan	Scomi Engineering Bhd.	Communications Equipment	Malaysia
Sudan	Scomi Group Bhd	Energy Services	Malaysia
Both	Sinopec Kantons Holdings Ltd	Oil & Gas Storage & Transportation	Hong Kong
Sudan	Sinopec Shanghai Petrochemical Co.	Commodity Chemicals	China
Iran	Snam Rete Gas S.p.A.	Gas Utilities	Italy
Iran	STATOILHYDRO ASA	Integrated Oil & Gas	Norway
Sudan	Sudan Telecom Co. Ltd.	Communications	Sudan
Iran	TECHNIP	Oil & Gas Equipment & Services	France
Sudan	Wartsila Oyj	Industrial Machinery	Finland

4. Other developments relevant to investments in companies doing business in Iran or Sudan.

There have been no other developments relevant to investments in companies doing business in Iran or Sudan.