

approval. Until the Executive Director on behalf of the SBI executes a formal agreement, further due diligence and negotiations may result in the imposition of additional terms and conditions on LBC Credit Management or reduction or termination of the commitment.

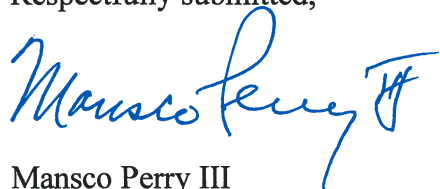
The Investment Advisory Council concurs with Staff's recommendation that the SBI authorize the Executive Director, with assistance from the SBI's legal counsel, to negotiate and execute a commitment of up to \$150 million, or 20% of The Energy & Minerals Group Fund V and Accordion, whichever is less, plus an additional amount not to exceed one percent of the total commitment for the payment of required charges at closing. Approval of this potential commitment is not intended to be, and does not constitute in any way, a binding or legal agreement or impose any legal obligations on the State Board of Investment and neither the State of Minnesota, the Investment Advisory Council, the State Board of Investment nor its Executive Director have any liability for reliance by The Energy and Minerals Group upon this approval. Until the Executive Director on behalf of the SBI executes a formal agreement, further due diligence and negotiations may result in the imposition of additional terms and conditions on The Energy and Minerals Group or reduction or termination of the commitment." The motion passed unanimously.

Mr. Perry stated that the remaining items on the meeting agenda were the Public Markets, Non-Retirement and Participant Directed Investment Program report in Tab E and that Tab F and G was a Market Environment report and a Investment Market Risk Metrics report from the SBI consultants. Lastly, Mr. Perry stated that Tab H was the Comprehensive Performance Review detailing the performance of the individual managers and each of the SBI investment programs.

Mr. Perry stated that four individuals would like to address the Board. He noted that the proper notification was submitted according to the Board's written policy. Governor Walz recognized Phil Benson and the spokespeople for the group "Break the Bonds" which were: Sanna Towns, Shaker Ali, Mariam El Khatib and Amber Harris. Governor Walz thanked the presenters for believing and participating in our democracy and that the Board takes all testimony under advisement.

The meeting adjourned at 10:46 a.m.

Respectfully submitted,



Mansco Perry III
Executive Director and
Chief Investment Officer