



FEDERAL RETIREMENT THRIFT INVESTMENT BOARD
1250 H Street, NW Washington, DC 20005

January 8, 2009

MEMORANDUM FOR BOARD MEMBERS SAUL, FINK, WHITING,
SANCHEZ, AND DUFFY

FROM: GREGORY T. LONG
EXECUTIVE DIRECTOR

SUBJECT: December 2009 Performance Review - G, F, C, S, I, and L
Funds

INTRODUCTION

This report reviews key aspects of the investment performance of the G, F, C, S, I, and L Funds through December 2009, investment manager performance and tracking error, trading costs, TSP fund performance, and L Fund participation.

TRACKING ERROR – BTC Funds

December Tracking Error

<u>Fund</u>	<u>% BTC FUND Performance</u>	<u>% Index Performance</u>	<u>Tracking Error</u>
Fixed Income	-1.55	-1.56	0.01
Large Cap	1.94	1.93	0.01
Small Mid Cap	6.57	6.65	-0.08
International	1.44	1.44	0.00

2009 Tracking Error

<u>Fund</u>	<u>% BTC FUND Performance</u>	<u>% Index Performance</u>	<u>Tracking Error</u>
Fixed Income	6.01	5.93	0.08
Large Cap	26.68	26.46	0.22
Small-Mid Cap	34.97	37.43	-2.46
International	30.07	31.78	-1.71

The **BlackRock Equity Index Fund E** has outperformed by 22 basis points in 2009, primarily because of class action settlements. The **BlackRock Extended Equity Market Fund E** underperformed by 8 basis points in December and underperformed by 221 basis points for the year. The performance difference is primarily related to the sampling technique used by the Fund. The **BlackRock EAFE Equity Index Fund E** underperformed by 171 basis points for the year, primarily because of a fair valuation adjustment on December 31.

TRADING COSTS

	<u>DOLLAR AMOUNT TRADED</u>	<u>TRADING COSTS</u>	
		<u>\$</u>	<u>Basis Points</u>
<u>F Fund</u>			
December 2009	269,874,814	7,697	0.3
Year-to-Date	3,850,122,729	1,387,517	3.6
<u>C Fund</u>			
December 2009	813,004,402	7,309	0.1
Year-to-Date	10,727,150,970	2,265,391	2.1
<u>S Fund</u>			
December 2009	343,023,379	52,789	1.5
Year-to-Date	5,189,123,268	1,203,921	2.3
<u>I Fund</u>			
December 2009	594,421,524	774,617	13.0
Year-to-Date	7,625,015,653	1,604,890	2.1

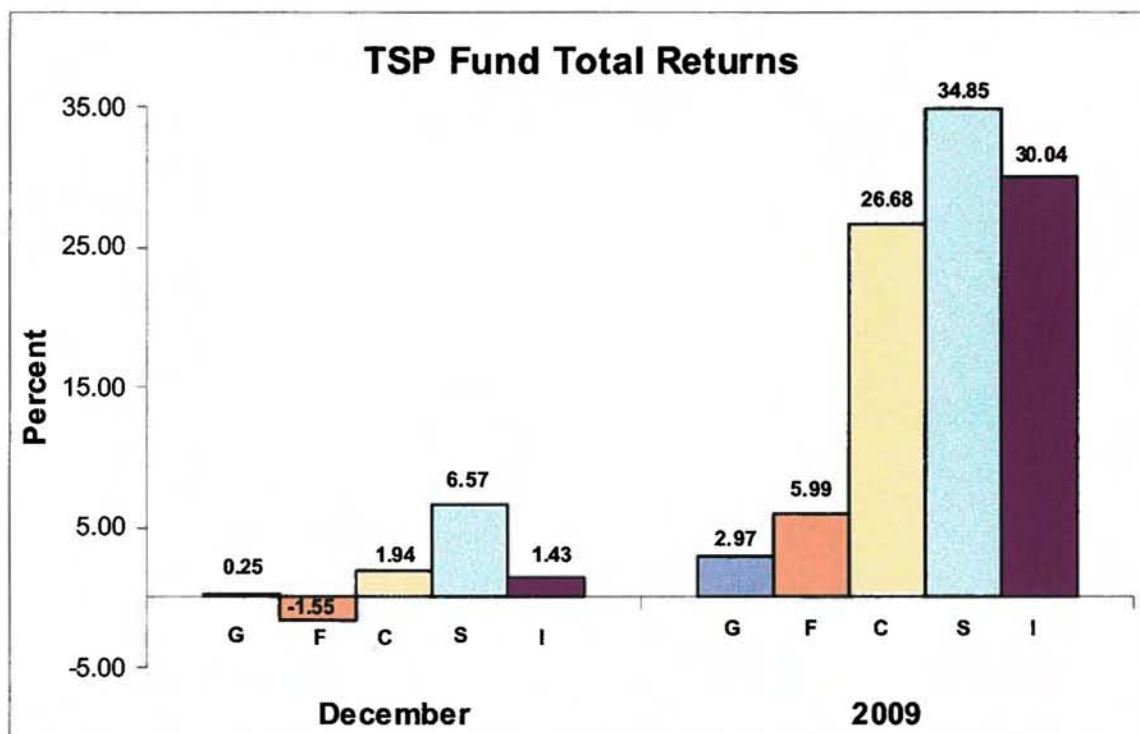
G FUND

The following table compares the G Fund rate to be paid in the month noted to the 3 month Treasury bill, the 10 year Treasury note and the 30 year Treasury bond at the time the rate was set.

	<u>G Fund</u>	<u>3-month T-bill</u>	<u>10 year T-note</u>	<u>30 year T-bond</u>
<u>2010</u>				
January	3.50%	.08%	3.84%	4.64%
<u>2009</u>				
January	2.13	.02	2.21	2.68
February	2.75	.13	2.84	3.60
March	2.88	.27	3.02	3.71
April	2.50	.20	2.67	3.54
May	2.88	.15	3.12	4.03
June	3.25	.14	3.46	4.34
July	3.25	.19	3.54	4.33
August	3.25	.18	3.48	4.30
September	3.25	.13	3.40	4.18
October	3.00	.08	3.31	4.05
November	3.13	.06	3.39	4.23
December	2.88	.05	3.20	4.19
<u>2008</u>				
January	4.00	3.31	4.03	4.45
February	3.50	1.98	3.60	4.32
June	3.38	2.08	3.51	4.40
April	3.38	1.35	3.41	4.29
May	3.75	1.25	3.73	4.47
June	4.00	1.86	4.06	4.72
July	3.87	1.84	3.97	4.53
August	3.87	1.68	3.95	4.57
September	3.75	1.70	3.81	4.42
October	3.63	.73	3.82	4.31
November	3.75	.45	3.96	4.37
December	2.75	.02	2.92	3.44

PERFORMANCE OF TSP FUNDS

The chart below shows the G, F, C, S, and I Fund net rates of return for December 2009 and the year.



The table below compares the net rates of return for the F, C, S, and I Funds to the returns of the corresponding BTC funds.

December 2009

Total Return %

<u>Fund</u>	<u>TSP</u>	<u>BTC</u>	<u>Difference</u>	<u>Index</u>
Fixed Income	-1.55	-1.55	0.00	-1.56
Large Cap	1.94	1.94	0.00	1.93
Small Cap	6.57	6.57	0.00	6.65
International	1.43	1.44	-0.01	1.44

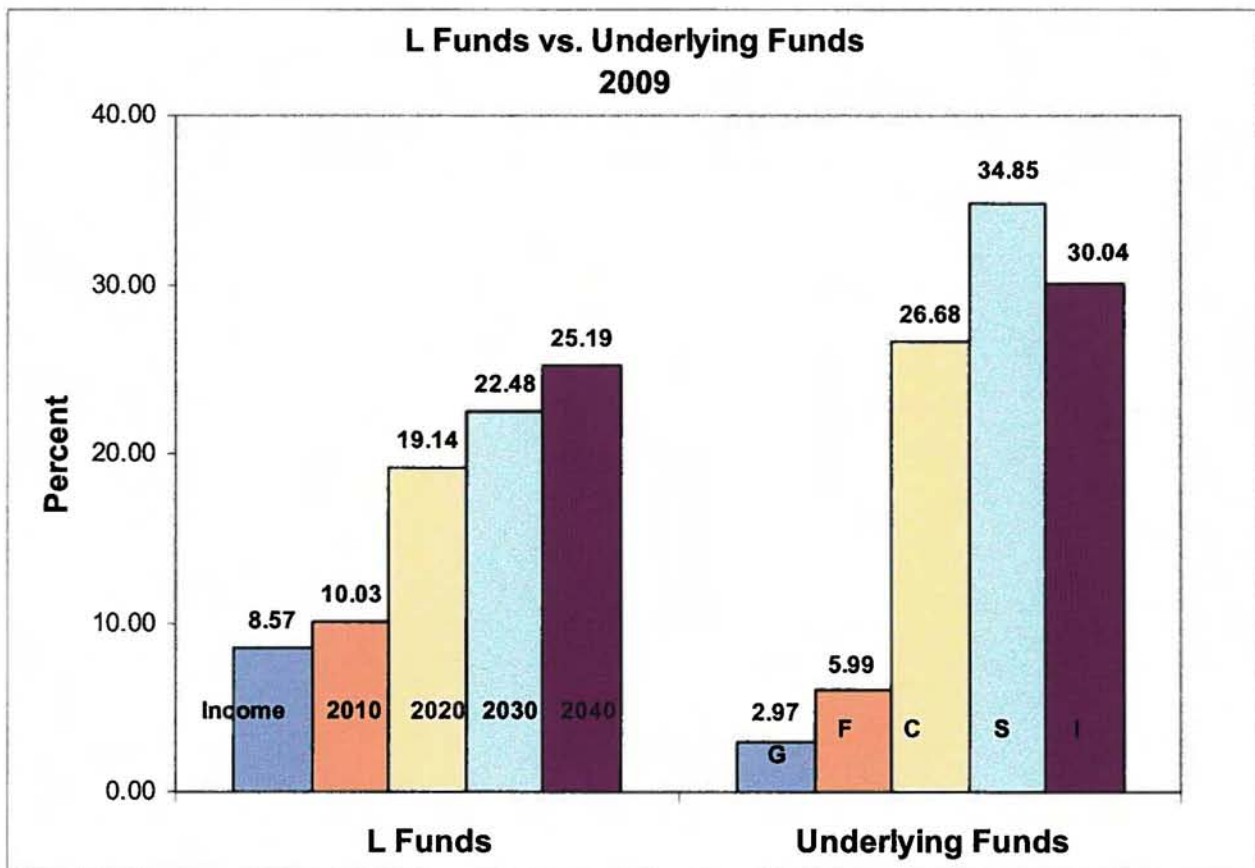
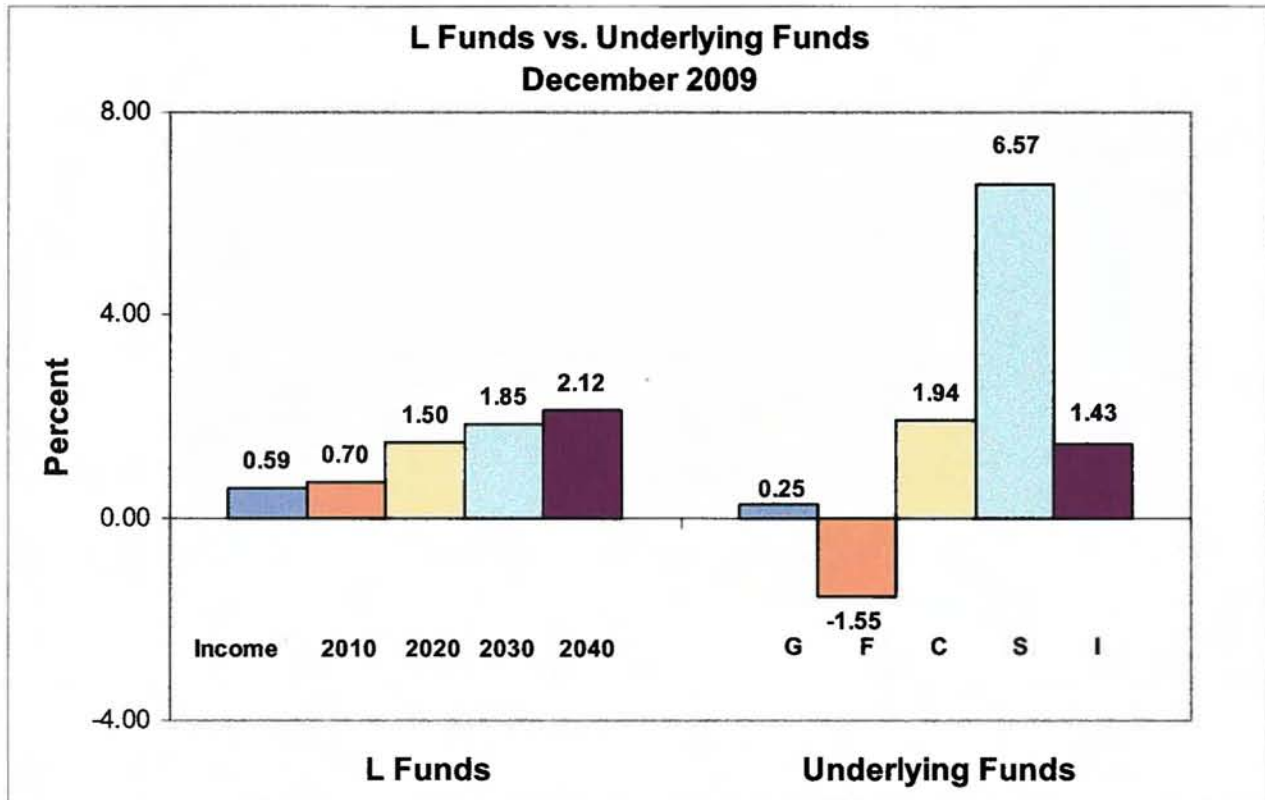
2009 Total Return %

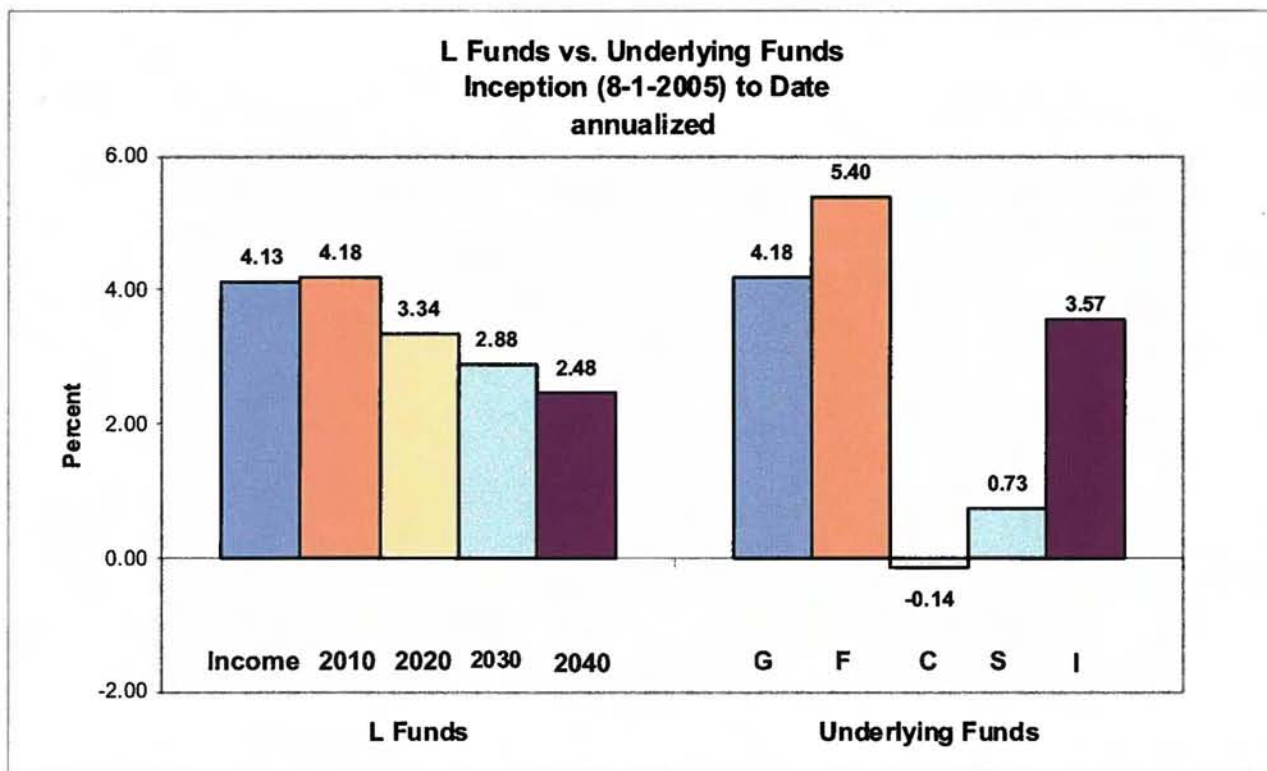
<u>Fund</u>	<u>TSP</u>	<u>BTC</u>	<u>Difference</u>	<u>Index</u>
Fixed Income	5.99	6.01	-0.02	5.93
Large Cap	26.68	26.68	0.00	26.46
Small Cap	34.85	34.97	-0.12	37.43
International	30.04	30.07	-0.03	31.78

The TSP Funds closely tracked the BTC Funds for the month and for the year.

L FUNDS

The net rates of return for the L Funds are shown below along with comparable returns for the G, F, C, S, and I Funds. The bulk of our participants' funds are held in the G and C Funds. All of the L Funds have posted positive returns since inception.





THRIFT SAVINGS PLAN MONTHLY INVESTMENT ACTIVITY

Attachment 1 provides a summary of TSP investment activity and participation rates.

- Total dollars invested in the L Funds reached a record high of \$25.8 billion. (p. 9)
- The number of participants with L Fund accounts continued to rise to 647,040. (p. 9)

PROXY VOTING

An audit of BTC's proxy votes voting conducted by RiskMetrics Group found no exceptions to BTC's established guidelines during the third quarter of 2009. A copy of the audit report is provided as Attachment 2. RiskMetrics' audit report for the fourth quarter of 2009 is not yet available. There were no changes to BTC's proxy voting policy in the third quarter.

RECOMMENDATION

The G Fund investments produce long-term yields while incurring no market risk. **I recommend reaffirmation of the current G Fund policy of investing solely in short-term maturities.**

The BlackRock U.S. Debt Index Fund E, Equity Index Fund E, Extended Market Index Fund E, and EAFE Equity Index Fund E have tracked their respective indices and have incurred low trading costs. Based on the performance of these funds, and the F, C, S, and I Funds' performance discussed above, **I recommend reaffirmation of the current F, C, S, and I Fund investment policies.**

WHEREAS the Federal Employees' Retirement System Act of 1986, as amended (5 U.S.C. § 8401 -- et seq.) provides that the Board members shall establish policies for the investment and management of the Thrift Savings Fund (5 U.S.C. § 8472(f) (1) and (2)); and

WHEREAS the Board members at this meeting have reviewed the investment performance and investment policies of the Government Securities Investment Fund, the Fixed Income Index Investment Fund the Common Stock Index Investment Fund, the Small Capitalization Stock Index Investment Fund, and the International Stock Index Investment Fund; and

WHEREAS the Board members are satisfied with the investment performance and investment policies of these Funds;

NOW THEREFORE BE IT RESOLVED that the current investment policies for the Government Securities Investment Fund, the Common Stock Index Investment Fund, the Fixed Income Index Investment Fund, the Small Capitalization Stock Index Investment Fund, and the International Stock Index Investment Fund are affirmed without change.

Attachments

THRIFT SAVINGS PLAN MONTHLY INVESTMENT ACTIVITY
Contributions and Interfund Transfers

Month end	Monthly TSP Contributions							Interfund Transfer Activity						
	G Fund (%)	F Fund (%)	C Fund (%)	S Fund (%)	I Fund (%)	L Funds (%)	Total (\$Mil)	G Fund (\$Mil)	F Fund (\$Mil)	C Fund (\$Mil)	S Fund (\$Mil)	I Fund (\$Mil)	L Funds (\$Mil)	# of IFTs
12/31/2004	40%	7%	39%	8%	6%	N/A	1,560	(397)	(156)	(326)	357	522	N/A	141,159
12/31/2005	36%	6%	35%	9%	8%	6%	1,560	(366)	(109)	(703)	27	359	792	140,242
12/31/2006	33%	5%	30%	9%	11%	11%	1,569	(448)	29	(593)	(143)	715	440	148,123
12/31/2007	33%	4%	27%	9%	13%	14%	1,619	17	(24)	(309)	0	72	244	133,550
1/31/2008	33%	4%	27%	9%	13%	14%	1,889	4,405	1,332	(1,839)	(1,204)	(2,295)	(399)	260,044
2/29/2008	34%	5%	26%	8%	12%	14%	1,684	810	242	(639)	(202)	(370)	159	137,320
3/31/2008	35%	5%	26%	8%	12%	14%	1,685	1,876	512	(999)	(417)	(720)	(252)	147,306
4/30/2008	36%	5%	25%	8%	12%	14%	1,835	152	67	(388)	(45)	69	145	108,103
5/31/2008	35%	5%	25%	8%	12%	15%	1,980	(465)	(403)	(36)	187	436	281	84,209
6/30/2008	35%	5%	25%	8%	12%	15%	1,748	1,127	(156)	(345)	(39)	(452)	(135)	93,523
7/31/2008	36%	5%	25%	8%	11%	15%	1,940	2,401	28	(826)	(359)	(831)	(413)	117,084
8/31/2008	37%	5%	24%	8%	11%	15%	1,689	383	(71)	(49)	119	(423)	41	67,910
9/30/2008	38%	5%	24%	8%	11%	14%	1,672	3,466	(7)	(1,073)	(483)	(1,158)	(745)	166,033
10/31/2008	42%	5%	23%	7%	9%	14%	2,123	4,291	(962)	(977)	(444)	(865)	(1,043)	267,859
11/30/2008	42%	5%	23%	7%	9%	14%	1,591	937	(289)	(222)	(51)	(120)	(255)	112,126
12/31/2008	43%	4%	23%	7%	9%	13%	1,936	308	56	(180)	(14)	(62)	(108)	76,194
1/31/2009	43%	5%	22%	7%	9%	13%	1,706	(155)	200	(71)	58	50	(82)	95,683
2/28/2009	44%	5%	22%	7%	9%	13%	1,749	2,011	(104)	(819)	(204)	(366)	(518)	121,203
3/31/2009	47%	5%	21%	6%	8%	13%	1,757	1,449	(238)	(565)	(110)	(218)	(318)	160,299
4/30/2009	47%	5%	21%	6%	8%	13%	2,091	(602)	(62)	143	185	148	188	92,651
5/31/2009	46%	5%	21%	7%	8%	13%	1,837	(1,507)	(80)	320	394	567	306	95,675
6/30/2009	45%	5%	22%	7%	8%	13%	2,097	(948)	(36)	74	143	533	234	90,730
7/31/2009	45%	5%	21%	7%	8%	13%	1,774	(288)	166	(120)	82	27	133	89,172
8/31/2009	45%	5%	21%	7%	9%	14%	1,768	(1,462)	68	218	323	525	328	112,852
9/30/2009	45%	5%	21%	7%	9%	14%	1,907	(894)	142	(61)	174	433	206	101,509
10/31/2009	44%	5%	21%	7%	9%	14%	2,117	(658)	172	(104)	143	221	226	107,237
11/30/2009	43%	5%	21%	7%	9%	14%	1,847	(150)	201	(172)	(119)	104	136	89,240
12/31/2009	43%	5%	21%	7%	9%	15%	2,019	(614)	(99)	106	225	63	319	81,386

THRIFT SAVINGS PLAN MONTHLY INVESTMENT ACTIVITY
L Fund Investment Balances and Number of Participants

Month end	L Fund Investment Balances						Number of Participant Accounts with L Fund Balances					
	Income (\$Mil)	2010 (\$Mil)	2020 (\$Mil)	2030 (\$Mil)	2040 (\$Mil)	Total (\$Mil)	Income	2010	2020	2030	2040	Any L Fund
12/31/2005	542	2,235	3,092	1,362	664	7,895	16,915	46,517	67,777	55,164	50,848	214,779
12/31/2006	917	4,081	6,418	3,335	2,126	16,877	34,698	87,845	137,155	124,086	132,325	433,025
12/31/2007	1,237	5,326	8,801	4,970	3,547	23,881	45,093	108,073	175,838	168,215	196,888	566,232
1/31/2008	1,248	5,137	8,379	4,730	3,303	22,797	45,776	107,113	174,501	168,348	196,366	567,020
2/29/2008	1,250	5,146	8,403	4,766	3,308	22,873	46,564	108,280	176,978	171,237	199,758	575,405
3/31/2008	1,237	5,084	8,368	4,800	3,305	22,794	47,165	108,208	177,624	173,291	201,998	580,062
4/30/2008	1,265	5,209	8,759	5,082	3,528	23,843	47,921	109,199	179,963	176,181	205,487	586,284
5/31/2008	1,285	5,322	9,045	5,294	3,715	24,661	48,740	110,531	182,790	179,242	209,726	594,265
6/30/2008	1,253	5,144	8,603	5,038	3,506	23,544	49,196	110,471	182,826	180,282	210,864	595,863
7/31/2008	1,213	5,025	8,462	5,020	3,465	23,185	49,233	109,347	182,062	180,885	211,567	596,002
8/31/2008	1,207	5,039	8,574	5,113	3,535	23,468	49,630	109,774	183,625	182,679	213,977	600,227
9/30/2008	1,153	4,698	7,821	4,687	3,205	21,564	49,411	106,961	179,661	180,726	211,784	591,817
10/31/2008	1,010	4,093	6,672	4,017	2,690	18,482	47,848	102,385	173,631	177,783	208,447	582,738
11/30/2008	966	3,951	6,376	3,848	2,570	17,711	47,850	102,551	173,631	178,231	209,233	582,213
12/31/2008	968	4,001	6,593	4,031	2,725	18,318	48,139	103,507	174,922	179,855	211,196	584,468
1/31/2009	936	3,874	6,257	3,817	2,571	17,455	48,283	103,812	175,057	180,440	212,115	585,781
2/28/2009	882	3,606	5,731	3,529	2,365	16,113	48,249	102,518	172,157	179,328	210,798	580,588
3/31/2009	884	3,580	5,959	3,777	2,571	16,771	48,493	102,097	171,406	180,065	211,682	581,045
4/30/2009	913	3,741	6,526	4,207	2,912	18,299	49,177	104,066	174,862	183,280	215,109	588,039
5/31/2009	953	3,905	7,022	4,564	3,200	19,644	50,011	105,967	177,921	186,083	218,449	595,315
6/30/2009	976	3,959	7,207	4,691	3,311	20,144	50,498	107,099	180,519	188,490	221,364	601,850
7/31/2009	1,007	4,094	7,714	5,069	3,615	21,499	50,842	107,948	182,661	190,481	223,997	606,828
8/31/2009	1,040	4,199	8,135	5,347	3,852	22,573	51,363	108,847	185,678	193,500	228,299	615,835
9/30/2009	1,081	4,283	8,500	5,635	4,090	23,589	51,823	109,315	187,915	196,265	232,005	623,066
10/31/2009	1,118	4,317	8,545	5,659	4,092	23,731	52,676	110,046	190,475	199,246	236,077	631,869
11/30/2009	1,151	4,410	8,945	5,960	4,337	24,803	53,156	110,474	192,795	202,022	239,947	639,034
12/31/2009	1,205	4,479	9,290	6,219	4,558	25,751	53,770	110,879	195,500	204,995	244,145	647,040

THRIFT SAVINGS PLAN MONTHLY INVESTMENT ACTIVITY
Allocation of Account Balances

Month end	Number of TSP Participants with Entire Account Balance Invested in One Lifecycle Fund						Allocation of Account Balances (G/F/C/S/I/L Fund)		
	FERS		CSRS		Uniformed Services		FERS (%)	CSRS (%)	Uniformed Services (%)
	#	%	#	%	#	%	(G / F / C / S / I / L)	(G / F / C / S / I / L)	(G / F / C / S / I / L)
12/31/2004	-	-	-	-	-	-	37 / 7 / 44 / 7 / 5 / -	43 / 6 / 42 / 5 / 4 / -	49 / 6 / 23 / 14 / 8 / -
12/31/2005	55,386	2%	17,220	2%	14,404	2%	35 / 6 / 39 / 8 / 7 / 5	40 / 6 / 38 / 6 / 6 / 4	44 / 5 / 21 / 15 / 10 / 5
12/31/2006	94,323	4%	25,860	4%	30,921	4%	32 / 5 / 36 / 8 / 10 / 9	38 / 5 / 35 / 6 / 8 / 8	38 / 4 / 20 / 14 / 13 / 11
12/31/2007	116,157	5%	28,753	5%	40,046	5%	32 / 5 / 33 / 7 / 12 / 11	39 / 5 / 32 / 6 / 9 / 9	36 / 4 / 18 / 13 / 15 / 14
1/31/2008	115,790	5%	28,066	5%	40,607	5%	35 / 6 / 31 / 7 / 10 / 11	42 / 6 / 30 / 5 / 8 / 9	37 / 4 / 18 / 13 / 14 / 14
2/29/2008	117,125	5%	27,878	5%	41,026	5%	37 / 6 / 30 / 6 / 10 / 11	43 / 6 / 29 / 5 / 8 / 9	38 / 4 / 17 / 13 / 14 / 14
3/31/2008	117,022	5%	27,303	4%	41,626	5%	37 / 6 / 30 / 6 / 10 / 11	43 / 6 / 29 / 5 / 8 / 9	39 / 4 / 17 / 12 / 14 / 14
4/30/2008	117,927	5%	27,144	4%	41,983	5%	37 / 6 / 30 / 6 / 10 / 11	43 / 6 / 29 / 5 / 8 / 9	38 / 4 / 17 / 12 / 14 / 15
5/31/2008	118,977	5%	27,189	4%	42,324	5%	36 / 6 / 30 / 7 / 10 / 11	43 / 6 / 29 / 5 / 8 / 9	37 / 4 / 17 / 13 / 14 / 15
6/30/2008	118,990	5%	26,849	4%	42,649	5%	38 / 6 / 29 / 6 / 10 / 11	45 / 6 / 28 / 5 / 7 / 9	39 / 4 / 16 / 12 / 14 / 15
7/31/2008	117,900	5%	26,107	4%	42,727	5%	40 / 6 / 28 / 6 / 9 / 11	46 / 6 / 27 / 5 / 7 / 9	40 / 4 / 16 / 12 / 13 / 15
8/31/2008	118,650	5%	25,952	4%	42,892	5%	40 / 6 / 29 / 6 / 8 / 11	47 / 6 / 27 / 5 / 6 / 9	39 / 4 / 16 / 13 / 13 / 15
9/30/2008	116,373	5%	24,973	4%	42,910	5%	43 / 6 / 27 / 6 / 8 / 10	51 / 6 / 25 / 4 / 5 / 9	42 / 4 / 16 / 12 / 11 / 15
10/31/2008	110,471	4%	22,635	4%	42,455	5%	49 / 6 / 24 / 5 / 6 / 10	57 / 6 / 22 / 3 / 4 / 8	47 / 5 / 14 / 10 / 10 / 14
11/30/2008	109,188	4%	21,955	4%	42,311	5%	52 / 6 / 23 / 4 / 5 / 10	58 / 6 / 21 / 3 / 4 / 8	49 / 5 / 14 / 9 / 9 / 14
12/31/2008	108,130	4%	21,470	4%	42,267	5%	50 / 7 / 22 / 5 / 6 / 10	58 / 6 / 21 / 3 / 4 / 8	48 / 5 / 14 / 9 / 10 / 14
1/31/2009	107,944	4%	21,032	4%	42,344	5%	53 / 7 / 22 / 4 / 5 / 9	60 / 6 / 19 / 3 / 4 / 8	50 / 5 / 13 / 9 / 9 / 14
2/28/2009	105,490	4%	19,855	3%	42,133	4%	56 / 7 / 19 / 4 / 5 / 9	62 / 7 / 18 / 3 / 3 / 7	53 / 5 / 12 / 8 / 9 / 13
3/31/2009	102,689	4%	18,823	3%	41,884	4%	55 / 7 / 20 / 4 / 5 / 9	63 / 6 / 18 / 3 / 3 / 7	50 / 5 / 13 / 9 / 9 / 14
4/30/2009	103,465	4%	18,839	3%	41,888	4%	53 / 6 / 22 / 5 / 5 / 9	60 / 6 / 20 / 3 / 4 / 7	48 / 5 / 13 / 10 / 10 / 14
5/31/2009	104,877	4%	18,995	3%	42,056	4%	51 / 6 / 22 / 5 / 6 / 10	59 / 6 / 20 / 4 / 4 / 7	46 / 5 / 13 / 10 / 11 / 15
6/30/2009	106,146	4%	19,152	3%	42,279	4%	50 / 6 / 22 / 5 / 7 / 10	57 / 6 / 20 / 4 / 5 / 8	45 / 5 / 14 / 10 / 11 / 15
7/31/2009	107,596	4%	19,281	3%	42,386	4%	48 / 6 / 23 / 6 / 7 / 10	56 / 6 / 21 / 4 / 5 / 8	45 / 4 / 14 / 10 / 11 / 16
8/31/2009	110,025	4%	19,513	3%	42,730	4%	47 / 6 / 24 / 6 / 7 / 10	55 / 6 / 22 / 4 / 5 / 8	43 / 4 / 14 / 11 / 12 / 16
9/30/2009	111,413	4%	19,650	3%	42,983	4%	45 / 6 / 24 / 6 / 8 / 11	53 / 6 / 23 / 4 / 6 / 8	43 / 4 / 14 / 11 / 12 / 16
10/31/2009	113,061	4%	19,823	3%	43,248	4%	45 / 6 / 24 / 6 / 8 / 11	54 / 6 / 22 / 4 / 6 / 8	44 / 4 / 14 / 10 / 12 / 16
11/30/2009	114,474	4%	19,897	4%	43,502	4%	44 / 6 / 25 / 6 / 8 / 11	53 / 6 / 23 / 4 / 6 / 8	42 / 4 / 15 / 11 / 12 / 16
12/31/2009	116,137	4%	20,090	4%	43,720	4%	44 / 6 / 25 / 6 / 8 / 11	53 / 6 / 23 / 4 / 6 / 8	42 / 4 / 15 / 11 / 12 / 16

THRIFT SAVINGS PLAN MONTHLY INVESTMENT ACTIVITY
L Fund Participation Rates and Balance Distribution

Month end	Participants with Balances in the L Funds						Allocation of L Fund Balances		
	FERS		CSRS		Uniformed Services		FERS (%)	CSRS (%)	Uniformed Services (%)
	(000s)	%	(000s)	%	(000s)	%	Inc/2010/2020/2030/2040	Inc/2010/2020/2030/2040	Inc/2010/2020/2030/2040
12/31/2005	138	6%	33	5%	44	7%	6 / 24 / 41 / 20 / 9	13 / 50 / 30 / 4 / 3	2 / 8 / 23 / 36 / 31
12/31/2006	273	12%	57	9%	103	14%	4 / 21 / 40 / 22 / 13	11 / 45 / 32 / 6 / 6	2 / 7 / 22 / 35 / 34
12/31/2007	359	15%	68	11%	139	17%	4 / 19 / 39 / 23 / 15	10 / 42 / 34 / 7 / 7	2 / 6 / 21 / 34 / 37
1/31/2008	360	15%	66	11%	140	17%	5 / 19 / 38 / 23 / 15	11 / 43 / 33 / 7 / 6	2 / 6 / 21 / 34 / 37
2/29/2008	366	15%	66	11%	143	17%	5 / 19 / 38 / 23 / 15	11 / 43 / 33 / 7 / 6	2 / 6 / 21 / 34 / 37
3/31/2008	369	15%	66	11%	145	17%	5 / 19 / 38 / 23 / 15	11 / 43 / 33 / 7 / 6	2 / 6 / 20 / 35 / 37
4/30/2008	373	15%	66	11%	147	17%	5 / 19 / 38 / 23 / 15	11 / 42 / 34 / 7 / 6	2 / 6 / 20 / 34 / 38
5/31/2008	379	16%	66	11%	149	17%	4 / 19 / 39 / 23 / 15	10 / 43 / 34 / 7 / 6	2 / 6 / 20 / 34 / 38
6/30/2008	380	15%	66	11%	150	17%	5 / 19 / 38 / 23 / 15	11 / 42 / 34 / 7 / 6	2 / 6 / 20 / 34 / 38
7/31/2008	380	15%	64	11%	151	17%	4 / 19 / 38 / 24 / 15	11 / 42 / 34 / 7 / 6	2 / 6 / 20 / 34 / 38
8/31/2008	383	15%	64	11%	153	17%	4 / 18 / 39 / 24 / 15	11 / 43 / 33 / 7 / 6	2 / 6 / 20 / 34 / 38
9/30/2008	377	15%	62	10%	153	17%	5 / 19 / 37 / 24 / 15	11 / 43 / 33 / 7 / 6	2 / 6 / 20 / 34 / 38
10/31/2008	372	15%	58	10%	152	17%	5 / 19 / 37 / 24 / 15	11 / 44 / 33 / 7 / 5	2 / 7 / 20 / 34 / 37
11/30/2008	372	15%	57	10%	153	17%	5 / 19 / 37 / 24 / 15	11 / 45 / 33 / 6 / 5	2 / 7 / 20 / 34 / 37
12/31/2008	373	15%	57	10%	154	17%	5 / 19 / 37 / 24 / 15	11 / 44 / 33 / 7 / 5	2 / 7 / 20 / 34 / 37
1/31/2009	375	15%	56	10%	155	17%	5 / 19 / 37 / 24 / 15	11 / 45 / 33 / 6 / 5	2 / 7 / 20 / 34 / 37
2/28/2009	371	15%	54	9%	155	17%	5 / 19 / 37 / 24 / 15	11 / 45 / 33 / 6 / 5	2 / 7 / 20 / 34 / 37
3/31/2009	372	15%	53	9%	155	16%	4 / 19 / 38 / 24 / 15	11 / 45 / 33 / 6 / 5	2 / 7 / 20 / 34 / 37
4/30/2009	378	15%	54	9%	157	16%	4 / 18 / 37 / 25 / 16	11 / 43 / 33 / 7 / 6	2 / 6 / 19 / 34 / 39
5/31/2009	383	15%	54	9%	158	17%	4 / 17 / 38 / 25 / 16	11 / 42 / 34 / 7 / 6	2 / 6 / 19 / 34 / 39
6/30/2009	388	15%	55	9%	159	17%	4 / 17 / 38 / 25 / 16	11 / 42 / 34 / 7 / 6	2 / 6 / 19 / 34 / 39
7/31/2009	392	15%	55	10%	160	17%	4 / 17 / 37 / 25 / 17	10 / 42 / 35 / 7 / 6	2 / 6 / 19 / 34 / 39
8/31/2009	399	15%	56	10%	161	17%	4 / 16 / 37 / 26 / 17	10 / 41 / 36 / 7 / 6	2 / 6 / 19 / 34 / 39
9/30/2009	404	15%	56	10%	162	17%	4 / 16 / 37 / 26 / 17	10 / 41 / 36 / 7 / 6	2 / 5 / 19 / 34 / 40
10/31/2009	412	15%	57	10%	163	17%	4 / 16 / 37 / 26 / 17	10 / 41 / 36 / 7 / 6	2 / 5 / 19 / 34 / 40
11/30/2009	418	15%	57	10%	164	17%	4 / 15 / 38 / 26 / 17	10 / 40 / 37 / 7 / 6	2 / 5 / 19 / 34 / 40
12/31/2009	424	16%	57	10%	165	17%	4 / 15 / 37 / 26 / 18	11 / 39 / 36 / 8 / 6	2 / 5 / 19 / 34 / 40



RiskMetrics Group

2099 Gaither Road
Rockville, MD 20850

October 9, 2009

Mr. Chad Spitzer
Associate Director
Corporate Governance & Proxy Voting
Barclays Global Investors
400 Howard Street
San Francisco, CA 94105

Dear Chad,

Enclosed are the results of our review of proxy votes by Barclays Global Investors for the 3rd quarter of 2009. Our review found that there were no exceptions to policy over this period.

Best regards,

A handwritten signature in black ink, appearing to be 'SEF', written over a horizontal line.

Steven E. Friedman
Chief Legal Officer

sef/awk/encl.

cc: Stephanie Bounds, Pearl Wong, Cassie Traeger, Adrian Kosinda

MEMORANDUM

The results of our review of BGI's 3rd quarter proxy voting are as follows:

- Votes at 48 meetings were examined.
- Votes at 12 of the 48 meetings were for directors and/or auditor only.
- At the remaining 36 meetings, there were 54 non-director/auditor proposals. The following table illustrates the votes involved by proposal type:

Proposal	Votes
Executive stock option plan	17
Employee share purchase plan	2
Advisory resolution on compensation committee reports	1
Stock option exchange program	3
Reverse stock split	1
Increase in common stock	3
Issue warrants/convertible debentures	1
Issue shares for private placement	1
Conversion of securities	1
Sale of common shares below net asset value	1
Merger and/or reorganization	3
Adjourn meeting	4
Adopt majority voting for non-contested election	2
Declassify board of directors	1
Amend certificate of incorporation	2
Other business	6
Shareholder proposal	5
Total:	54

- There were 17 votes cast on executive stock option plans:
 - a) 14 votes were cast in favor of the plans (82.4 percent)
 - b) 3 votes were cast against the plans (17.6 percent)
 - i) 2 executive stock option plans were opposed as plans permit repricing without shareholder approval;
 - ii) 1 executive stock option plan was opposed as the plan permits repricing without shareholder approval, and contains an evergreen provision.

- There were 2 votes cast on proposals to increase authorized common stock; both votes were cast in favor of the increases.

- There were 3 votes cast on mergers or major corporate transactions; all votes were cast in favor of the mergers.

- There were 5 votes cast on shareholder proposals which included:
 - a) 1 shareholder proposal to report on political contributions; the vote was cast against the proposal.
 - b) 2 shareholder proposal to authorize shareholders to call special meeting; the votes were cast against the proposal.
 - c) 1 shareholder proposal to adopt McBride principles; the vote was cast against the proposal.
 - d) 1 shareholder proposal to amend executive bonus plan; the vote was cast against the proposal.

There were no exceptions to policy this period.