

Report to Colorado
PERA Board of
Trustees

From Investment
Staff

Regarding Iran
Related Investment
Policy

March 21, 2008



Table of Contents

Section 1	Executive Summary
Section 2	<i>Colorado PERA Iran Related Investment Policy</i>
Section 3	Review of Staff Activities January 18 – March 21, 2008
Section 4	List of Iran-Related Companies Meeting Criteria as of March 21, 2008
Section 5	List of Iran-Related Companies Requiring Further Research
Section 6	PERA Holdings of Iran-Related Companies Meeting Criteria as of March 21, 2008
Section 7	Iran-Related Companies Meeting Criteria as of March 21, 2008 With Purchase Moratorium in Effect

SECTION 1

Executive Summary

Colorado PERA has expended significant resources since the adoption of the *Iran Related Investment Policy* in order to implement the requirements of the policy. Our efforts since the adoption of the policy have been focused on

- Obtaining and analyzing independent research on companies doing business in Iran based on the criteria included in the policy,
- Hiring a full-time analyst, and
- Contacting other large public funds regarding their Iran-related activities.

Research

PERA interviewed two external research providers to assess their ability to provide pertinent Iran-related research. PERA hired one research provider and obtained a list of companies identified as meeting the criteria specified in the policy. The list and accompanying research were carefully analyzed in relation to the policy requirements. This list was also compared to the list of companies provided by the Jewish Community Relations Council (JCRC). Differences between the two lists were examined in detail. Some of these differences have been resolved and some of the differences require further research. In total, there are 11 companies that meet the criteria specified in PERA's policy. Of the 11 companies, PERA owns direct public securities issued by eight of the companies. As of March 21, 2008, PERA will enact a moratorium on direct public investments in the three companies of the 11 that PERA does not currently own. PERA investment managers will be notified of this moratorium on or before March 21. There are 20 companies identified that require additional research; PERA intends to complete this additional research as soon as practical and will report the research progress and findings at the next Board meeting on June 20, 2008.

Engagement

PERA's policy requires that companies meeting the policy criteria must be engaged within 30 days after being identified. PERA has chosen to effect engagement immediately. On March 21, PERA will mail engagement letters to all 11 companies listed in Section 4 of this report. All companies on the list of Iran-related companies meeting PERA's criteria as of March 21, 2008, will have entered the policy engagement period as of that date.

On March 21, PERA will also mail letters requesting information from all companies listed in Section 5 of this report. These 20 companies require further research to determine if they meet PERA's policy criteria. PERA is seeking information directly from the companies in addition to using other information sources to determine if they meet the criteria.

Investment Staff Evaluation

Phase IV of the policy requires PERA staff to evaluate the companies' responses and determine if additional time is required to effectively engage the companies. PERA will provide an update on the engagement process at the next Board Meeting on June 20, 2008. Phase IV also requires staff to analyze (1) the available strategies for addressing the risk presented, (2) the materiality of the companies' Iranian operations in relation to their overall operations, and (3) the availability of alternative direct public investment providing similar diversity and return expectations.

Reporting

Staff is providing this Iran Related Investment Policy Report as of March 21, 2008. This report will be placed on the PERA Web site, and forwarded to the General Assembly and the Governor on March 21, 2008.

SECTION 2

Colorado PERA *Iran Related Investment Policy*

Adopted January 18, 2008

PERA will initiate a phased strategy to address PERA's direct public investments in foreign companies doing business in the Islamic Republic of Iran. The strategy will address and will include a number of actions, up to and including possible divestment. PERA recognizes the federal government has sole responsibility for the conduct of American foreign policy. PERA is acting out of a fiduciary concern for the welfare of its members' assets which requires a broad horizon and sensitivity to the potential risks posed by investment in Iran.

The United States prohibits loans from U.S. financial institutions and direct investment in the Iranian energy and defense sectors. The U.S. government can also impose economic sanctions on foreign companies investing in Iran's petroleum and natural gas sector. It is widely reported that Iran supports terrorism, supplies explosively formed penetrators for use against our troops in Iraq, continues to develop the infrastructure to support advanced nuclear technology, and that its president publicly calls for the destruction of the State of Israel.

PERA must be managed for the benefit of the members, retirees and beneficiaries, and this policy is developed to address the potential for risk presented by pension fund investments in companies doing business in Iran.

Accordingly the PERA Board of Trustees adopts a policy consisting of the following phases:

- Phase I: Commencing immediately, staff shall undertake research to identify a list of public companies doing business in Iran which meet the following criteria: (This list will be developed through staff research of publicly available information that may include the retention of external third party researchers and/or other information provided by other public funds, pension systems and investor organizations)
 1. That have made an investment on or after August 5, 1996, or in any combination in any 12 month period, of \$20,000,000 or more, in Iran's energy sector; or
 2. Are engaged in business with any Iranian organization labeled by the U.S. government as a terrorist organization; or
 3. Are engaged in any business that facilitates Iranian acquisition of nuclear, chemical or biological weapons technology or military equipment.
- Phase II: Upon a company being included on the list that meets the criteria set forth under Phase I in which PERA holds a direct public investment, staff shall within 30 days after identifying such a company, engage such company and ask them to:
 1. Provide a detailed description of the nature, extent, duration, and full history of the companies' business activities in Iran;
 2. Provide an explanation as to how these activities are consistent with a sound and prudent long-term investment strategy;
 3. Report how they are engaging the government of Iran regarding its conduct and how they are mitigating investment risks posed by doing business in Iran;
 4. Report whether substantial action has been taken to affect the policies and practices of the government of the Islamic Republic of Iran; and

5. Additionally, staff shall, where practical, confer and work with other pension systems and investor organizations regarding information stemming from their engagement with such companies and potentially cooperate in taking joint action in engaging such companies.
- Phase III: Upon a company being included on the list that meets the criteria set forth under Phase I, the Board enacts a moratorium on direct public investments in companies in which PERA currently holds no interest. The moratorium shall apply upon the date that staff determines such a company meets the criteria. The Board shall give 90-days advance notice before the effective date of any amendment or repeal of this moratorium to the public, the General Assembly and the Governor.
 - Phase IV: Within 90 days after engaging such a company, staff shall evaluate the companies' responses and determine if they have taken sufficient steps to minimize risk to PERA and/or whether additional time is required to effectively engage such company. If not, staff shall analyze:
 1. The available strategies for addressing the risk presented;
 2. The viability of working with other interested parties and investors to affect the policies and practices of companies with business operations in Iran;
 3. The materiality of the company's Iranian operations in regards to their overall operations; and
 4. The availability of alternative direct public investments providing similar diversity and return expectations.
 - Phase V: Staff shall report to the Board its findings, actions and recommendations concerning individual companies on the list at every regularly scheduled Board meeting. This report shall be made available to the public and forwarded to the General Assembly and the Governor; provided, however, the first public report shall be made no later than March 21, 2008. Should adequate mitigation of risk not be possible, the PERA Board of Trustees, consistent with its fiduciary obligations and responsibilities, will thereafter direct staff to:
 1. Withhold additional or new direct public investments in non-complying companies; and/or
 2. Divest current direct public investments in the companies.

Section 3

Review of Staff Activities

January 18 – March 21, 2008

- Initial contact with two independent research providers (January 25)
- Discuss product offering with first research provider (January 29)
 - What could they provide
 - Current clients they are serving with similar needs
 - What would it cost
 - What research is currently available
 - How much customization would be required to meet PERA's criteria
 - How long would it take to obtain a list customized to PERA's criteria
 - Agreed to send us a proposal and agreement
- Discuss product offering with second research provider (January 29)
 - What could they provide
 - Current clients they are serving with similar needs
 - What would it cost
 - How much customization would be required to meet PERA's criteria
 - How long would it take to obtain a list customized to PERA's criteria
 - Research provider indicated that it would be about three months, or perhaps sooner, to provide a list that met our criteria
- Received proposal from first research provider interviewed that included a sample report and a draft of an agreement for research services (January 30)
- Job description for Investment Analyst forwarded to Human Resources (January 29)
- Job posted in *Denver Post* and on CFA Web site (beginning February 3)
- First interviews (February 14, 15, 19, 26, 29 and March 6). Second interviews week of March 10
- Follow-up conversation with research provider regarding criteria wording (February 7). Also discussed inclusion of subsidiaries and nuclear power plants on the list – agreed to create a watch list for companies that do not have involvement in Iran
- Signed contract with research provider (February 13)
- Initial set of reports received from research provider (February 15). Detailed list of questions prepared relating to criteria wording, questions on specific companies on the list and also companies excluded from the list (February 25). Conversation regarding questions and definition of “investing in Iran” (February 26)
- Comparison of JCRC list (initially received in 2007) and research provider list (February 19)

- Evaluation of exposure (domestic equity and fixed income) to companies on both the JCRC list and the research provider list as of December 31, 2007 (February 25.) Consider needs for creating security identifiers for relevant companies and report description needs
- Conference calls with two large public pension plans to discuss what each fund has done to date (February 13)
- Received updated JCRC list (February 25)
- Received new research provider report (March 3)
- Updated comparison of JCRC list and research provider list (March 7)
- Contacted JCRC to request information regarding JCRC list criteria (March 7)
- JCRC contacted PERA and will request AIPAC to follow up on PERA request (March 9)
- Completed initial review of research provider's report and list (March 14)
- Prepared Iran Investment Policy Report to Board of Trustees (March 14 – March 20)

Section 4

Iran-Related Companies Meeting Criteria as of March 21, 2008

1. Bow Valley Energy Ltd.

Bow Valley Energy Ltd. is a Canadian natural resources company. According to the company's 2007 Annual Information Filing "since its inception in 1996, Bow Valley has been focused principally on sourcing, evaluating, and acquiring international oil and natural gas properties with exploration and exploitation potential....Bow Valley owns oil and natural gas assets in the United Kingdom and Alaska. Bow Valley is engaged in a full-cycle exploration and production program that entails land acquisition, seismic purchase and interpretation, drilling, facilities and pipeline construction, and the production of oil and natural gas."

Bow Valley Energy Ltd meets criteria (1) – a company that has made an investment on or after August 5, 1996, or in any combination in any 12-month period, of \$20 million or more, in Iran's energy sector.

2. China Petroleum & Chemical Corporation (Sinopec)

China Petroleum & Chemical Corporation (aka Sinopec) is a Chinese energy and chemical company. "China Petroleum & Chemical Corporation is an energy and chemical company, which through its subsidiaries, engages in integrated oil and gas, and chemical operations in the People's Republic of China. Oil and gas operations consist of exploring for, developing and producing crude oil and natural gas; transporting crude oil, natural gas and products by pipelines; refining crude oil into finished petroleum products, and marketing crude oil, natural gas and refined petroleum products. Chemical operations include the manufacture and marketing of a range of chemicals for industrial uses."¹

China Petroleum & Chemical Corporation meets criteria (1) – a company that has made an investment on or after August 5, 1996, or in any combination in any 12-month period, of \$20 million or more, in Iran's energy sector.

3. ENI S.p.A.

"ENI S.p.A. is an Italy-based company producing, supplying and distributing petroleum and natural gas, as well as producing electricity and offering engineering, construction and petrochemical services. The Company operates in three segments: Exploration and Production, which is involved in the exploration and production of hydrocarbons; Gas and Power, which is involved in all phases of the gas business and electricity generation activities, and Refining and Marketing, which is involved in the refining and marketing of petroleum products."¹

ENI S.p.A. meets criteria (1) – a company that has made an investment on or after August 5, 1996, or in any combination in any 12-month period, of \$20 million or more, in Iran's energy sector.

4. Gazprom OAO

Gazprom OAO is a Russian oil and gas company. "Gazprom OAO and its subsidiaries operate a gas pipeline system. The Company provides production of oil and oil products. It is also an exporter of gas to European countries. Its principal activities include exploration and production of gas; transportation of gas; domestic and export sale of gas; production of crude oil and gas condensate, and processing of oil, gas condensate and other hydrocarbons and sales of refined products. Other activities primarily comprise banking, construction and media. The Company

¹ Company description information sourced from Reuters.

² Company description information sourced from Company Web site.

operates through six segments: production of gas, transport, distribution, production of crude oil and gas condensate, refining and other.”¹

Gazprom OAO meets criteria (1) – a company that has made an investment on or after August 5, 1996, or in any combination in any 12-month period, of \$20 million or more, in Iran’s energy sector.

5. GS Engineering & Construction Corp.

“GS Engineering & Construction Corp., formerly LG Engineering & Construction Co., Ltd., is a Korean company involved in civil, architectural, and environmental engineering. The Company specializes in the construction of oil, gas, and petrochemical plants, and power and electrical plants; the construction of environmental facilities; the construction of commercial and residential buildings, and the provision of remodeling services. It is also engaged in feasibility studies; the gathering, analysis and evaluation of data on proposed projects; consulting services; the operation and maintenance of completed plants; design engineering services, including concept design, reserve design, basic design, detailed design, and production design; procurement services, and facilities-commissioning and start-up services.”¹

GS Engineering & Construction meets criteria (1) - a company that has made an investment on or after August 5, 1996, or in any combination in any 12-month period, of \$20 million or more, in Iran’s energy sector.

6. Lukoil OAO

“Lukoil is a vertically integrated Russian oil & gas company. The main activities of the Company are exploration and production of oil and gas, production of petroleum products and petrochemicals, and marketing of these outputs. Most of the Company’s exploration and production activity is located in Russia, and its main resource base is in Western Siberia. Lukoil owns modern refineries, gas processing and petrochemical plants located in Russia, Eastern Europe and near-abroad countries. Most of the Company’s production is sold on the international market. Lukoil petroleum products are sold in Russia, Eastern and Western Europe, near-abroad countries and the USA. Lukoil is carrying out international exploration and production projects in Kazakhstan, Egypt, Azerbaijan, Uzbekistan, Saudi Arabia, Iran, Colombia, Venezuela, Cote d’Ivoire, and Iraq.”²

Lukoil meets criteria (1) – a company that has made an investment on or after August 5, 1996, or in any combination in any 12-month period, of \$20 million or more, in Iran’s energy sector.

7. Petroleo Brasileiro (Petrobras)

“Petroleo Brasileiro S.A. (Petrobras) is a wholly owned enterprise of the Brazilian Government, which is responsible for all hydrocarbon activities in Brazil. The Company is engaged in a range of oil and gas activities. Petrobras operates in six segments: exploration and production, supply, distribution, gas and power, international and corporate. Its exploration and production segment encompasses exploration, development and production activities in Brazil. The supply segment encompasses refining, logistics, transportation, exportation and the purchase of crude oil, as well as the purchase and sale of oil products and fuel alcohol. In addition, this segment includes the petrochemical and fertilizers division, which includes investments in domestic petrochemical companies and its two domestic fertilizer plants. Its distribution segment represents the oil product and fuel alcohol distribution activities conducted by its wholly owned subsidiary, Petrobras Distribuidora S.A. - BR in Brazil. The gas and power segment encompasses the purchase, sale, transportation and distribution of natural gas produced in or imported into Brazil. In addition, this segment includes the Company’s participation in domestic electricity production,

¹ Company description information sourced from Reuters.

² Company description information sourced from Company Web site.

including investments in domestic natural gas transportation companies, state-owned natural gas distributors and gas-fired power companies. Its international segment encompasses exploration and production, supply, distribution and gas and power activities conducted in Argentina, Angola, Bolivia, Colombia, Ecuador, Equatorial Guinea, Iran, Libya, Mexico, Mozambique, Nigeria, Paraguay, Peru, the United States, Tanzania, Turkey, Uruguay, and Venezuela. Its corporate segment includes the financial results and those activities not attributable to other segments.”¹

Petroleo Brasileiro meets criteria (1) – a company that has made an investment on or after August 5, 1996, or in any combination in any 12-month period, of \$20 million or more, in Iran’s energy sector.

8. Petroliam Nasional (Petronas)

Petroliam Nasional is the Malaysian national oil company. “Petronas’ business has grown to encompass the full spectrum of oil and gas operations, both locally and globally, in the areas of upstream oil and gas exploration and production (E&P) to downstream oil refining; marketing and distribution of petroleum products; trading; gas processing and liquefaction; gas transmission pipeline network operations; marketing of liquefied natural gas (LNG); petrochemical manufacturing and marketing; shipping; and property investment. According to Bloomberg the company is also involved in upstream and downstream ventures in Vietnam, China, Pakistan, the Philippines, and the Middle East, and has interests in Australia and Argentina.”²

Petroliam Nasional meets criteria (1) – a company that has made an investment on or after August 5, 1996, or in any combination in any 12-month period, of \$20 million or more, in Iran’s energy sector.

9. Royal Dutch Shell Plc

Royal Dutch Shell Plc is an oil and gas company headquartered in the Netherlands. “Royal Dutch Shell Plc (Shell) is engaged in all principal aspects of the oil and natural gas industry, and also has interests in chemicals and additional interests in power generation and renewable energy (mainly in wind and advanced solar energy). The Company operates in five segments: Exploration & Production, which searches for and recovers oil and natural gas around the world and is active in 38 countries; Gas & Power, which liquefies and transports natural gas, and develops natural gas markets and related infrastructure; Oil Products, which include all of the activities necessary to transform crude oil into petroleum products and deliver these to customers worldwide; Chemicals, which produces and sells petrochemicals to industrial customers globally, and Other Industry Segments and Corporate, which include Renewables and Hydrogen.”¹

Royal Dutch Shell Plc meets criteria (1) – a company that has made an investment on or after August 5, 1996, or in any combination in any 12-month period, of \$20 million or more, in Iran’s energy sector.

10. StatoilHydro ASA

Statoil and NorskHydro ASA merged to become StatoilHydro ASA, a Norwegian oil and gas company, in October 2007. “StatoilHydro ASA is an integrated oil and gas company. The Company’s focus is on exploration, development and production of oil and natural gas from the Norwegian Continental Shelf.”¹

¹ Company description information sourced from Reuters.

² Company description information sourced from Company Web site.

StatoilHydro ASA meets criteria (1) – a company that has made an investment on or after August 5, 1996, or in any combination in any 12-month period, of \$20 million or more, in Iran's energy sector.

11. Total S.A.

Total S.A. is an oil company headquartered in France. "Total S.A. together with its subsidiaries and affiliates, is an integrated oil and gas company. With operations in more than 130 countries, Total engages in all aspects of the petroleum industry, including upstream operations (oil and gas exploration, development and production, liquefied natural gas) and downstream operations (refining, marketing, and the trading and shipping of crude oil and petroleum products). Total also produces base chemicals (petrochemicals and fertilizers), chlorochemicals, intermediates, performance polymers, and specialty chemicals for the industrial and consumer markets."¹

Total S.A. meets criteria (1) – a company that has made an investment on or after August 5, 1996, or in any combination in any 12-month period, of \$20 million or more, in Iran's energy sector.

¹ Company description information sourced from Reuters.

² Company description information sourced from Company Web site.

Section 5

List of Iran-Related Companies Requiring Further Research

1. Belarusneft and Belneftekhim

Based on Internet research Belarusneft, founded in 1966, is part of the Belarusian petrochemical concern Belneftekhim. The company imports crude oil from Russia and exports refined product.

At least one of PERA's research sources has indicated that the Company has not finalized agreement(s) to invest in Iran.

2. China National Petroleum Corp.

China National Petroleum Corporation is a Chinese oil and natural gas company. "China National Petroleum Corporation (CNPC) is a world-leading integrated energy corporation with businesses covering oil and gas upstream and downstream operations, oilfield services, engineering and construction, petroleum material and equipment manufacturing and supply."²

CNPC is not a public company. CNPC's subsidiary Petrochina is a public company, however, Petrochina does not appear to have operations in Iran.

3. China National Offshore Oil Corp. (CNOOC)

China National Offshore Oil Corp (CNOOC) is a Chinese oil exploration and development company. "CNOOC is a producer of offshore crude oil and natural gas and an independent oil and gas exploration and production company. It mainly engages in oil and natural gas exploration, development, production, and sales. The Company has four major oil production areas offshore China: Bohai Bay, western South China Sea, eastern South China Sea, and East China Sea. It is an offshore oil producer in Indonesia. It also has certain upstream assets in regions, such as Africa and Australia."¹

At least one of PERA's research providers has indicated that the Company has not finalized agreement(s) to invest in Iran.

4. ENAP

ENAP is a Chilean state-run oil company. According to the Company's Web site, ENAP carries out exploration and production activities for crude oil and natural gas and the refining and logistics of fuels and other petroleum by products. The company also provides services related to the oil industry such as the construction and maintenance of oil infrastructure, on land and at sea; and logistics for the transportation and storage of liquid and gas fuels.²

It is not clear what criteria, if any, ENAP may meet.

5. Essar Oil

"Essar Oil Limited (EOL) is an India-based company that is engaged in the exploration, production and marketing of oil and gas. The Company's principal activities range from oil exploration to the downstream sectors of marketing oil products and petrochemicals. It is organized into three divisions: exploration and production, refinery and marketing."¹

At least one of PERA's research providers has indicated that the Company has not finalized agreement(s) to invest in Iran.

¹ Company description information sourced from Reuters.

² Company description information sourced from Company Web site.

6. GAIL (India) Limited

GAIL (India) Limited is a natural gas company in India. “The Company operates through its business segments, which include gas transmission, petrochemicals, liquid hydrocarbons, LNG, LPG transmission and marketing, exploration and production (E&P), and coal bed methane (CBM).”¹

It is not clear what criteria, if any GAIL (India) Limited may meet.

7. GVA Consultants

GVA Consultants was acquired by Halliburton in November 2001; Halliburton said in 2005 that it would no longer take on new business in Iran; in 2007 Halliburton announced that the company was no longer working in Iran.

8. Indian Oil Corp. Ltd. (IOCL)

“Indian Oil Corporation Limited is engaged in petroleum refining, pipelines-crude oil and petroleum products, petroleum products marketing, and research and development.”¹

It is not clear what criteria, if any, Indian Oil Corp. Ltd. may meet.

9. INPEX

“INPEX Corporation, headquartered in Tokyo, Japan, is a supplier of oil and natural gas. The Company primarily is engaged in the exploration for, and the development, supply and shipping of natural resources such as petroleum and natural gas. The Company has major exploration projects in Indonesia, Australia, the Timor Sea Joint Petroleum Development Area (JPDA), the Caspian Sea area, the Middle East and South America.”¹

It is not clear what criteria, if any, INPEX may meet.

10. Linde AG

“Linde AG is the parent company of The Linde Group, which is an international technology group active in two business divisions: Gases and Engineering. The Gases Division offers a wide range of compressed and liquefied gases as well as chemicals. Linde gases are used in steel production, refining, chemical processing, environmental protection and welding, as well as in food processing, glass production, and electronics. The Engineering Division focuses on olefin plants, natural gas plants and air separation plants, as well as hydrogen and synthesis gas plants. The Linde Group is also active in logistics and supply chain solutions, vacuum and specialist equipment for the microelectronics industry, and welding products. The Linde Group is headquartered in Wiesbaden, Germany.”¹

It is not clear what criteria, if any, Linde AG may meet.

11. Liquefied Natural Gas (LNGL)

“Liquefied Natural Gas Limited is engaged in the development of liquefied natural gas (LNG) production plants to facilitate the production and sale of LNG in Australia.”¹

At least one of PERA’s research sources has indicated that the Company has not finalized agreement(s) to invest in Iran.

¹ Company description information sourced from Reuters.

² Company description information sourced from Company Web site.

12. Oil India Ltd. (OIL)

“Oil India Limited (OIL) is an Indian oil and gas company engaged in the exploration, development, production and transportation of crude oil and natural gas onshore in India. The Company also processes its produced natural gas to extract liquid petroleum gas. It also conducts exploration activity, both in India and overseas, through joint venture arrangements and production sharing contracts with other oil companies.”¹

It is not clear what criteria, if any, Oil India Ltd. may meet.

13. Oil and Natural Gas Corporation Ltd. (ONGC)

“Oil and Natural Gas Corporation Limited (ONGC) is an Indian company that is mainly engaged in oil exploration and production activities.”¹

It is not clear what criteria, if any, Oil and Natural Gas Corporation Ltd. may meet.

14. OMV AG

“OMV Aktiengesellschaft (OMV AG) is an Austrian oil and gas company. Its core business segments comprise exploration and production, refining and marketing, including petrochemicals and gas.”¹

It is not clear what criteria, if any, OMV AG may meet.

15. PTT Exploration & Production PCL

“PTT Exploration and Production PCL is a Thailand-based company engaged in the exploration, extraction, production and development of petroleum products. It provides petroleum, crude oil, condensate, natural gas and liquefied petroleum gas (LPG). In addition, PTT Exploration and Production is involved in the provision of gas pipeline services in Myanmar.”¹

It is not clear what criteria, if any, PTT Exploration & Production PCL may meet.

16. Repsol YPF, S.A.

“Repsol YPF, S.A. (Repsol YPF) is a Spanish integrated oil and gas company engaged in all aspects of the petroleum business, including exploration, development and production of crude oil and natural gas, transportation of petroleum products, liquefied petroleum gas and natural gas, petroleum refining, petrochemical production and marketing of petroleum products, petroleum derivatives, petrochemicals and natural gas.”¹

It is not clear what criteria, if any, Repsol YPF, S.A. may meet.

17. Sasol Ltd.

“Sasol Limited is an integrated oil and gas company with substantial chemical interests. Sasol mines coal in South Africa. The Company also has chemical manufacturing and marketing operations in Europe, Asia, and the Americas. Its larger chemical portfolios include monomers, polymers, solvents, olefins, surfactants, surfactant intermediates, comonomers, waxes, phenolics, and nitrogenous products.”¹

It is not clear what criteria, if any, Sasol Ltd. may meet.

¹ Company description information sourced from Reuters.

² Company description information sourced from Company Web site.

18. Sheer Energy

Sheer Energy was dissolved in October 2005; the successor entity was Cygam Energy Inc. “Cygam Energy Inc. is a publicly traded exploration company with producing oil and gas properties in Canada and extensive international exploration concessions. The main focus of the Corporation is the creation of shareholder value through the acquisition, exploration and development of international permits, primarily in Italy, Tunisia, and the Mediterranean basin. Cygam currently holds various interests in five exploratory concessions in Italy and four exploratory concessions in Tunisia.”²

Cygam Energy Inc. does not appear to have any direct Iranian interests.

19. The Siam Cement PCL

“The Siam Cement Public Company Limited is a Thailand-based industrial holding company. The Company’s main business is comprised of five segments: cement, which offers grey cement, ready-mixed concrete, white cement, dry mortar, fireclay bricks, and special refractories; petrochemical, which provides olefins and polyolefin; paper and packaging, which produces craft paper, corrugated paper boxes, pulp, as well as printing and writing paper; construction materials, which offers roofing products (fiber-cement roof tiles, concrete roof tiles and ceramic roof tiles), ceramic floor and wall tiles, concrete blocks, concrete floor tiles and precast concrete slabs; and distribution, which is engaged in distribution and trading services.”¹

It is not clear what criteria, if any, The Siam Cement PCL may meet.

20. Ulan-Ude Aviation Plant JSC

“Ulan-Ude Aviation Plant JSC is a Russian company specializing in the production of military and civilian helicopters and airplanes.”²

It is not clear what criteria, if any, Ulan-Ude Aviation Plant JSC may meet.

¹ Company description information sourced from Reuters.

² Company description information sourced from Company Web site.

SECTION 6

PERA Holdings of Iran-Related Companies Meeting Criteria as of March 21, 2008

To develop the following information, PERA used an identification date of March 13, 2008. The following table indicates which companies are (a) on the list meeting the policy criteria, and (b) are or are not held by PERA. Companies meeting the criteria and not held by PERA will have a moratorium effective date of March 21, 2008. Relevant PERA investment managers will be notified of this moratorium on or before March 21.

Company Name	Market Value
Bow Valley Energy Ltd.	–
China Petroleum & Chemical Corporation (Sinopec)	\$ 2,240,446
ENI S.p.A.	\$ 3,768,184
Gazprom OAO	\$ 49,335,664
GS Engineering & Construction Corp.	–
Lukoil OAO	\$ 9,061,762
Petroleo Brasileiro S.A. (Petrobras)	\$ 56,583,070
Petroliam Nasional (Petronas)	–
Royal Dutch Shell Plc	\$ 45,952,252
StatoilHydro ASA	\$ 34,971,959
Total S.A.	\$ 54,066,033

Section 7

Iran-Related Companies Meeting Criteria as of March 21, 2008, With Purchase Moratorium in Effect

Bow Valley Energy Ltd.

GS Engineering & Construction Corp.

Petroliam Nasional (Petronas)