

## **California ISO**

### **Retirees Medical Plan**

**Financial Statements and Supplemental Schedules  
December 31, 2009, 2008 and 2007 and for the years  
ended December 31, 2009 and 2008**

**California ISO  
Retirees Medical Plan  
Index  
December 31, 2009, 2008 and 2007**

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\* Other schedules required by 29 CFR 2520.103-10 of the Department of Labor's Rules and Regulations for reporting and disclosure under ERISA have been omitted because they are not applicable.

**Report of Independent Auditors**

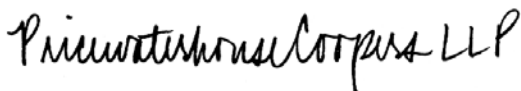
To the Participants and Administrator of  
California ISO Retirees Medical Plan:

We were engaged to audit the financial statements and supplemental schedules of California ISO Retirees Medical Plan (the "Plan") at December 31, 2009, 2008 and 2007 and for the years ended December 31, 2009 and 2008, as listed in the accompanying index. These financial statements and schedules are the responsibility of the plan administrator.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by Wells Fargo Bank N. A., the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedules. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained certifications from the trustee as of December 31, 2009, 2008 and 2007 and for the years ended December 31, 2009 and 2008, that the information provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and schedules taken as a whole. The form and content of the information included in the financial statements and schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

The Management's Discussion and Analysis, presented on pages 2-4, and the Required Supplementary Information ("RSI"), presented on page 14, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.



San Francisco, California  
October 15, 2010

# **California ISO Retirees Medical Plan Management's Discussion and Analysis December 31, 2009, 2008 and 2007**

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The following discussion and analysis of the California ISO Retirees Medical Plan (the Plan) provides an overview of the Plan's financial position for the years ended December 31, 2009, 2008 and 2007 and for the financial activities for the years ended December 31, 2009 and 2008. This discussion and analysis should be read in conjunction with the Plan's financial statements and accompanying notes, which follow this section.

## **BACKGROUND**

The California Independent System Operator Corporation (the Company) established the Plan, a single employer defined benefit plan, to provide post-employment health care benefits to all employees who retire from the Company on or after attaining age 60 with at least five years of service and to their spouses, domestic partners and eligible dependents. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

In December 2008, the Welfare Benefit Trust (the Trust) was created by the Company to partially fund the liabilities of the Plan and was established as a tax-exempt voluntary employees' beneficiary association under the Internal Revenue Code 501 (c)(9). The Company only funds the liabilities of the Plan and the current funding policy is to annually contribute an amount such that the total amount in the Trust approximates the actuarially determined liability attributable to retirees and their spouses and to active participants who are fully eligible to retire. However, in the event that the amounts in the Trust exceed the actuarially determined liability, the excess funds may be used to fund liabilities of other welfare benefit plans sponsored by the Company.

The Company is the Plan's named fiduciary and plan administrator and has designated an advisory committee. The advisory committee is appointed by the Company and has the responsibility of making discretionary determinations under the Plan and providing distribution directions to the trustee. The Company has appointed Wells Fargo Bank, N.A. (Wells Fargo or Trustee) as the Plan's Trustee.

## **FINANCIAL HIGHLIGHTS**

### **Overview of Financial Statements**

This discussion and analysis is intended to serve as an introduction to the Plan's financial statements, which are comprised of the following:

- Statements of Fiduciary Net Assets
- Statements of Changes in Fiduciary Net Assets
- Notes to Financial Statements

The Statements of Fiduciary Net Assets present information on the Plan's assets and liabilities and the resulting fiduciary net assets as of December 31, 2009, 2008 and 2007. These Statements reflect the Plan's investments at fair value, receivables and liabilities.

The Statements of Changes in Fiduciary Net Assets present information showing how the Plan's fiduciary net assets held in trust for benefits changed during the years ended December 31, 2009 and 2008. These statements reflect contributions by the Company and participants, along with investment income during the period from investing activities. Deductions for benefit payments to participants and administrative expenses are also presented.

The Notes to Financial Statements provide additional information that is essential to a full understanding of the data provided in the financial statements.

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The supplemental information on pages 15 and 16 details the schedules of assets held at December 31, 2009 and 2008, respectively. The schedules support the amounts that are reported with the Plan's Internal Revenue Service/U.S. Department of Labor Form 5500-SF Part III. The supplemental information on pages 17 and 18 details the schedule of reportable transactions for the period ended December 31, 2009 and 2008, respectively. This information is presented for the purposes of additional analysis and is not a required part of the financial statements.

**Financial Analysis**

The Plan's investments as of December 31, 2009 amounted to \$4.1 million, compared to \$1.8 million at December 31, 2008 and \$0 at December 31, 2007.

Additions to the Plan's net assets held in trust for postretirement healthcare benefits (OPEB) include contributions and net appreciation in fair value and any investment income. Company contributions in 2009 amounted to \$2.0 million, compared to \$1.9 million in 2008. The slight increase in the Company's contributions in 2009 as compared to 2008 was primarily attributable to an increase in the Company's OPEB liability. Retiree contributions in 2009 amounted to \$41.8 thousand, compared to \$28.1 thousand in 2008. The increase in the retiree contributions is primarily due to the increase in the number of retirees in 2009.

The Plan recognized net investment income of \$468.1 thousand in 2009, compared to net investment income of \$15.7 thousand in 2008. The increase in investment income in 2009 was due to improving economic conditions during the year and to a longer investment period.

Deductions from the Plan's net assets include premium payments for participants and administrative expenses.

**Condensed Statements of Fiduciary Net Assets (thousands):**

	2009	2008	2007
Assets:			
Investments	\$ 4,137.0	\$ 1,812.7	\$ -
Interest and other receivables	41.4	5.4	-
Total Assets	<u>4,178.4</u>	<u>1,818.1</u>	<u>-</u>
Liabilities			
Accrued liabilities	-	1.0	-
Net assets held in trust for benefits	<u>\$ 4,178.4</u>	<u>\$ 1,817.1</u>	<u>\$ -</u>

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**Condensed Statements of Changes in Fiduciary Net Assets (thousands):**

	<b>2009</b>	<b>2008</b>
Additions:		
Investment income	\$ 468.1	\$ 15.7
Contributions	<u>2,008.7</u>	<u>1,881.7</u>
Total additions	<u>2,476.8</u>	<u>1,897.4</u>
Deductions:		
Premiums paid for participants and administrative expenses	<u>115.5</u>	<u>80.3</u>
Net increase in net assets held in trust for benefits	2,361.3	1,817.1
Net assets held in trust for benefits, beginning of year	<u>1,817.1</u>	<u>-</u>
Net assets held in trust for benefits, end of year	<u>\$ 4,178.4</u>	<u>\$ 1,817.1</u>

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 Statements of Fiduciary Net Assets  
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	2009	2008	2007
<b>Assets</b>			
Investments at fair value (Note 3)	\$ 4,136,955	\$ 1,812,704	\$ -
Interest and other receivables	<u>41,401</u>	<u>5,462</u>	<u>-</u>
Total assets	4,178,356	1,818,166	-
<b>Liabilities</b>			
Accrued liabilities	<u>-</u>	<u>1,003</u>	<u>-</u>
Net assets held in trust for benefits	<u>\$ 4,178,356</u>	<u>\$ 1,817,163</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

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Statements of Changes in Fiduciary Net Assets  
For the years ended December 31, 2009 and 2008**

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	2009	2008
<b>Additions:</b>		
Investment income:		
Interest and dividends	\$ 159,000	\$ 4,459
Net appreciation in fair value of investments (Note 3)	309,063	11,254
	<u>468,063</u>	<u>15,713</u>
Contributions		
Employer	1,966,844	1,853,541
Retiree	41,822	28,157
	<u>2,008,666</u>	<u>1,881,698</u>
Total additions	<u>2,476,729</u>	<u>1,897,411</u>
<b>Deductions:</b>		
Premiums paid for participants	115,526	80,248
Administrative expenses	10	-
Total deductions	<u>115,536</u>	<u>80,248</u>
Net increase in net assets held in trust for benefits	2,361,193	1,817,163
Net assets held in trust for benefits, beginning of year	<u>1,817,163</u>	<u>-</u>
Net assets held in trust for benefits, end of year	<u>\$ 4,178,356</u>	<u>\$ 1,817,163</u>

The accompanying notes are an integral part of these financial statements.



**California ISO  
Retirees Medical Plan  
Notes to Financial Statements  
December 31, 2009, 2008 and 2007**

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**1. Description of the Plan**

**General**

The California Independent System Operator Corporation (the Company) established the Retirees Medical Plan (the Plan), a single employer defined benefit plan, to provide post-employment health care benefits to all employees who retire from the Company on or after attaining age 60 with at least five years of service and to their spouses, domestic partners and eligible dependents. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). Participants should refer to the Plan Agreement for complete description of the plan's provisions.

In December 2008, the Welfare Benefit Trust was created by the Company to partially fund the liabilities of the Plan and was established as a tax-exempt voluntary employees' beneficiary association under the Internal Revenue Code 501 (c)(9). The Company only funds the liabilities of the Plan and the current funding policy is to contribute annually an amount such that the total amount in the Trust approximates the actuarially determined liability attributable to retirees and their spouses and to active participants who are fully eligible to retire. However, in the event that the amounts in the Trust exceed the actuarially determined liability, the excess funds may be used to fund liabilities of other welfare benefit plans sponsored by the Company.

Substantially all employees of the Company are eligible to participate in the Plan when they retire. Retirees are eligible to participate in the Plan on the first day of the month coinciding with or following date of retirement. As of December 31, 2009, there were 26 employees and 14 retirees eligible to receive benefits from the Plan. As of December 31, 2008, there were 20 employees and 8 retirees eligible to receive benefits.

The Company is the Plan's named fiduciary and plan administrator and has designated an advisory committee to assist in the administration of the Plan and Trust. The advisory committee is appointed by the Company and has the responsibility of making discretionary determinations under the Plan and providing distribution directions to the trustee. The Company has appointed Wells Fargo Bank, N.A. (Wells Fargo or Trustee) as the Trust's Trustee.

**Contributions**

The Company's current funding policy is to contribute annually an amount such that the total amount in the Trust approximates the actuarially determined liability attributable to retirees and their spouses and to active participants who are fully eligible to retire. In addition, the Company also pays the Company's portion of the insurance premiums on behalf of the retirees directly from its own funds. Retirees are billed their portion of the medical premiums paid on their behalf by the Company on a monthly basis.

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The amount that the retirees are responsible for depends on the medical plan and the number of dependents claimed. The retiree contribution schedule is as follows for 2009, 2008 and 2007:

	<u>Cost Sharing of Medical Premium</u>	
	<u>Retiree</u>	<u>Dependent</u>
Ages 60-64		
Blue Shield HMO	30%	30%
Blue Shield PPO	40%	40%
Kaiser HMO	30%	30%
Ages 65+		
Blue Shield HMO	30%	30%
Blue Shield PPO	40%	40%
Kaiser HMO	0%	30%

The medical plans that the retirees are enrolled in are fully insured.

**Entitlement to Retiree Benefits**

Retirees are entitled to participate in the Plan upon retirement from the Company on or after attaining age 60 with at least five years of service.

**Payment of benefits**

The Company pays the Company's portion of the monthly insurance premiums for the Plan coverage chosen by the participants. The Company collects from retirees their portion of the medical premiums and pays the medical insurance premiums in total.

**Administrative expenses**

Administrative expenses of the Plan are paid by the Company. Investment transaction charges from the Trustee are paid by the Plan.

**2. Summary of Significant Accounting Policies**

**Financial Reporting Entity and Basis of Accounting**

The Plan is governed by the same board as the Company except to the extent delegated to an advisory committee or the officers of the Company. The Company's five-member board is currently appointed by the California governor and approved by the California state senate. The Plan uses the economic resources measurement focus and the accrual basis of accounting in accordance with standards of the Governmental Accounting Standards Board (GASB).

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**Use of estimates**

The preparation of financial statements in conformity with government accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, benefit obligations and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

**Investment valuation and income recognition**

The Plan's investments are stated at fair value, generally as quoted on a recognized securities exchange. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on an accrual basis.

The net appreciation or depreciation of the fair value of investments consists of realized gains and losses and unrealized appreciation or depreciation on the Plan's investments.

**Risks and uncertainties**

The Plan invests in various investment securities. Market values of investments may decline for a number of reasons, including changes in prevailing market and interest rates, increases in defaults and credit rating downgrades. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect account balances and the amounts reported in the statements of fiduciary net assets.

The actuarial present value of benefit obligations is reported based on certain assumptions pertaining to interest rates, health care inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that all changes in these estimates and assumptions in the near term would be material to the financial statements.

**Contributions**

Contributions are recognized as revenues in the period in which the Company funds the Trust as well as when the Company pays the premiums due for the retirees. Additionally, retiree contributions are recognized in the period that retirees are billed for their portion of the premiums paid on their behalf.

**Benefits**

Premiums paid on behalf of retirees are recorded as deductions from net assets held in trust for benefits when approved and paid by the Plan.

**3. Investments**

Investments at fair value as of December 31, 2009, 2008 and 2007 are as follows:

	2009	2008	2007
Bonds	\$ 3,794,171	\$ 1,591,968	\$ -
Money market funds	<u>342,784</u>	<u>220,736</u>	<u>-</u>
Total	<u>\$ 4,136,955</u>	<u>\$ 1,812,704</u>	<u>\$ -</u>

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**Credit risk**

Credit risk for investments is the risk that an issuer or other counterparty will not fulfill its obligations to the Plan and custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the Plan will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

The Plan generally follows the investment policy established for the Company except that the Plan is allowed to invest in securities with maturities of five years or more.

**Concentration of credit risk**

This is the risk of loss attributed to the magnitude of an entity's investment in a single issuer. In 2009, 2008 and 2007, investments that represent 5% or more of the Plan's net assets held in trust for post-retirement benefits at December 31, are as follows:

	2009	2008	2007
Avon Products, Inc	\$ 2,112,860	\$ -	\$ -
Berkshire Hathaway	1,681,311	1,591,968	-
Wells Fargo Money Market Institutional	<u>342,784</u>	<u>220,736</u>	-
Total	<u>\$ 4,136,955</u>	<u>\$ 1,812,704</u>	<u>\$ -</u>

*\* These investments do not represent 5% or more of the Plan's net assets for the respective year, but have been included for comparative purposes.*

**Interest rate risk**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment or a deposit. The Plan has direct investments in corporate bonds that are subject to interest rate risk. The Plan attempts to mitigate interest rate risk through portfolio diversification.

**Net appreciation in fair value of investments**

During 2009 and 2008, the Plan's investments (including gains and losses on investments held during the year) changed in value as follows:

	2009	2008	2007
Corporate bonds	\$ 309,063	\$ 11,254	\$ -
Total	<u>\$ 309,063</u>	<u>\$ 11,254</u>	<u>\$ -</u>

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**4. Financial Data Certified by Wells Fargo Bank, N.A.**

The Plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the following investment information was certified by the Trustee and was not subjected to any auditing procedures performed by the independent accountants:

- Investments of \$4,136,955, \$1,812,704 and \$0 included in the statements of fiduciary net assets as of December 31, 2009, 2008, and 2007, respectively;
- Interest and dividends of \$159,000 and \$4,459 and net appreciation in the fair value of investments of \$309,063 and \$11,254 included in the statements of changes in fiduciary net assets for the years ended December 31, 2009 and 2008, respectively; and
- Interest receivable of \$41,401 and \$4,459 included in the statement of fiduciary net assets as of December 31, 2009 and 2008, respectively.
- All information in the supplemental Schedules of Assets (Held at End of Year) and Schedules of Reportable Transactions.
- Investment information in Note 3.

The Trustee has certified that the information provided is complete and accurate.

**5. Related Party Transactions**

Certain Plan investments are shares of funds managed by Wells Fargo. Because Wells Fargo is the Trustee, these transactions qualify as party-in-interest transactions.

**6. Plan Termination**

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of the Internal Revenue Code (IRC).

**7. Tax Status**

The Company and the Plan's tax counsel believe that the Trust is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. By letter dated March 30, 2010, the Company requested a determination by the Internal Revenue Service that the Trust is tax-exempt under section 501(c)(9) of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

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**8. Actuarial Accrued Liability**

*Actuarial methods and assumptions*

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities (AAL) and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The following significant actuarial methods and assumptions were used in the calculation of the expense and annual required contribution (ARC) for the years ending December 31, 2009, 2008 and 2007.

Valuation date	January 1, 2009	January 1, 2008	January 1, 2007
Actuarial cost method	Projected unit credit	Projected unit credit	Projected unit credit
Amortization method	Level dollar, open	Level dollar, open	Level dollar, open
Remaining amortization period	15 years	15 years	15 years
Asset valuation method	Market	Market	Market
Investment rate of return	4.75%	5.25%	5.50%
Healthcare cost trend rate	9% initial, 5% ultimate	9% initial, 5% ultimate	9% initial, 5% ultimate

The foregoing assumptions are based on the presumption that the Plan will continue. If the Plan was to be terminated, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of the AAL.

*Funded status and funding progress*

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule below shows the funded status of the Plan based on the most recent actuarial valuation of Plan assets relative to the AAL (in thousands).

Actuarial Valuation Date	Actuarial Value of Assets (a)	Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b) - (a)] / (c)
January 1, 2010	\$ 4,137	\$ 18,009	\$ 13,872	23.0%	N/A*	N/A*

\* Benefits not related to pay

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The actuarial valuation as of January 1, 2010 was based on actuarial methods and assumptions that were generally consistent with those used in the calculation of the AAL for the year ended December 31, 2008, except for the discount rate (which changed from 4.75 percent to 5.00 percent) and HMO pre-65 morbidity adjustment (which changed from 60 percent to 52 percent, as a result of lower than expected number of retirees). The changes in the assumptions decreased the AAL by approximately \$1.1 million.

The actuarial valuation as of January 1, 2009 was based on actuarial methods and assumptions that were generally consistent with those used in the calculation of the AAL for the year ended December 31, 2007, except for the discount rate (which changed from 5.25 percent to 4.75 percent) and the health care cost year of ultimate trend (which changed from 2012 to 2016). The changes in the assumptions increased the AAL by approximately \$3.2 million.

The schedule of the employer contributions presents trend information about the amounts contributed to the Plan by the employer in comparison to the annual required contribution (ARC), an amount that is actuarially determined in accordance with the parameters of GASB Codification Section P50 *Financial Reporting for Postemployment Benefits Other than Pension Plans*. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost of each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

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Required Supplementary Information  
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The schedule of funding progress and schedule of employer contribution for the Plan are presented below:

**Schedule of Funding Progress (in thousands):**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b) - (a)] / (c)
January 1, 2007	\$ -	\$ 9,463	\$ 9,463	0.0%	N/A*	N/A*
January 1, 2008	-	12,245	12,245	0.0%	N/A*	N/A*
January 1, 2009	1,813	17,171	15,358	10.6%	N/A*	N/A*
January 1, 2010	4,137	18,009	13,872	23.0%	N/A*	N/A*

\* Benefits not related to pay

**Schedule of Employer Contributions (in thousands):**

Year Ended	Annual Required Contribution (ARC)	Employer Contribution	Percentage Contributed
2007	\$ 2,490	\$ 42	1.7%
2008	3,099	1,866	60.2%
2009	4,273	2,077	48.6%



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Form 5500-SF Line 7c  
Schedule of Assets (Held at End of Year)  
December 31, 2009**

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(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
	Avon Products, Inc, 2013, 4.8%	Corporate bond	\$ 2,000,000	\$ 2,112,860
	Berkshire Hathaway, 2013, 4.6%	Corporate bond	1,580,714	1,681,311
*	Wells Fargo Money Market Institutional	Money market fund	342,784	342,784
	Interest receivable		41,401	41,401
	Total investments		<u>\$ 3,964,899</u>	<u>\$ 4,178,356</u>

\* Party-in-Interest

The information in this schedule has been certified as to its completeness and accuracy  
by The Wells Fargo Bank, N.A..

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Form 5500-SF Line 7c  
Schedule of Assets (Held at End of Year)  
December 31, 2008**

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(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
	Berkshire Hathaway, 2013, 4.6%	Corporate bond	\$ 1,580,714	\$ 1,591,968
*	Wells Fargo Money Market Institutional	Money market fund	220,736	220,736
	Interest Receivable		4,459	4,459
	Total investments		<u>\$ 1,805,909</u>	<u>\$ 1,817,163</u>

\* Party-in-Interest

The information in this schedule has been certified as to its completeness and accuracy by The Wells Fargo Bank, N.A..

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**Form 5500-SF**  
**Schedule of Reportable Transactions**  
**December 31, 2009**

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Description of Asset	Number of Purchases	Purchase Price	Expense Incurred with Transaction	Current Value of Asset on Transaction Date
Avon Products, Inc, 2013, 4.8%	1	\$ 1,893,140	\$ -	\$ 1,893,140

The information in this schedule has been certified as to its completeness and accuracy by The Wells Fargo Bank, N.A..

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 Schedule of Reportable Transactions  
 December 31, 2008**

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Description of Asset	Number of Purchases	Purchase Price	Expense Incurred with Transaction	Current Value of Asset on Transaction Date
Berkshire Hathaway, 2013, 4.6%	1	\$ 1,580,714	\$ -	\$ 1,580,714

The information in this schedule has been certified as to its completeness and accuracy by The Wells Fargo Bank, N.A..