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February 28, 2012

The Honorable Vincent C. Gray  
The Honorable Yvette M. Alexander  
The Honorable Marion Barry  
The Honorable Muriel Bowser  
The Honorable Kwame R. Brown  
The Honorable Michael A. Brown  
The Honorable David A. Catania  
The Honorable Mary M. Cheh  
The Honorable Jack Evans  
The Honorable Jim Graham  
The Honorable Phil Mendelson  
The Honorable Tommy Wells  
Mayor and Council Members of the District of Columbia  
The John A. Wilson Building  
1350 Pennsylvania Avenue, N.W.  
Washington, D.C. 20004

Dear Mayor Gray and Councilmembers Alexander, Barry, Bowser, K. Brown, M. Brown, Catania, Cheh, Evans, Graham, Mendelson, and Wells:

This letter is being sent to you pursuant to the reporting requirements set forth in the **“Prohibition of the Investment of Public Funds in Certain Companies Doing Business with the Government of Iran and Sudan Divestment Conformity Act of 2008”** (the “Act” DC Law 17-337 codified at DC Official Code §§1-336.01 -1-336.06), which became District of Columbia law on March 21, 2009. Specifically, Section 1-335.04(b) of the Act requires that the District of Columbia Retirement Board (the “Board”) send you an annual report describing certain activities undertaken by the Board in compliance with the terms of the Act. Therefore, please find below a description of such activities immediately following the applicable statutory reporting requirement:

**(1) All investments sold, redeemed, divested, or withdrawn in compliance with Section 1-336.03(a).**

The Board was not required to sell, redeem, divest, or withdraw any investments in order to comply with Section 1-336.03(a).

**(2) All prohibited investments under Section 1-336.03(b).**

The Board's portfolio includes a small position in Gazprom. Written notice informing the company of their scrutinized company status and imminent divestment was sent in accordance with Section 1-336.03. The company responded with disclosure that it would imminently stop receiving payments for work done previously, and did not reveal any plans for new business activities. Therefore, it was maintained in the portfolio for further monitoring.

**(3) Any progress made under Section 1-336.03 [c].**

In accordance with Section 1-336.03[c], the Board submitted letters to the managers of actively-managed investment funds with indirect holdings of securities of companies on the Scrutinized Companies List requesting that they either consider removing such securities from the investment fund or create a similar actively-managed investment fund with indirect holdings devoid of such securities. Despite the Board's requests, the managers of these investment funds will neither remove these securities from the funds nor create similar actively-managed funds devoid of such securities.

**(4) A list of all publicly-traded securities held directly by the public fund.**

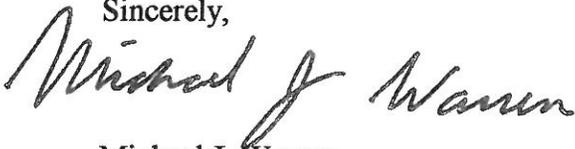
Please refer to Exhibit A, which is a current listing of the Board's direct holdings in publicly-traded securities.

**(5) A list of any investments held by the Public Fund that would have been divested under Section 1-336.03(a), but for Section 1-336.03(d), including a statement of reasons why a sale or transfer of the investments is inconsistent with the fiduciary responsibilities of the District of Columbia Retirement Board and the circumstances under which the District of Columbia Retirement Board anticipates that it will sell, transfer, or reduce the investment.**

The Board does not hold any investments that would have been divested under Section 1-336.03(a) but for Section 1-336.03(d).

Please let us know if you have any questions regarding the above.

Sincerely,



Michael J. Warren  
Chairman

cc: Board of Trustees  
Jeffrey Feltman, U.S. Department of State