



**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
MIAMI REGIONAL OFFICE  
801 BRICKELL AVENUE  
SUITE 1800  
MIAMI, FLORIDA 33131  
Phone: (305) 982-6300  
Facsimile: (305) 536-4146**

October 17, 2008

**Via Federal Express and E-Mail**

Linda Lettera, Esq.  
General Counsel  
State Board of Administration  
1801 Hermitage Blvd.  
Tallahassee, FL 32308

**Re: Florida Local Government Investment Pool, File No. FL-03366**

Dear Ms. Lettera:

Reference is made to your request for a copy of the Formal Order of Private Investigation in the above-referenced matter. Pursuant to Rule 7(a) of the Commission's Rules Relating to Investigations, your request has been granted and we herewith enclose a copy of the formal order of investigation.

This order is a confidential document directing a non-public investigation and is being furnished to you at your request for your own use solely in connection with your firm's representation of your client.

Sincerely yours,

Eric R. Busto  
Assistant Regional Director

enc: Copy of formal order (FL-03366)

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# NON-PUBLIC

UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION

July 31, 2008

In the Matter of

Florida Local Government  
Investment Pool

FL-3366

**ORDER DIRECTING PRIVATE  
INVESTIGATION AND DESIGNATING  
OFFICERS TO TAKE TESTIMONY**

**I.**

The Commission's public official files disclose that:

- A. Lehman Brothers, Inc. ("Lehman Brothers") is a broker-dealer registered with the Commission and is headquartered in New York, New York.
- B. J.P. Morgan Securities, Inc. ("J.P. Morgan") is a broker-dealer registered with the Commission and is headquartered in New York, New York.
- C. Credit Suisse Securities LLC ("Credit Suisse") is a broker-dealer registered with the Commission and is headquartered in New York, New York.

**II.**

Members of the staff have reported information to the Commission that tends to show that from at least March 2007:

- A. The Florida State Board of Administration ("SBA") is a professional investment management organization that manages state and local government funds. It is located in Tallahassee, Florida. The SBA manages the Local Government Investment Pool (a/k/a Local Government Surplus Funds Trust Fund) ("LGIP"), a multi-billion dollar money market portfolio, along with other funds. The SBA is not registered with the Commission in any capacity.
- B. In possible violation of Section 17(a) of the Securities Act of 1933 ("Securities Act") and Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") and Rule 10b-5 thereunder, the SBA, Lehman Brothers, J.P. Morgan, Credit Suisse, their officers, directors, employees, partners, subsidiaries and/or affiliates, and/or other persons or entities, directly or indirectly, in the offer or sale or in connection with the purchase or sale of certain securities, may have been or may be employing devices, schemes, or artifices to defraud, obtaining money or property by means of untrue statements of material fact or omitting to state material facts necessary in order to make the statements made, in the light of the circumstances under which

they were or are made, not misleading, or engaging in transactions, acts, practices or courses of business which operated, operate, or would operate as a fraud or deceit upon any person. As part of these activities, such persons or entities, directly or indirectly, may have been or may be, among other things, making false statements of material fact or failing to disclose material facts concerning, among other things, the risk and liquidity of investments purchased by the LGIP and possibly other SBA-managed funds.

C. In possible violation of Section 15(c)(1)(A) of the Exchange Act, Lehman Brothers, J.P. Morgan, and Credit Suisse, their officers, directors, employees, partners, subsidiaries, and/or affiliates, and/or other persons or entities, while acting as brokers or dealers, may have been or may be effecting any transaction in, or inducing or attempting to induce, the purchase or sale of any security (other than commercial paper, bankers' acceptances, or commercial bills) otherwise than on a national securities exchange of which such broker or dealer is a member by means of manipulative, deceptive, or other fraudulent devices or contrivances, including: acts, practices, or courses of business which operated, operate, or would operate, or may be operating as a fraud or deceit upon any person; or any untrue statement of a material fact and any omission to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading. As a part of these activities, such persons or entities, directly or indirectly, may have been or may be, among other things, making false statements of material fact or failing to disclose material facts concerning, among other things, the risk and liquidity of investments sold to the LGIP and possibly other SBA-managed funds.

D. While engaged in the above-described activities, such persons or entities, directly or indirectly, may have been or may be making use of any means or instruments of transportation or communication in interstate commerce, or of the mails, or of any facility of any national securities exchange.

### III.

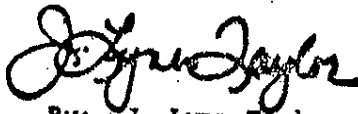
The Commission, having considered the staff's report and deeming such acts and practices, if true, to be possible violations of Section 17(a) of the Securities Act and Sections 10(b) and 15(c) of the Exchange Act and Rule 10b-5 thereunder, finds it necessary and appropriate and hereby:

ORDERS, pursuant to the provisions of Section 20(a) of the Securities Act and Section 21(a) of the Exchange Act that a private investigation be made to determine whether any persons or entities have engaged in, or are about to engage in, any of the reported acts or practices or any acts or practices of similar purport or object; and

FURTHER ORDERS, pursuant to the provisions of Section 19(c) of the Securities Act and Section 21(b) of the Exchange Act that for purposes of such investigation, David Nelson, Glenn S. Gordon, Eric R. Busto, Robert K. Levenson, Gary M. Miller, Julie M. Russo, Elisha L. Frank, Salvatore Massa, Michael Riedlinger, Timothy J. Galdencio, Christopher E. Martin, Scott A. Masel, Brian K. Barry, Amie R. Berlin, and C. Ian Anderson, and each of them, are hereby designated as officers of the Commission and are empowered to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memoranda, or other records deemed relevant or material to the inquiry, and to perform all other duties in connection therewith as prescribed by law.

By the Commission.

Florence E. Harmon  
Acting Secretary



By: J. Lynn Taylor  
Assistant Secretary



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October 17, 2008

**Via Federal Express and E-Mail**

Linda Lettera, Esq.  
General Counsel  
State Board of Administration  
1801 Hermitage Blvd.  
Tallahassee, FL 32308

**Re: Florida Local Government Investment Pool (FL-3366)**

Dear Ms. Lettera:

As you know, the staff of the United States Securities and Exchange Commission has requested the testimony of Michael Lombardi, Carmen Fisher, Rob Smith, and Kevin Sigrist in connection with the above-referenced matter. To accommodate you, we have agreed to conduct the testimonies in Tallahassee based on the following schedule proposed by Michael Pucillo, who we understand will be representing the witnesses:

- Michael Lombardi, October 23 at 9:30 am, October 24 at 8:30 am
- Rob Smith, October 28 at 8:30 am
- Kevin Sigrist, October 28 at 2:00 pm
- Carmen Fisher, October 29 at 8:30 am

This investigation is confidential. The fact that this information has been requested should not be construed to be a reflection on the character or reputation of the persons or entities involved, nor as an expression of opinion on the part of the Commission or its staff that any violations of the law have occurred. Enclosed is a copy of SEC Form 1662, containing important

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information and including a statement of routine uses for information that is provided to the SEC.

Sincerely,



Salvatore Massa  
Senior Counsel

Enclosure: Form 1662  
Cc: Michael Pucillo, Esq.

No. 5676



**SUBPOENA**  
**UNITED STATES OF AMERICA**  
**SECURITIES AND EXCHANGE COMMISSION**

In the Matter of Florida Local Government Investment Pool FL-3366

To: Florida State Board of Administration  
c/o Michael Pucillo, Esq.  
Berman DeValerio  
4280 Professional Center Dr. #350  
Palm Beach Gardens, FL 33410

**YOU MUST PRODUCE** everything specified in the Attachment to this subpoena to officers of the Securities and Exchange Commission, by the 17th day of April, 2009, at 9:30 a.m. at the place specified below:

U.S. Securities and Exchange Commission  
Miami Regional Office  
801 Brickell Avenue, Suite 1800  
Miami, Florida 33131

**YOU MUST TESTIFY** before officers of the Securities and Exchange Commission at the place, date, and time specified below:

Place:  
Date:  
Time:

**FEDERAL LAW REQUIRES YOU TO COMPLY WITH THIS SUBPOENA.**  
Failure to comply may subject you to a fine and/or imprisonment.

By: Salvatore Massa  
Salvatore Massa  
Senior Counsel

Date: April 2, 2009

I am an officer of the Securities and Exchange Commission authorized to issue subpoenas in this matter. The Securities and Exchange Commission has issued a formal order authorizing this investigation under Section 20(a) of the Securities Act of 1933 and Section 21(a) of the Securities Exchange Act of 1934.

**NOTICE TO WITNESS:** If you claim a witness fee or mileage, submit this subpoena with the claim voucher.

Apr. 2. 2009 5:10PM

Received Time Apr. 2. 2009 4:05PM No. 5674

Florida Local Government Investment Pool (FL-3366)

No. 5676

I. INSTRUCTIONS AND DEFINITIONS

This subpoena calls for the production of documents in accordance with the following general requirements:

A. ORIGINAL MATERIALS

Unless otherwise specified, each request for documents or other materials calls for the production of the original and all copies and drafts of the same. Documents which contain written comments, notes, corrections or to which have been attached or appended additional material are not to be construed as an exact duplicate and, therefore, must be produced.

B. POSSESSION, CUSTODY OR CONTROL

You are required to submit all subpoenaed items which are in your possession, custody, or control. Items under your control or custody, but not in your immediate possession, are required to be obtained and submitted.

C. DEFINITIONS

1. The term "communication" shall have its general meaning, including oral, written, and electronic communications.

2. The words "and" and "or" shall be construed either disjunctively or conjunctively as necessary to bring within the scope of the attachment all documents that might otherwise be construed to fall outside of its scope.

3. As employed herein, the term "documents" includes all writings and graphic matter of any kind, including, but not limited to, the original, all interim drafts, and each copy containing interlineations, deletions, marginal notes, or which is otherwise non-conforming and which shall include, but not be limited to, any file, book, card, article, press release, financial statement or report, note, bank statement, canceled checks, analysis, deposit slip, credit and debit memoranda, telex, bill (including telephone and credit card), correspondence, e-mail, ledger sheet, receipt, transcript, photograph, sketch, chart, graph, diagram, diary, telephone log, appointment calendar, telegram, telecopy, fax, mailgram, accounting workpaper, report, computer printout, filing with any state or federal agency, inter- or intra-office communication, minutes of meetings, invoices, and any tangible items of readable or visual material, whether printed, typed, handwritten, microfilmed, or recorded on tape, disk or other means of recording or data entry. The term "documents" also includes voice recordings, film, tapes, and other compilations from which

Apr. 2. 2009 5:10PM

Received Time Apr. 2. 2009 4:05PM No. 5674

No. 5676 P. 7

information can be obtained. The term "documents" also includes responsive information stored in electronic and/or computer files including, but not limited to, in electronic mail systems, hard drives, computer discs and backup tapes.

4. The word "LGIP" refers to the Florida Local Government Investment Pool that is administered by the Florida State Board of Administration.

5. The term "LGIP participant" refers to any entity that maintained an account with the LGIP at any time during the time period from September 1, 2007, to January 31, 2008.

6. The term "relating to" means "relate to," "refer to," "reflect," "about," "concern," or "constitute."

II. PRODUCTION OF DOCUMENTS

You are required to produce:

1. All communications with LGIP participants relating to inquiries or complaints about LGIP's management, investment strategy, or investment portfolio for the period September 1, 2007, to January 31, 2008.
2. Daily activity for each LGIP participant sufficient to show deposits, withdrawals and balances for the period September 1, 2007, to December 31, 2007.
3. All documents relating to the "S & P Rated LGIP 30-Day Yield Index" referred to in LGIP's "Investment Policy Guidelines" effective July 1, 2006, and any prior and subsequent benchmarking indices used by LGIP for the period January 1, 2002, to December 31, 2007. This request includes, but is not limited to, yield information on a monthly and annual calendar basis and comparisons of the LGIP's performance against the benchmark(s).
4. All documents relating to any changes for any benchmark or index referred to in Item (3) for the period January 1, 2002, to December 31, 2007.

2. 2009 5:11PM