

**RESOLUTION OF THE BOARD OF TRUSTEES  
OF THE  
NEW HAMPSHIRE RETIREMENT SYSTEM**

**WHEREAS**, Sections 100-A:14 and 100-A:15 of the New Hampshire Revised Statutes Annotated (the “RSA”) provide that the Board of Trustees (the “Board”) of the New Hampshire Retirement System (the “System”) is vested with the authority to administer and set the investment policy of the System; and

**WHEREAS**, Section 100-A:14 of the RSA grants the Board the authority to adopt such rules and regulations as it deems necessary to the fulfillment of its duties to the System; and

**WHEREAS**, Section 100-A:15, I-b of the RSA provides that various standards of conduct apply to vendors and other fiduciaries that have discretionary control over the management of the “assets” of the System; and

**WHEREAS**, Section 100-A:15, I-b of the RSA does not define when the underlying assets of a commingled entity will be deemed to be “assets” of the System;

**NOW, THEREFORE**, pursuant to its authority to administer the System and establish its investment policy, the Board hereby adopts the following resolutions:

**RESOLVED**, that when the System makes an equity investment in another entity, the underlying assets of such other entity will be deemed “assets” of the System for purposes of Section 100-A:15, I-b of the RSA except with respect to investments in the following entities:

- (a) Publicly-offered securities
- (b) An investment company registered under the Investment Company Act of 1940
- (c) A Company primarily engaged, either directly or through majority-owned subsidiaries, in the production and/or sale of goods and/or services (other than the investment of capital) (“Operating Company”)
- (d) A private equity fund whose primary objective is to invest in Operating Companies in which it has contractual rights to influence company management
- (e) A private investment fund whose primary objective is to invest in real estate with respect to which it has the right to participate directly in the development or management
- (f) A government mortgage pool guaranteed by the United States or an agency or instrumentality thereof

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- (g) An investment fund or entity in which:
  - (1) (i) private U.S. employee benefit plans subject to Part 4 of Subtitle B of Title I of the Employee Retirement Income Security Act of 1974 (“ERISA Plans”), (ii) plans subject to Section 4975 of the Internal Revenue Code (“4975 Plans”), and (iii) other entities deemed under ERISA to hold assets of such ERISA Plans and 4975 Plans (together with ERISA Plans and 4975 Plans, “Benefit Plan Investors”), hold less than 25% of any class of equity interests and
  - (2) the System holds less than 25% of the total equity interests
- (h) An insurance company general account to the extent that the non-guaranteed policy portion of such account is less than 25% held by Benefit Plan Investors and less than 25% held by the System

**RESOLVED**, that it is the intention of the Board that in settling any ambiguity regarding foregoing resolution, the Board shall look to available guidance under ERISA to settle such ambiguity.

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