

These minutes were approved at the October 28, 2011 Committee meeting.

**Governance Committee  
Board of Trustees  
June 14, 2011**

**Public Minutes**

**New Hampshire Retirement System  
54 Regional Drive  
Concord, New Hampshire**

*Committee Members:* Justin Cutting, *Chair*; Sam Giarrusso; Rep. Ken Hawkins; Kate McGovern, Ph.D. Dean Crombie, *absent*.

*Trustee:* Cathy Provencher

*Staff:* Kim France, *Interim Executive Director*; Larry Johansen, *Director of Investments*; Tim Crutchfield, Esq., *Chief Legal Counsel*; Shannan Hudgins, *Administrative Coordinator*.

*Guest:* Ian Lanoff, Esq., Groom Law Group; *Fiduciary Counsel*

Chair Cutting called the meeting to order at 8:04 a.m. On a motion by Rep. Hawkins, seconded by Trustee Giarrusso, the minutes of the April 11, 2011 Committee meeting were approved unanimously.

Chair Cutting next addressed the request for compensation related to indemnification review, asking Atty. Crutchfield to provide the Committee a synopsis of the work completed to date and any action requested of the Committee. Atty. Crutchfield first stated that the matter was related to the IIC-member indemnification review that began in December 2010, to assure that the non-trustee IIC members were afforded the same indemnification protections as NHRS Trustees. The work process had included revising both the indemnification policy and RSA 100-A, and both outside counsel and Groom Law Group had worked on the matter. Before moving further, he asked that the Committee consider recommending that the Board remove the attorney-client privilege of confidentiality from the letter dated April 8, 2011 from McLane Law Firm and the memorandum dated May 10, 2011 from Groom. On a motion by Trustee Giarrusso, seconded by Rep. Hawkins, the Committee unanimously voted to recommend to the Board to remove the attorney-client privilege from the two documents.

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Atty. Crutchfield continued by stating that the McLane letter requesting compensation was directly related to the indemnification review.

On a motion by Trustee Giarrusso, seconded by Rep. Hawkins, the Committee voted unanimously to recommend to the full Board that it deny the allowing of fiduciary counsel to compensate external counsel for work related to advising NHRS on the indemnification policy.

Chair Cutting then opened the discussion on the proposed quorum amendment regarding Board committees, with Atty. Crutchfield stating that the materials were in the Board packet and the proposed language was taken from the NH Business Finance Authority statute. Chair Cutting stated that the topic had been fully discussed at previous Board meetings and that upon the decision of the Committee, he would present the recommendation to the Board later that morning. He also asked that the language be clear in stating that full Board meetings were excluded from the quorum amendment and that only subcommittee meetings were covered in it.

Moved by Rep. Hawkins, seconded by Dr. McGovern, the Committee unanimously voted to recommend to the full Board that staff's language to secure the proposed quorum amendment to 100-A:14-a, that would allow telephonic participation of subcommittee members in subcommittee meetings to satisfy the meeting quorum, excluding IIC and full Board of Trustees meetings, be approved by the full Board.

On a motion by Rep. Hawkins, seconded by Trustee Giarrusso, the meeting adjourned at 8:16 a.m.

*Respectfully submitted,*  
*Shannan Hudgins*