

REGULAR MINUTES OF THE SPECIAL MEETING  
OF THE BOARD OF TRUSTEES OF THE EMPLOYEES' RETIREMENT SYSTEM  
OF THE STATE OF HAWAII  
HELD ON TUESDAY, AUGUST 21, 2012 AND WEDNESDAY, AUGUST 22, 2012  
CITY FINANCIAL TOWER, 201 MERCHANT STREET, SUITE 1935  
HONOLULU, HAWAII

ROLL CALL FOR  
AUGUST 21, 2012

Trustees present: Mr. Emmit Kane, Vice Chair  
Mr. Vincent Barfield  
Ms. Jackie Ferguson-Miyamoto  
Ms. Piliialoha Lee Loy  
Mr. Jerome Rauckhorst  
Mr. Kalbert Young

Trustees excused: Mr. Colbert Matsumoto, Chair  
Mr. Wayne Yamasaki

Attorney present: Ms. Diane Kishimoto, Deputy Attorney General

Staff present: Mr. Wesley Machida, Administrator  
Ms. Kanoë Margol, Assistant Administrator  
Mr. Vijoy Chattergy, Interim Chief Investment Officer  
Mr. Ajay Umanikar, Investment Specialist  
Ms. Donna Curry, Program Specialist  
Ms. Gerri Konishi, Member Home Loan Assistant  
Ms. Jaime Hirata, Recording Secretary  
Ms. Wanda Kugiya, Secretary

Guests present: Ms. Colin Bebee ) Pension Consulting Alliance, Inc.  
Ms. Kay Ceserani

Mr. Brian Reed ) Columbia Management Investment  
Ms. Anne Holloran ) Advisors, LLC  
Mr. Todd Herget

Ms. Valerie King ) Holland Capital Management, LLC  
Ms. Monica Walker

Mr. Joel Damon ) J.P. Morgan Investment Management, Inc.  
Mr. Giri Devulapally  
Mr. Jonathan Sherman

CALL TO ORDER

A quorum being present, Emmit Kane, Vice Chair of the Board of Trustees of the Employees' Retirement System, called the regular meeting of the Board of Trustees of the Employees' Retirement System (Board) to order at 8:35 a.m.

ENTRY INTO EXECUTIVE SESSION

On a motion made by Ms. Ferguson-Miyamoto, seconded by Mr. Rauckhorst, and unanimously carried, the Board entered into Executive Session to discuss the following items in Executive Session:

- pursuant to HRS § 92-5(a)(8), to consider the due diligence site inspection reports with respect to finalists for the Active U.S. Large-Cap Growth Equity manager search; and
- pursuant to HRS § 92-5(a)(8), to meet with and evaluate finalists for the Active U.S. Large-Cap Growth Equity manager search and, if appropriate, to select up to two managers.

EXECUTIVE SESSION TO CONSIDER THE DUE DILIGENCE SITE INSPECTION REPORTS WITH RESPECT TO FINALISTS FOR THE ACTIVE U.S. LARGE-CAP GROWTH EQUITY MANAGER SEARCH

(Mr. Young arrived at the meeting.)

EXECUTIVE SESSION TO MEET WITH AND EVALUATE FINALISTS FOR THE ACTIVE U.S. LARGE-CAP GROWTH EQUITY MANAGER SEARCH AND, IF APPROPRIATE, TO SELECT UP TO TWO MANAGERS

(Deputy Attorney General Kishimoto left the meeting.)

COLUMBIA MANAGEMENT INVESTMENT ADVISORS, LLC

HOLLAND CAPITAL MANAGEMENT, LLC

J.P. MORGAN INVESTMENT MANAGEMENT, INC.

EXIT EXECUTIVE SESSION

On a motion made by Mr. Rauckhorst, seconded by Ms. Ferguson-Miyamoto, and unanimously carried, the Board exited from Executive Session.

RECESS

Vice Chair Kane called a recess of the meeting at 2:11 p.m., to reconvene at 9:00 a.m. on Wednesday, August 22, 2012, in City Financial Tower, Suite 1935.

RECONVENE ON AUGUST 22, 2012

ROLL CALL FOR  
AUGUST 22, 2012

Trustees present: Mr. Colbert Matsumoto, Chair  
Mr. Emmit Kane, Vice Chair  
Mr. Vincent Barfield  
Ms. Jackie Ferguson-Miyamoto  
Ms. Piliialoha Lee Loy  
Mr. Jerome Rauckhorst  
Mr. Kalbert Young

Trustee excused: Mr. Wayne Yamasaki

Attorney present: Ms. Diane Kishimoto, Deputy Attorney General

Staff present: Mr. Wesley Machida, Administrator  
Ms. Kanoe Margol, Assistant Administrator  
Mr. Vijoy Chattergy, Interim Chief Investment Officer  
Mr. Ajay Umanikar, Investment Specialist  
Ms. Donna Curry, Program Specialist  
Ms. Gerri Konishi, Member Home Loan Assistant  
Ms. Jaime Hirata, Recording Secretary  
Ms. Wanda Kugiya, Secretary

Guests present: Ms. Colin Bebee ) Pension Consulting Alliance, Inc.  
Ms. Kay Ceserani

Mr. Frank Sands ) Sands Capital Management, LLC  
Ms. Samantha Toler

Mr. Chris Alders ) Wells Capital Management, Inc.  
Mr. John Krueger  
Mr. Bruce Olson

RECONVENE

A quorum being present, Vice Chair Kane reconvened the meeting at 9:10 a.m.

ENTRY INTO EXECUTIVE SESSION

On a motion made by Ms. Lee Loy, seconded by Ms. Ferguson-Miyamoto, and unanimously carried, the Board entered into Executive Session

- pursuant to HRS § 92-5(a)(8), to meet with and evaluate finalists for the Active U.S. Large-Cap Growth Equity manager search and, if appropriate, to select up to two managers; and
- pursuant to HRS § 92-5(a)(2), to evaluate the ERS Administrator.

EXECUTIVE SESSION TO MEET WITH  
AND EVALUATE FINALISTS FOR THE  
ACTIVE U.S. LARGE-CAP GROWTH  
EQUITY MANAGER SEARCH AND, IF  
APPROPRIATE, TO SELECT UP TO TWO  
MANAGERS

SANDS CAPITAL MANAGEMENT, LLC

WELLS CAPITAL MANAGEMENT, INC.

(Deputy Attorney General Diane Kishimoto arrived at the meeting.)

EXECUTIVE SESSION TO MEET WITH  
AND EVALUATE FINALISTS FOR THE  
ACTIVE U.S. LARGE-CAP GROWTH  
EQUITY MANAGER SEARCH AND, IF  
APPROPRIATE, TO SELECT UP TO TWO  
MANAGERS

(Mr. Beebe and Ms. Ceserani left the meeting.)

(Chair Colbert Matsumoto joined the meeting.)

(Deputy Attorney General Kishimoto and all ERS staff except the  
Administrator left the meeting.)

EXECUTIVE SESSION TO EVALUATE  
THE ERS ADMINISTRATOR

(The Administrator left the meeting.)

EXIT EXECUTIVE SESSION

On a motion made by Mr. Kane, seconded by Mr. Rauckhorst, and  
unanimously carried, the Board exited Executive Session.

NEXT MEETING –  
SEPTEMBER 10, 2012

Chair Matsumoto announced that the next Board meeting is  
scheduled for September 10, 2012.

ADJOURNMENT

On a motion made by Mr. Kane, seconded by Mr. Rauckhorst, the  
meeting was adjourned at 2:40 p.m.

**REDACTED  
SIGNATURE**

Wesley K. Machida  
Administrator

WKM: jh