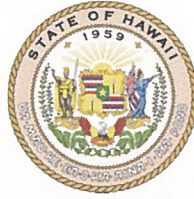


DAVID Y. IGE
GOVERNOR



THOMAS WILLIAMS
EXECUTIVE DIRECTOR

KANOE MARGOL
DEPUTY EXECUTIVE DIRECTOR

STATE OF HAWAII
EMPLOYEES' RETIREMENT SYSTEM

January 17, 2019

Email: phanashiro@kmhllp.com
(Original will be mailed)

Mr. Peter Hanashiro, Partner
KMH LLP
1003 Bishop Street, Suite 2400
Honolulu, HI 96813

Subject: Internal Audit Services, RFP 2019-01

Dear Mr. Hanashiro:

We are pleased to inform you that the Board of Trustees of the Employees' Retirement System of the State of Hawaii (ERS) at its meeting on January 14, 2019, approved KMH LLP to assist the ERS in continuing to implement and perform an internal audit function, including the Two Year Internal Audit Plan. The term of the Contract will commence on or around February 1, 2019, and expire on January 31, 2022. The term of the Contract may be extended, at the ERS's option, until January 31, 2023.

This approval is subject to negotiation of contract issues and the approval by the Attorney General's Office of the agreement between KMH LLP and the Employees' Retirement System of the State of Hawaii.

Congratulations, we look forward to continue to work with you and your staff.

If you have any questions, please do not hesitate to call us.

Sincerely,

Thomas Williams
Executive Director



Employees' Retirement System
of the State of Hawaii