

RESOLUTION

WHEREAS, 1,481 shares of stock of Honolulu Stadium, Ltd., were held in the name of the Associated Students of the University of Hawaii - Manoa (hereinafter referred to as the "ASUH"); and

WHEREAS, upon liquidation of said Honolulu Stadium, Ltd., proceeds of \$839,258.77 was paid in respect of said 1,481 shares; and

WHEREAS, said proceeds of the redemption of said 1,481 shares shall be used to constitute the "ASUH Stadium Stock Fund" (hereinafter referred to as the "Fund"); and

WHEREAS, the Board of Regents of the University of Hawaii (hereinafter referred to as the "Board") and the ASUH have agreed upon procedures set forth herein below for the use of the net income, principal, and investment of the Fund;

NOW, THEREFORE, be it resolved that the following procedures shall govern with respect to the Fund;

1. Annual Payout.

Annual payout, as defined and established in the below-mentioned "Investment Goals and Guidelines," shall be included as revenues in the annual ASUH budget for the exclusive use of the ASUH.

2. Principal

The Board, only upon the recommendation of the ASUH Senate, may authorize the invasion of the principal, or

any portion thereof, of the Fund for capital projects or other specific activities for the benefit of the ASUH.

3. Establishment of investment Goals and Guidelines.

The Board, upon the recommendation of the ASUH Senate, shall establish investment goals and guidelines which shall govern the investment of the Fund.

4. Selection of Investment Managers.

The Board, upon the recommendation of the ASUH Senate, shall select an investment manager(s) who shall be responsible for the management of the Fund and shall be delegated limited (buy-sell decisions) investment authority.

5. Third Party Monitoring Service.

The Board, upon the recommendation of the ASUH Senate, shall select a third party monitoring-service to monitor the performance of the investment manager(s).

6. Action of the Board of Regents.

(a) All matters in connection with the Fund shall be referred to the appropriate committee of the Board. Except when such committee meets in executive meetings, as provided by law, a duly appointed representative of the ASUH Senate shall be entitled to participate in such committee meetings when the committee considers any matter in connection with the Fund and shall be notified of all such committee meetings.

(b) All recommendations of the ASUH Senate with respect to the Fund shall be submitted to the University of Hawaii administration which shall have 45 calendar days

upon receipt of such recommendations to accept, modify or reject such recommendations and submit its recommendations to the Secretary of the Board of Regents. The 45-day period shall commence upon receipt of the ASUH recommendations by the Chancellor of the University of Hawaii at Manoa.

Upon mutual agreement in writing between the ASUH Senate and the University of Hawaii administration, the deadline of 45 calendar days may be extended.

Upon receipt of the University of Hawaii administration's recommendation by the Secretary of the Board, the Board shall have 45 calendar days to approve, modify or reject the administration's recommendation, which deadline may be extended by the Secretary of the Board for periods of 15 calendar days for reasonable cause upon notice of such extension(s) to the ASUH Senate.

7. Responsibility of the Board of Regents.

The Board of Regents shall have the authority and responsibility for the Fund as set forth herein and may take whatever action it deems appropriate and prudent with respect to said Fund.

The Board shall, however, consult with and solicit the recommendations of the ASUH Senate prior to acting on any Board initiated proposal with respect to the Fund except in emergency situations.