

APPENDIX Y

**MOTION TO APPROVE ADDENDUM AND SECOND AMENDMENT
FOR
OPTIONAL RETIREMENT PROGRAM**

WHEREAS, the University of North Carolina has authority from the General Assembly to operate an Optional Retirement Program (hereafter “ORP”, which is understood to include its UNC Qualified Governmental Excess Benefit Arrangement) for statutorily designated employees, and has been operating that Program since 1972; and

WHEREAS, N.C.G.S. 135-5.1(d) states that the Board of Governors “shall approve the form and contents of such [annuity] contracts or trust agreement;” and

WHEREAS, N.C.G.S. 135-5.1(d) further states that “In making this designation and giving such approval, the Board shall give due consideration to the following:

- (1) The nature and extent of the rights and benefits to be provided by these contracts or trust agreement for participants and their beneficiaries;
- (2) The relation of these rights and benefits to the amount of contributions to be made;
- (3) The suitability of these rights and benefits to the needs of the participants and the interest of the institutions of The University of North Carolina in recruiting and retaining faculty in a national market; and
- (4) The ability of the designated company or companies underwriting the annuity contracts or trust agreement to provide these suitable rights and benefits under such contracts or trust agreement for these purposes;” and

WHEREAS, this Board has previously approved Trust/Custodial Agreements between UNC and Fidelity Management Trust Company and between UNC and Wilmington Trust Company as trustees and/or custodians for the ORP; and

WHEREAS, a “Second Amendment to Trust Agreement Between Fidelity Management Trust Company and University of North Carolina” has been presented for review; and

WHEREAS, a “Late-Day Trading Addendum” between Wilmington Trust Company and UNC has been presented for review; and

WHEREAS, the form and contents of the these documents have been negotiated between the said corporations and UNC; and

WHEREAS, it appears that the form and contents of both the Addendum and Second Amendment meet the above listed statutory criteria;

NOW THEREFORE, I move that the Board of Governors approve this Addendum and Second Amendment; and

FURTHERMORE, I move that the Vice President for Finance be authorized to sign the said Addendum and Second Amendment on behalf of UNC.

Charles H. Mercer, Jr., Chair
Committee on Personnel and Tenure
Approved by the Committee on August 10, 2006

Received and Approved by the Board of Governors
August 11, 2006

Secretary of the University
Date Signed: _____, 2006