

NEW HAMPSHIRE PUBLIC DEPOSIT INVESTMENT POOL

Advisory Committee Meeting

October 9, 2014

New Hampshire Banking Department
53 Regional Drive
Concord, NH 03301

MINUTES

- 1) Call the meeting to order – Commissioner Glenn A. Perlow at 1:30 PM.

Attendance & establish a quorum: NH Banking Department Director of Trusts, Spencer Culp called the roll and a quorum was established.

Present: David Cornell, Department of Revenue; Commissioner Perlow, NH Banking Department.

Via Teleconference: NH Gov't Fin. Officers' Ass'n: Michael Jache, City of Concord; NH Banker's Ass'n: Lyn Gelinis, Citizen's Bank; NH Govt. Fin. Officers' Ass'n: Sharon Wickens, City of Manchester; NH Ass'n of Counties: Christopher MacDonnell, Bank of NH; Daniel Lynch, NH Mun. Ass'n; Dean Michener

Absent: Theresa Young, Rockingham County; William Dwyer, Commissioner, NH Department of the Treasury.

Also present: Cutwater: Jo Ann Klatskin, NH Rep.; NHBD, Spencer Culp, Hearings Examiner; NHBD, Doreen Sheppard, Paralegal.

Via Teleconference: Cutwater: Matthew Bodo, Financial Analyst; Joe Soveley, CFO

- 2) Jo Ann Klatskin summarized events to this point. Joe Soveley of Cutwater is overseeing data team. Notice was sent to participants on Tuesday. There have been no withdrawals due to the breach. No reports of any problems from participants.

Dan Lynch asked how to monitor account as the online portal is down. Jo Ann Klatskin explained you can ask for a report of your account. More important to monitor actual bank account. Also, the portal has notice that it is down and to call client services.

Joe Soveley, CFO, Cutwater – Notified on Monday by a cyber-security blogger who contacted Cutwater Head of Communications that the client connection had been compromised. Highest concern is misappropriation of client funds which has not happened. Confident that outside parties are not able to access client funds.

Glenn Perlow – Article in Wall St. Journal online suggests that someone had info in hand that would allow access to funds.

Cutwater disputes that. Does not want to publicly disclose what controls are in place.

Glenn Perlow – This is a public meeting. Would not want to discuss internal controls in this forum.

Joe Soveley – Client Connections contains information on client profiles. Have been in touch with all appropriate regulatory bodies. System is down for the time being. Using manual systems; telephone, email, etc. No projection as to when it will be back online.

Glenn Perlow – No other interruption in service?

Jo Ann Klatskin – Many NH clients typically use phone or email anyway.

Michael Jache – Any call back options?

Joe Soveley – Yes. Will confirm.

David Cornell – What possible motivation for someone to breach and then notify us?

Joe Soveley – There are some who create a problem and then make their living fixing it. Someone might want to embarrass Cutwater. Do not have any real information on this.

Glenn Perlow – Any other questions? None.

Jo Ann Klatskin will communicate with participants as substantive information comes in. Please let Glenn Perlow know if there are any additional questions. Please limit emails.

Michael Jache – Motion to Adjourn. David Cornell – Seconds Motion. Unanimously VOTED.

Meeting adjourned- 2:00 p.m.

There was no further business to be addressed by the members.

3) Adjournment

Motion to adjourn made by Michael Jache and seconded by David Cornell and unanimously voted. Meeting adjourned at 2:00 p.m.

Respectfully Submitted,

/s/ Doreen Sheppard