



**HENRY McMASTER**  
ATTORNEY GENERAL

June 15, 2010

The Honorable Converse A. Chellis, III, CPA  
Treasurer, State of South Carolina  
P. O. Box 11778  
Columbia, SC 29211

Dear Treasurer Chellis:

I have received your letter of June 14, 2010 requesting the Attorney General's Office approve your request to employ outside counsel. It is my understanding that you conducted a review showing that the Bank of New York (now known as The Bank of New York Mellon) may have violated its March 24, 2000 Securities Lending Agreement with the State Treasurer of South Carolina.

This is to approve your request to employ outside counsel using the contract agreement that I have used for the State of South Carolina. Please forward me a copy of the proposed contract at your convenience. I will review both the proposed contract and your selection of counsel before approval can be granted.

Yours very truly,

Signature Redacted

Henry McMaster

HMC/M/jwm