

Board Meeting
May 17, 2007

Revised May 14, 2007

ROLL CALL

RESOLUTION REGARDING INVESTMENT IN COMPANIES WITH BUSINESS
OPERATIONS IN SUDAN

Action: Approve Sudan Divestment Policy

Funding: No Funding Required

Whereas, there is clear and convincing evidence that the government of Sudan is committing atrocities upon the people of Darfur; and

Whereas, on July 23, 2004, the U.S. Senate and House of Representatives unanimously adopted a joint resolution declaring the atrocities in Darfur to be genocide; and

Whereas, on June 2, 2005, President Bush reiterated that the U.S. Government believes genocide is taking place in Darfur; and

Whereas, a United Nations Commission of Inquiry found, based on investigations taking place between November 2004 and January 2005, that crimes against humanity and war crimes being committed in Darfur were “no less serious and heinous than genocide,” and

Whereas, the actions of the government of Sudan with respect to the people of Darfur are abhorrent to the University of Illinois and the Board of Trustees and the ideals for which they stand; and

Whereas, the Finance and Investment Committee of the University of Illinois Board of Trustees with advice from the administration and staff of the University of Illinois, strongly recommends that the University divest from any and all direct equity investments in companies whose business activities believed to be directly supporting and facilitating the Sudanese government in its continuing sponsorship of genocide and human rights violations in Darfur; and

Whereas, the Finance and Investment Committee, with advice from the administration and staff of the University of Illinois and the Board of Trustees, strongly recommends that the University immediately divest of any direct holdings in the companies listed on a list maintained by University Investment Staff and notes that at the current time the University has four ~~five~~ direct holdings in said companies; and



Whereas, the Finance and Investment Committee, with advice from the administration and staff of the University of Illinois, strongly recommends that the staff communicate this decision to all its endowment investment managers requesting that they consider the University's stand on the issue as they make investment decisions;

NOW THEREFORE, based on the above findings and conclusions, the Board of Trustees of the University of Illinois resolves as follows:

Resolved, that managers of actively managed separate accounts of publicly traded equity portfolios shall be directed not to hold shares in companies on the List and to divest of any current holdings by June 30, 2007; provided that divestment would not occur from companies that are responsive to the University's shareholder engagement efforts; and be it further

Resolved, that University staff communicate this decision to all endowment investment managers, requesting that they consider the University's stand on the issue as they make investment decisions.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes*, *The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

The President of the University concurs.