

Internal Revenue Service

District Director

Department of the Treasury

EP/EO Division - M/S 7000
300 N. Los Angeles Street
Los Angeles, CA 90012

AUG 19 1999

Admiral Robert K. U. Kihune, USN (Ret.)
David Paul Coon
Francis Ahloy Keala
Ronald Dale Libkuman
Constance Hee Lau
Interim Trustees
Kamehameha Schools/Bernice Pauahi Bishop Estate
Kawaiahao Plaza
Honolulu, Hawaii

Dear Interim Trustees:

Attached please find the proposed Internal Revenue Service/Kamehameha Schools Bishop Estate Closing Agreement. Both the August 18th Draft Closing Agreement and the August 18th Reaffirmation Submission have been reviewed by the IRS and are acceptable. Therefore, on behalf of the IRS, I agree to execute this Closing Agreement upon its approval by the Circuit Court of the First Circuit, State of Hawaii (Probate Court). The IRS will also issue a reaffirmation letter confirming the exempt status of KSBE on the same date that this Closing Agreement is executed.

Should you have any questions, please do not hesitate to contact Terry Franklin, Chief, Employee Plans/Exempt Organizations Division at (213) 894-3748.

Sincerely,

Marsha A. Ramirez
for District Director
Los Angeles District