

Public Agenda Item #10

Review, Discussion and Consideration of Investment Policy Changes

February 23, 2016

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ERS Investment Policy Revisions

Proposed Revision #1 - Private Equity



Clarifications regarding ERS' co-investment programs in Private Equity

- No more than ~~30%~~ **50%** of any individual year's private equity activity
- No individual co-investment, including follow-on investments in the same company, may be greater than the following without Board approval:
 - **\$100 million for secondary transactions;**
 - **\$50 million for existing relationships with general partners; and**
 - **\$20 million for new relationships with general partners.**
- **Co-investments in new relationships with general partners will be limited to 20% of the overall co-investment program**
- **For co-investments with New Relationships, the Private Equity Investment Committee will approve the general partner, as well as approve the co-investment**

ERS Investment Policy Revisions

Proposed Revision #2 - Private Real Estate



Clarifications regarding ERS' co-investment programs in Private Real Estate

- No individual co-investment, including follow-on investments in the same company, may be greater than the following without Board approval:
 - **\$100 million in size for a portfolio of real estate assets**
 - \$50 million in size for Existing Relationships
 - **\$20 million in size for New Relationships**
- **Co-investments in new relationships with general partners will be limited to 20% of the overall co-investment program making the overall limitation of 20% unnecessary**
- **For co-investments with New Relationships, the Real Estate Investment Committee will approve the general partner, as well as approve the co-investment**

Questions?