State of Connecticut
Office of the Treasurer

SHAWN T. WOODEN
TREASURER

MEMORANDUM

TO: Members of Investment Advisory Council

FROM: Shawn T. Wooden, State Treasurer and Council Secretary

DATE: January 8, 2021

SUBJECT: Investment Advisory Council Meeting – January 13, 2021

Enclosed is the agenda package for the Investment Advisory Council meeting on Wednesday, January 13, 2021 starting at 9:00 A.M.

The following subjects will be covered at the meeting:

Item 1: Approval of the Minutes of the December 9, 2020 IAC Meeting

Item 2: Opening Comments by the Treasurer

Item 3: Update on the Market and the CRPTF Performance

Laurie Martin, Chief Investment Officer, will provide an update on the capital market environment and will report on the following:

- The CRPTF performance as of November 30, 2020

Item 4: Co-Investment Program Overview

Raynald Leveque, Deputy Chief Investment Officer, Danita Johnson and Mark Evans, Principal Investment Officers, will provide an overview of the Co-Investment Program.

Item 5: Presentation by and Consideration of Grain Communications Opportunity Fund III

Danita Johnson, Principal Investment Officer, will provide opening remarks and introduce Grain Communications Opportunity Fund III, a Real Assets Fund opportunity.

Item 6: Presentation by and Consideration of Insight Partners Opportunity Fund I

Mark Evans, Principal Investment Officer, will provide opening remarks and introduce Insight Partners Opportunity Fund I, a Private Investment Fund opportunity.

Item 7: Presentation by and Consideration of One Rock Capital Partners III

Mark Evans, Principal Investment Officer, will provide opening remarks and introduce One Rock Capital Partners III, a Private Investment Fund opportunity.

Item 8: **Other Business**

- Discussion of the preliminary agenda for the February 10, 2021 IAC meeting

Item 9: **Comments by the Chair**

Item 10: **Executive Session**

- Consideration of personnel matters

Item 11: **Consent to Appointment of Interim Chief Investment Officer**

We look forward to reviewing these agenda items with you at the January 13th meeting.

If you find that you are unable to attend this meeting, please email katrina.farquhar@ct.gov.

STW/kf

Enclosures

INVESTMENT ADVISORY COUNCIL
Wednesday, December 9, 2020

SUCH MINUTES ARE IN DRAFT FORM AND SUBJECT TO THE FINAL REVIEW AND APPROVAL OF THE INVESTMENT ADVISORY COUNCIL

MEETING NO. 482

Members present:
D. Ellen Shuman, Chair
Treasurer Wooden, Secretary
Thomas Fiore, representing Secretary Melissa McCaw
*9:06am arrival — Joshua Hall *
Michael Knight
Michael LeClair
Steven Muench
William Murray
Patrick Sampson
Carol Thomas

Others present:
Laurie Martin, Chief Investment Officer
Kevin Cullinan, Chief Risk Officer
Patricia DeMaras, Legal Counsel
Mark Evans, Principal Investment Officer
Katrina Farquhar, Executive Assistant
Lyndsey Farris, Principal Investment Officer
John Flores, General Counsel
Felicia Genca, Securities Analyst
Karen Grenon, Legal Counsel
Darrell Hill, Deputy Treasurer
Barbara Housen, Chief Compliance Officer, Deputy General Counsel
Danita Johnson, Principal Investment Officer
Harvey Kelly, Pension Fund Analyst
Raynald Leveque, Deputy Chief Investment Officer
Steven Meier, Senior Principal Investment Officer
Paul Osinloye, Principal Investment Officer
Christine Shaw, Assistant Treasurer for Corporate Governance & Sustainable Investment
Michael Terry, Principal Investment Officer

Guests:
Kevin Alcala, Goldman Sachs
Greg Balewicz, Lord Abbett
Drianne Benner, Appomattox
Mary Beth Boyle, Rock Creek
Ronan Burke, Capital Group
Gar Chung, Financial Investment News
Dyice Ellis-Beckham, Invesco
Marilyn Freeman, Capital Prospects
Noel Henry, Man Investments

Will Greene, Loop Capital
Deirdre Guice-Minor, T. Rowe Price
Christopher Morgan, Franklin Templeton
Ann Parker Weeden, AllianceBernstein
Richard Ross, CT Resident
Liz Smith, AllianceBernstein
Ryan Wagner, T. Rowe Price

With a quorum present, Chair D. Ellen Shuman called the Investment Advisory Council ("IAC") meeting to order at 9:00 a.m.

Approval of Minutes of the November 18, 2020 IAC Meeting

Chair Shuman called for a motion to accept the minutes of the November 18, 2020 IAC meeting. **Carol Thomas moved to approve the minutes of the November 18, 2020 IAC meeting. The motion was seconded by Steven Muench. There was one abstention from Michael LeClair. There being no further discussion, the Chair called for a vote and the motion passed.**

Comments by the Treasurer

Treasurer Wooden welcomed the IAC members and began by discussing the recent update he provided to the four major rating agencies on the financial health and credit strength of the State. He stated that presentations from his office, in collaboration with the Office of Policy and Management were very detailed and illustrated that Connecticut is very strong with over $3 billion in the budget reserve fund, demonstrating how well positioned the state is to successfully manage through this unprecedented period.

Next, he discussed three recent announcements. First, Fidelity Investments had been chosen as the new program and investment manager for the Connecticut Higher Education Trust ("CHET") direct and advisor programs. He stated that Fidelity was selected following the completion of a competitive bid process. Second, a successful settlement agreement was reached against Valeant Pharmaceuticals International, Inc., now known as Bausch Health Companies, Inc., and several of the company's former executives. With a commitment to safeguard the State's financial resources, we took on an active approach, filing a separate claim on behalf of the Connecticut Retirement plans and Trust Funds and had secured $3.8 million for the funds. Third, the Treasurer joined the Institutional Limited Partners Association ("ILPA") Diversity in Action Initiative. The goal of the initiative is to serve as a means for General and Limited Partners to publicly acknowledge their commitment to take concrete steps to advance diversity, equity and inclusion, within the private equity industry.

Then, Treasurer Wooden mentioned his recent decision to commit $100 million to the Clearlake Flagship Plus Partners Fund, $100 million to the IPI Partners II Fund, $150 million to the ISQ Global Infrastructure Fund, $50 million to the TruAmerica Workforce Housing Fund and an additional $50 million to the Secondary Overflow Fund IV. In addition, he stated that Hamilton Lane Partners was awarded the Private Capital consultant contract.

Finally, he provided a brief overview of the meeting agenda and closed with a review of the significant progress made over the past year in light of the challenges faced by the pandemic and thanked the IAC members for their partnership.

Combined Investment Fund Review as of September 30, 2020

Mary Mustard, Principal and Peter Woolley, Managing Principal & Co-CEO, Meketa Investment Group, provided an overview of the Combined Investment Funds as of September 30, 2020.

Domestic Equity Fund – Small Cap Request for Proposal

Paul Osinloye, Principal Investment Officer ("PIO"), reviewed the project plan and scope of services for the Domestic Equity Fund Small Cap Equity investment manager search.

Alternative Investment Fund Review as of September 30, 2020

Kevin Cullinan, Chief Risk Officer, provided an overview of the Alternative Investment Fund as of September 30, 2020.

Real Assets and Real Estate Review as of June 30, 2020

Danita Johnson, PIO, provided an overview of the Real Assets and Real Estate portfolios as of June 30, 2020.

Private Equity and Private Credit Review as of June 30, 2020

Mr. Evans, PIO, provided an overview of the Private Equity and Private Credit portfolios as of June 30, 2020.

Presentation by and Consideration of K5 Private Investors, LP

Mark Evans, PIO, provided opening remarks and introduced K5 Private Investors ("K5"), a Private Investment Fund ("PIF") opportunity.

K5, represented by Neil Malik, Founder & CEO and Hasan Askari, Managing Partner, made a presentation to the IAC.

Roll Call of Reactions for the K5 Private Investors

Messrs. Muench, LeClair, Thomas Fiore, Joshua Hall, Michael Knight, William Murray, Patrick Sampson, Ms. Thomas and Chair Shuman provided feedback on K5. Chair Shuman called for a motion to waive the 45-day comment period. **A motion was made by Mr. Murray, seconded by Ms. Thomas, to waive the 45-day comment period for K5. There being no discussion, the Chair called for a vote and the motion passed.**

Presentation by and Consideration of Livingbridge 7

Mark Evans, PIO, provided opening remarks and introduced Livingbridge 7, a PIF opportunity.

Livingbridge 7, represented by Wol Kolade, Managing Partner; Shani Zindel, CIO; Fiona Dane, Head of Fundraising and Investor Relations and Cate Pfirrman, Fundraising Manager, made a presentation to the IAC.

Roll Call of Reactions for the Livingbridge 7

Messrs. Fiore, Hall, Knight, LeClair, Muench, Murray, Sampson, Ms. Thomas and Chair Shuman provided feedback on Livingbridge 7. Chair Shuman called for a motion to waive the 45-day comment period. **A motion was made by Mr. Murray, seconded by Mr. Muench, to waive the 45-day comment period for Livingbridge 7. There being no discussion, the Chair called for a vote and the motion passed.**

Comments by the Chair

Chair Shuman invited the council members to submit agenda items for the next meeting being held on January 13, 2021.

Other Business

There being no further business, the Chair called for a motion to adjourn the meeting. **Mr. Fiore moved to adjourn the meeting and the motion was seconded by Mr. Murray. There being no discussion, the meeting was adjourned at 11:41 a.m.**

TEACHER'S RETIREMENT FUND

Net of All Fees and Expenses

Periods Ending November 30, 2020

Funds / *Benchmark*	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Compound, annualized returns: Three Year	Five Year	Seven Year	Ten Year
Teacher's Retirement Fund	100.0%				$20,008.9	6.20	4.30	11.22	7.38	9.72	6.57	8.27	7.03	7.80
Policy Benchmark						6.39	5.05	13.06	9.00	11.45	7.64	8.80	7.36	8.16
Dynamic Benchmark						6.54	4.81	12.20	8.87	11.41	7.42	8.67	7.33	N/A
Domestic Equity	21.8%	20.0	15.0	25.0	$4,366.4	11.95	5.41	19.61	15.71	19.03	12.97	13.85	12.38	13.91
Russell 3000						12.17	5.75	19.85	15.68	19.02	13.20	13.95	12.47	14.04
Developed Markets ISF	11.9%	11.0	6.0	16.0	$2,378.6	15.25	8.50	17.25	4.65	8.26	3.35	7.16	5.79	7.38
MSCI EAFE IMI Net						15.24	8.15	16.88	3.33	6.85	4.75	7.06	6.04	7.43
Emerging Markets ISF	10.8%	9.0	4.0	14.0	$2,151.5	8.89	9.83	25.77	16.49	24.51	7.50	12.16	5.80	4.39
MSCI Emerging Markets IMI						9.71	9.90	22.62	10.25	18.31	4.51	10.20	4.74	3.43
Core Fixed Income	16.8%	13.0	8.0	18.0	$3,358.4	1.15	0.65	1.58	7.81	7.77	5.13	4.24	3.74	3.67
Barclays U.S. Aggregate Bond Index						0.98	0.48	1.15	7.36	7.28	5.45	4.34	3.98	3.71
Emerging Market Debt	5.1%	5.0	0.0	10.0	$1,020.3	5.54	2.79	8.01	-0.10	3.53	2.52	5.68	3.48	3.80
50% JPM EMBI Global Div / 50% JPM GBI EM Global Div						4.67	2.85	6.41	1.30	4.41	3.65	6.02	3.54	4.33
High Yield	6.1%	3.0	0.0	8.0	$1,227.7	4.01	3.72	9.95	5.56	7.72	5.01	6.83	4.89	6.23
Bloomberg Barclays U.S. High Yield 2% Issuer Cap Index						3.96	3.40	9.26	4.31	6.49	5.28	7.28	5.10	6.43
Liquidity Fund	1.7%	2.0	0.0	3.0	$331.0	0.01	0.04	0.09	0.63	0.78	1.70	1.55	0.94	0.80
50% U.S. 3-Month T-Bill / 50% Bloomberg Barclays US Government Treasury 1 to 3 Year Index						0.02	0.02	0.07	1.51	1.65	1.96	1.47	1.09	0.83
Real Assets(1)	11.2%	19.0	10.0	25.0	$2,237.3	N/A	0.36	1.45	1.14	1.18	4.91	6.13	7.90	8.71
*Blended Custom Benchmark 1Q in Arrears^* (2)						N/A	-0.74	0.66	3.25	4.60	5.78	6.97	8.41	9.81
Private Investment(1)	7.7%	10.0	5.0	15.0	$1,538.0	N/A	6.62	13.62	11.09	11.63	14.08	12.29	13.10	12.78
*Russell 3000 + 250 basis points 1Q in Arrears^*						N/A	16.25	38.67	21.62	23.74	14.35	14.70	13.21	14.55
Private Credit(1)	0.5%	5.0	0.0	10.0	$93.1	N/A	3.05	8.53	N/A	N/A	N/A	N/A	N/A	N/A
*S&P / LSTA Leveraged Loan Index + 150 basis points 1Q in Arrears^*						N/A	5.02	14.18	N/A	N/A	N/A	N/A	N/A	N/A
Alternative Investment Fund	6.5%	3.0	0.0	10.0	$1,306.5	1.93	1.79	4.45	-2.25	-1.79	2.12	3.08	2.81	N/A
Absolute Return Strategy blended benchmark (3)						0.61	0.30	1.07	3.87	4.27	4.21	2.73	1.95	N/A

(1) Actual performance, reported one quarter in arrears.

(2) A blended benchmark comprised of the weightings of Real Estate, Infrastructure / Natural Resources and U.S. TIPS as of April 2020.

(3) A blended benchmark comprised of the weightings of each of the investments utilized within the fund of funds vehicle multiplied by their respective benchmarks as of April 2020.

STATE EMPLOYEES' RETIREMENT FUND

Net of All Fees and Expenses

Periods Ending November 30, 2020

Funds *Benchmark*	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year (Compound, annualized returns)	Five Year	Seven Year	Ten Year
State Employees' Retirement Fund	**100.0%**				**$14,606.1**	**6.22**	**4.33**	**11.30**	**7.47**	**9.82**	**6.66**	**8.34**	**7.09**	**7.86**
Policy Benchmark						*6.39*	*5.05*	*13.06*	*9.00*	*11.45*	*7.64*	*8.80*	*7.38*	*8.20*
Dynamic Benchmark						*6.57*	*4.84*	*12.30*	*9.00*	*11.54*	*7.51*	*8.78*	*7.43*	*N/A*
Domestic Equity	**21.8%**	**20.0**	15.0	25.0	**$3,177.8**	**11.95**	**5.41**	**19.61**	**15.71**	**19.03**	**12.97**	**13.85**	**12.38**	**13.90**
Russell 3000						*12.17*	*5.75*	*19.85*	*15.68*	*19.02*	*13.20*	*13.95*	*12.47*	*14.04*
Developed Markets ISF	**11.9%**	**11.0**	6.0	16.0	**$1,734.4**	**15.25**	**8.50**	**17.25**	**4.65**	**8.26**	**3.35**	**7.16**	**5.79**	**7.38**
MSCI EAFE IMI Net						*15.24*	*8.15*	*16.88*	*3.33*	*6.85*	*4.75*	*7.06*	*6.04*	*7.43*
Emerging Markets ISF	**10.8%**	**9.0**	4.0	14.0	**$1,572.1**	**8.89**	**9.83**	**25.77**	**16.49**	**24.51**	**7.50**	**12.16**	**5.80**	**4.39**
MSCI Emerging Markets IMI						*9.71*	*9.90*	*22.62*	*10.25*	*18.31*	*4.51*	*10.20*	*4.74*	*3.43*
Core Fixed Income	**16.6%**	**13.0**	8.0	18.0	**$2,430.8**	**1.15**	**0.65**	**1.58**	**7.81**	**7.77**	**5.13**	**4.24**	**3.74**	**3.67**
Barclays U.S. Aggregate Bond Index						*0.98*	*0.48*	*1.15*	*7.36*	*7.28*	*5.45*	*4.34*	*3.98*	*3.71*
Emerging Market Debt	**5.1%**	**5.0**	0.0	10.0	**$744.3**	**5.54**	**2.79**	**8.01**	**-0.10**	**3.53**	**2.52**	**5.68**	**3.48**	**3.80**
50% JPM EMBI Global Div / 50% JPM GBI EM Global Div						*4.67*	*2.85*	*6.41*	*1.30*	*4.41*	*3.65*	*6.02*	*3.54*	*4.33*
High Yield	**6.1%**	**3.0**	0.0	8.0	**$890.0**	**4.01**	**3.72**	**9.95**	**5.56**	**7.72**	**5.01**	**6.83**	**4.89**	**6.23**
Bloomberg Barclays U.S. High Yield 2% Issuer Cap Index						*3.96*	*3.40*	*9.26*	*4.31*	*6.49*	*5.28*	*7.28*	*5.10*	*6.43*
Liquidity Fund	**2.0%**	**2.0**	0.0	3.0	**$291.8**	**0.01**	**0.04**	**0.09**	**0.64**	**0.78**	**1.70**	**1.56**	**0.95**	**0.81**
50% U.S. 3-Month T-Bill / 50% Bloomberg Barclays US Government Treasury 1 to 3 Year Index						*0.02*	*0.02*	*0.07*	*1.51*	*1.65*	*1.96*	*1.47*	*1.09*	*0.83*
Real Assets[1]	**11.1%**	**19.0**	10.0	25.0	**$1,624.7**	**N/A**	**0.36**	**1.45**	**1.14**	**1.18**	**4.91**	**6.13**	**7.90**	**8.71**
*Blended Custom Benchmark 1Q in Arrears^* [2]						*N/A*	*-0.74*	*0.66*	*3.25*	*4.60*	*5.78*	*6.97*	*8.41*	*9.81*
Private Investment[1]	**7.7%**	**10.0**	5.0	15.0	**$1,120.8**	**N/A**	**6.62**	**13.62**	**11.09**	**11.63**	**14.08**	**12.29**	**13.10**	**12.78**
*Russell 3000 + 250 basis points 1Q in Arrears^*						*N/A*	*16.25*	*38.67*	*21.62*	*23.74*	*14.35*	*14.70*	*13.21*	*14.55*
Private Credit[1]	**0.5%**	**5.0**	0.0	10.0	**$68.0**	**N/A**	**3.05**	**8.53**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
*S&P / LSTA Leveraged Loan Index + 150 basis points 1Q in Arrears^*						*N/A*	*5.02*	*14.18*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*
Alternative Investment Fund	**6.5%**	**3.0**	0.0	8.0	**$951.5**	**1.93**	**1.79**	**4.45**	**-2.25**	**-1.79**	**2.12**	**3.08**	**2.81**	**N/A**
Absolute Return Strategy blended benchmark [3]						*0.61*	*0.30*	*1.07*	*3.87*	*4.27*	*4.21*	*2.73*	*1.95*	*N/A*

(1) Actual performance, reported one quarter in arrears.

(2) A blended benchmark comprised of the weightings of Real Estate, Infrastructure / Natural Resources and U.S. TIPS as of April 2020.

(3) A blended benchmark comprised of the weightings of each of the investments utilized within the fund of funds vehicle multiplied by their respective benchmarks as of April 2020.

MUNICIPAL EMPLOYEES RETIREMENT FUND

Net of All Fees and Expenses

Periods Ending November 30, 2020

Funds / *Benchmark*	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Compound, annualized returns Three Year	Five Year	Seven Year	Ten Year
Municipal Employees' Retirement Fund	**100.0%**				**$2,971.6**	**6.24**	**4.34**	**11.29**	**7.49**	**9.84**	**6.74**	**8.17**	**6.90**	**7.35**
Policy Benchmark						*6.39*	*5.05*	*13.06*	*9.00*	*11.45*	*7.58*	*8.61*	*7.05*	*7.79*
Dynamic Benchmark						*6.59*	*4.85*	*12.28*	*9.02*	*11.57*	*7.53*	*8.60*	*7.11*	*N/A*
Domestic Equity	**21.8%**	**20.0**	15.0	25.0	**$649.1**	**11.95**	**5.41**	**19.61**	**15.71**	**19.03**	**12.97**	**13.85**	**12.38**	**13.90**
Russell 3000						*12.17*	*5.75*	*19.85*	*15.68*	*19.02*	*13.20*	*13.95*	*12.47*	*14.04*
Developed Markets ISF	**11.9%**	**11.0**	6.0	16.0	**$355.0**	**15.25**	**8.50**	**17.25**	**4.65**	**8.26**	**3.36**	**7.16**	**5.79**	**7.38**
MSCI EAFE IMI Net						*15.24*	*8.15*	*16.88*	*3.33*	*6.85*	*4.75*	*7.06*	*6.04*	*7.43*
Emerging Markets ISF	**10.8%**	**9.0**	4.0	14.0	**$320.7**	**8.89**	**9.83**	**25.77**	**16.49**	**24.51**	**7.50**	**12.16**	**5.80**	**4.40**
MSCI Emerging Markets IMI						*9.71*	*9.90*	*22.62*	*10.25*	*18.31*	*4.51*	*10.20*	*4.74*	*3.43*
Core Fixed Income	**16.7%**	**13.0**	8.0	18.0	**$496.5**	**1.15**	**0.65**	**1.58**	**7.81**	**7.77**	**5.13**	**4.24**	**3.74**	**3.67**
Barclays U.S. Aggregate Bond Index						*0.98*	*0.48*	*1.15*	*7.36*	*7.28*	*5.45*	*4.34*	*3.98*	*3.71*
Emerging Market Debt	**5.1%**	**5.0**	0.0	10.0	**$151.8**	**5.54**	**2.79**	**8.01**	**-0.10**	**3.53**	**2.51**	**5.68**	**3.48**	**3.80**
50% JPM EMBI Global Div / 50% JPM GBI EM Global Div						*4.67*	*2.85*	*6.41*	*1.30*	*4.41*	*3.65*	*6.02*	*3.54*	*4.33*
High Yield	**6.1%**	**3.0**	0.0	8.0	**$181.4**	**4.01**	**3.72**	**9.95**	**5.56**	**7.72**	**5.00**	**6.83**	**4.88**	**6.23**
Bloomberg Barclays U.S. High Yield 2% Issuer Cap Index						*3.96*	*3.40*	*9.26*	*4.31*	*6.49*	*5.28*	*7.28*	*5.10*	*6.43*
Liquidity Fund	**1.8%**	**2.0**	0.0	3.0	**$52.2**	**0.01**	**0.04**	**0.09**	**0.64**	**0.78**	**1.70**	**1.56**	**0.94**	**0.82**
50% U.S. 3-Month T-Bill / 50% Bloomberg Barclays US Government Treasury 1 to 3 Year Index						*0.02*	*0.02*	*0.07*	*1.51*	*1.65*	*1.96*	*1.47*	*1.09*	*0.83*
Real Assets[1]	**11.1%**	**19.0**	15.0	25.0	**$330.3**	**N/A**	**0.36**	**1.45**	**1.14**	**1.18**	**4.91**	**6.13**	**7.90**	**8.71**
*Blended Custom Benchmark 1Q in Arrears^* [2]						*N/A*	*-0.74*	*0.66*	*3.25*	*4.60*	*5.78*	*6.97*	*8.41*	*9.81*
Private Investment[1]	**7.6%**	**10.0**	5.0	15.0	**$227.1**	**N/A**	**6.62**	**13.62**	**11.09**	**11.63**	**14.08**	**12.29**	**13.10**	**12.78**
*Russell 3000 + 250 basis points 1Q in Arrears^*						*N/A*	*16.25*	*38.67*	*21.62*	*23.74*	*14.35*	*14.70*	*13.21*	*14.55*
Private Credit[1]	**0.5%**	**5.0**	0.0	10.0	**$14.5**	**N/A**	**3.05**	**8.53**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
*S&P / LSTA Leveraged Loan Index + 150 basis points 1Q in Arrears^*						*N/A*	*5.02*	*14.18*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*
Alternative Investment Fund	**6.5%**	**3.0**	0.0	10.0	**$192.9**	**1.93**	**1.79**	**4.45**	**-2.25**	**-1.79**	**2.12**	**3.07**	**2.81**	**N/A**
Absolute Return Strategy blended benchmark [3]						*0.61*	*0.30*	*1.07*	*3.87*	*4.27*	*4.21*	*2.73*	*1.95*	*N/A*

(1) Actual performance, reported one quarter in arrears.

(2) A blended benchmark comprised of the weightings of Real Estate, Infrastructure / Natural Resources and U.S. TIPS as of April 2020.

(3) A blended benchmark comprised of the weightings of each of the investments utilized within the fund of funds vehicle multiplied by their respective benchmarks as of April 2020.

OPEB FUND

Net of All Fees and Expenses

Periods Ending November 30, 2020

Funds / *Benchmark*	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year (Compound, annualized returns)	Five Year	Seven Year	Ten Year
OPEB	**100.0%**				**$1,691.7**	**6.29**	**4.37**	**11.39**	**7.60**	**9.97**	**6.99**	**7.90**	**6.92**	**N/A**
Policy Benchmark						*6.39*	*5.05*	*13.06*	*9.00*	*11.45*	*7.77*	*8.27*	*7.17*	*N/A*
Dynamic Benchmark						*6.65*	*4.89*	*12.40*	*9.08*	*11.65*	*7.96*	*8.41*	*7.23*	*N/A*
Domestic Equity	**21.7%**	**20.0**	15.0	25.0	**$366.4**	**11.95**	**5.41**	**19.61**	**15.71**	**19.03**	**12.98**	**13.85**	**12.38**	**N/A**
Russell 3000						*12.17*	*5.75*	*19.85*	*15.68*	*19.02*	*13.20*	*13.95*	*12.47*	*N/A*
Developed Markets ISF	**12.1%**	**11.0**	6.0	15.0	**$204.6**	**15.25**	**8.50**	**17.25**	**4.65**	**8.26**	**3.37**	**7.16**	**5.79**	**N/A**
MSCI EAFE IMI Net						*15.24*	*8.15*	*16.88*	*3.33*	*6.85*	*4.75*	*7.06*	*6.04*	*N/A*
Emerging Markets ISF	**10.8%**	**9.0**	4.0	14.0	**$183.0**	**8.89**	**9.83**	**25.77**	**16.49**	**24.51**	**7.50**	**12.15**	**5.80**	**N/A**
MSCI Emerging Markets IMI						*9.71*	*9.90*	*22.62*	*10.25*	*18.31*	*4.51*	*10.20*	*4.74*	*N/A*
Core Fixed Income	**16.4%**	**13.0**	8.0	18.0	**$277.6**	**1.15**	**0.65**	**1.58**	**7.81**	**7.77**	**5.13**	**4.24**	**3.74**	**N/A**
Barclays U.S. Aggregate Bond Index						*0.98*	*0.48*	*1.15*	*7.36*	*7.28*	*5.45*	*4.34*	*3.98*	*N/A*
Emerging Market Debt	**5.1%**	**5.0**	0.0	10.0	**$86.8**	**5.54**	**2.79**	**8.01**	**-0.10**	**3.52**	**2.52**	**5.68**	**3.48**	**N/A**
50% JPM EMBI Global Div / 50% JPM GBI EM Global Div						*4.67*	*2.85*	*6.41*	*1.30*	*4.41*	*3.65*	*6.02*	*3.54*	*N/A*
High Yield	**6.0%**	**3.0**	0.0	8.0	**$101.7**	**4.01**	**3.72**	**9.95**	**5.56**	**7.72**	**5.00**	**6.82**	**4.88**	**N/A**
Bloomberg Barclays U.S. High Yield 2% Issuer Cap Index						*3.96*	*3.40*	*9.26*	*4.31*	*6.49*	*5.28*	*7.28*	*5.10*	*N/A*
Liquidity Fund	**2.6%**	**2.0**	0.0	3.0	**$43.5**	**0.01**	**0.04**	**0.09**	**0.65**	**0.79**	**1.72**	**1.61**	**0.98**	**N/A**
50% U.S. 3-Month T-Bill / 50% Bloomberg Barclays US Government Treasury 1 to 3 Year Index						*0.02*	*0.02*	*0.07*	*1.51*	*1.65*	*1.96*	*1.47*	*1.09*	*N/A*
Real Assets[1]	**10.9%**	**19.0**	15.0	25.0	**$183.8**	**N/A**	**0.36**	**1.45**	**1.14**	**1.18**	**4.91**	**6.13**	**7.90**	**N/A**
*Blended Custom Benchmark 1Q in Arrears^* [2]						*N/A*	*-0.74*	*0.66*	*3.25*	*4.60*	*5.78*	*6.97*	*8.41*	*N/A*
Private Investment[1]	**7.6%**	**10.0**	5.0	15.0	**$129.4**	**N/A**	**6.62**	**13.62**	**11.09**	**11.63**	**14.08**	**12.30**	**13.10**	**N/A**
*Russell 3000 + 250 basis points 1Q in Arrears^*						*N/A*	*16.25*	*38.67*	*21.62*	*23.74*	*14.35*	*14.70*	*13.21*	*N/A*
Private Credit[1]	**0.5%**	**5.0**	0.0	10.0	**$8.7**	**N/A**	**3.05**	**8.53**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
*S&P / LSTA Leveraged Loan Index + 150 basis points 1Q in Arrears^*						*N/A*	*5.02*	*14.18*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*
Alternative Investment Fund	**6.3%**	**3.0**	0.0	10.0	**$106.1**	**1.93**	**1.79**	**4.45**	**-2.25**	**-1.79**	**2.12**	**3.08**	**2.81**	**N/A**
Absolute Return Strategy blended benchmark [3]						*0.61*	*0.30*	*1.07*	*3.87*	*4.27*	*4.21*	*2.73*	*1.95*	*N/A*

[1] Actual performance, reported one quarter in arrears.

[2] A blended benchmark comprised of the weightings of Real Estate, Infrastructure / Natural Resources and U.S. TIPS as of April 2020.

[3] A blended benchmark comprised of the weightings of each of the investments utilized within the fund of funds vehicle multiplied by their respective benchmarks as of April 2020.

PROBATE JUDGES EMPLOYEES' RETIREMENT FUND

Net of All Fees and Expenses

Periods Ending November 30, 2020

Funds / *Benchmark*	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
											Compound, annualized returns			
Probate Judges Employees' Retirement Fund	**100.0%**				**$121.8**	**6.26**	**4.37**	**11.30**	**7.41**	**9.76**	**6.64**	**8.15**	**6.89**	**7.39**
Policy Benchmark						*6.39*	*5.05*	*13.06*	*9.00*	*11.45*	*7.57*	*8.69*	*7.13*	*7.85*
Dynamic Benchmark						*6.61*	*4.89*	*12.29*	*8.98*	*11.53*	*7.58*	*8.71*	*7.22*	*N/A*
Domestic Equity	**22.1%**	**20.0**	15.0	25.0	**$26.9**	**11.95**	**5.41**	**19.61**	**15.71**	**19.03**	**12.97**	**13.85**	**12.38**	**13.90**
Russell 3000						*12.17*	*5.75*	*19.85*	*15.68*	*19.02*	*13.20*	*13.95*	*12.47*	*14.04*
Developed Markets ISF	**12.0%**	**11.0**	6.0	16.0	**$14.6**	**15.25**	**8.50**	**17.25**	**4.65**	**8.26**	**3.36**	**7.16**	**5.79**	**7.38**
MSCI EAFE IMI						*15.24*	*8.15*	*16.88*	*3.33*	*6.85*	*4.75*	*7.06*	*6.04*	*7.43*
Emerging Markets ISF	**10.8%**	**9.0**	4.0	14.0	**$13.2**	**8.89**	**9.83**	**25.77**	**16.49**	**24.51**	**7.50**	**12.16**	**5.80**	**4.39**
MSCI Emerging Markets IMI						*9.71*	*9.90*	*22.62*	*10.25*	*18.31*	*4.51*	*10.20*	*4.74*	*3.43*
Core Fixed Income	**16.7%**	**13.0**	8.0	18.0	**$20.3**	**1.15**	**0.65**	**1.58**	**7.81**	**7.77**	**5.13**	**4.24**	**3.74**	**3.67**
Barclays U.S. Aggregate Bond Index						*0.98*	*0.48*	*1.15*	*7.36*	*7.28*	*5.45*	*4.34*	*3.98*	*3.71*
Emerging Market Debt	**5.1%**	**5.0**	0.0	10.0	**$6.3**	**5.54**	**2.79**	**8.01**	**-0.10**	**3.52**	**2.51**	**5.67**	**3.48**	**3.80**
50% JPM EMBI Global Div / 50% JPM GBI EM Global Div						*4.67*	*2.85*	*6.41*	*1.30*	*4.41*	*3.65*	*6.02*	*3.54*	*4.33*
High Yield	**6.1%**	**3.0**	0.0	8.0	**$7.4**	**4.01**	**3.72**	**9.95**	**5.56**	**7.72**	**5.00**	**6.83**	**4.88**	**6.23**
Bloomberg Barclays U.S. High Yield 2% Issuer Cap Index						*3.96*	*3.40*	*9.26*	*4.31*	*6.49*	*5.28*	*7.28*	*5.10*	*6.43*
Liquidity Fund	**1.1%**	**2.0**	0.0	3.0	**$1.3**	**0.01**	**0.04**	**0.09**	**0.63**	**0.79**	**1.70**	**1.55**	**0.94**	**0.81**
50% U.S. 3-Month T-Bill / 50% Bloomberg Barclays US Government Treasury 1 to 3 Year Index						*0.02*	*0.02*	*0.07*	*1.51*	*1.65*	*1.96*	*1.47*	*1.09*	*0.83*
Real Assets(1)	**11.2%**	**19.0**	15.0	25.0	**$13.7**	**N/A**	**0.36**	**1.45**	**1.14**	**1.18**	**4.91**	**6.13**	**7.90**	**8.71**
*Blended Custom Benchmark 1Q in Arrears^* (2)						*N/A*	-0.74	*0.66*	3.25	4.60	5.78	6.97	8.41	9.81
Private Investment(1)	**7.8%**	**10.0**	5.0	15.0	**$9.5**	**N/A**	**6.62**	**13.62**	**11.09**	**11.63**	**14.08**	**12.29**	**13.10**	**12.78**
*Russell 3000 + 250 basis points 1Q in Arrears^*						*N/A*	16.25	*38.67*	*21.62*	*23.74*	*14.35*	*14.70*	*13.21*	*14.55*
Private Credit(1)	**0.4%**	**5.0**	0.0	10.0	**$0.4**	**N/A**	**3.05**	**8.53**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
*S&P / LSTA Leveraged Loan Index + 150 basis points 1Q in Arrears^*						*N/A*	5.02	*14.18*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*
Alternative Investment Fund	**6.7%**	**3.0**	0.0	10.0	**$8.2**	**1.93**	**1.79**	**4.45**	**-2.25**	**-1.79**	**2.12**	**3.07**	**2.81**	**N/A**
Absolute Return Strategy blended benchmark (3)						*0.61*	*0.30*	*1.07*	*3.87*	*4.27*	*4.21*	*2.73*	*1.95*	*N/A*

(1) Actual performance, reported one quarter in arrears.

(2) A blended benchmark comprised of the weightings of Real Estate, Infrastructure / Natural Resources and U.S. TIPS as of April 2020.

(3) A blended benchmark comprised of the weightings of each of the investments utilized within the fund of funds vehicle multiplied by their respective benchmarks as of April 2020.

STATE JUDGES RETIREMENT FUND

Net of All Fees and Expenses

Periods Ending November 30, 2020

											Compound, annualized returns			
Funds *Benchmark*	**Percent Holdings**	**Policy Weights**	**Lower Range**	**Upper Range**	**Market Value (mil.)**	**Month**	**Three Months**	**Fiscal YTD**	**Calendar YTD**	**One Year**	**Three Year**	**Five Year**	**Seven Year**	**Ten Year**
State Judges Retirement Fund	**100.0%**				**$264.5**	**6.22**	**4.32**	**11.27**	**7.40**	**9.78**	**6.76**	**8.18**	**6.91**	**7.47**
Policy Benchmark						*6.39*	*5.05*	*13.06*	*9.00*	*11.45*	*7.58*	*8.61*	*7.05*	*7.79*
Dynamic Benchmark						*6.57*	*4.83*	*12.26*	*8.97*	*11.55*	*7.68*	*8.69*	*7.18*	*N/A*
Domestic Equity	**21.7%**	**20.0**	15.0	25.0	**$57.3**	**11.95**	**5.41**	**19.61**	**15.71**	**19.03**	**12.97**	**13.85**	**12.38**	**13.90**
Russell 3000						*12.17*	*5.75*	*19.85*	*15.68*	*19.02*	*13.20*	*13.95*	*12.47*	*14.04*
Developed Markets ISF	**11.9%**	**11.0**	6.0	16.0	**$31.6**	**15.25**	**8.50**	**17.25**	**4.65**	**8.26**	**3.36**	**7.17**	**5.79**	**7.38**
MSCI EAFE IMI Net						*15.24*	*8.15*	*16.88*	*3.33*	*6.85*	*4.75*	*7.06*	*6.04*	*7.43*
Emerging Markets ISF	**10.7%**	**9.0**	4.0	14.0	**$28.3**	**8.89**	**9.83**	**25.77**	**16.49**	**24.51**	**7.50**	**12.16**	**5.80**	**4.40**
MSCI Emerging Markets IMI						*9.71*	*9.90*	*22.62*	*10.25*	*18.31*	*4.51*	*10.20*	*4.74*	*3.43*
Core Fixed Income	**16.7%**	**13.0**	8.0	18.0	**$44.2**	**1.15**	**0.65**	**1.58**	**7.81**	**7.77**	**5.13**	**4.24**	**3.74**	**3.67**
Barclays U.S. Aggregate Bond Index						*0.98*	*0.48*	*1.15*	*7.36*	*7.28*	*5.45*	*4.34*	*3.98*	*3.71*
Emerging Market Debt	**5.2%**	**5.0**	0.0	10.0	**$13.6**	**5.54**	**2.79**	**8.01**	**-0.10**	**3.52**	**2.51**	**5.68**	**3.48**	**3.80**
50% JPM EMBI Global Div / 50% JPM GBI EM Global Div						*4.67*	*2.85*	*6.41*	*1.30*	*4.41*	*3.65*	*6.02*	*3.54*	*4.33*
High Yield	**6.1%**	**3.0**	0.0	8.0	**$16.2**	**4.01**	**3.72**	**9.95**	**5.56**	**7.72**	**5.00**	**6.83**	**4.88**	**6.23**
Bloomberg Barclays U.S. High Yield 2% Issuer Cap Index						*3.96*	*3.40*	*9.26*	*4.31*	*6.49*	*5.28*	*7.28*	*5.10*	*6.43*
Liquidity Fund	**1.7%**	**2.0**	0.0	3.0	**$4.5**	**0.01**	**0.04**	**0.09**	**0.64**	**0.78**	**1.70**	**1.55**	**0.95**	**0.78**
50% U.S. 3-Month T-Bill / 50% Bloomberg Barclays US Government Treasury 1 to 3 Year Index						*0.02*	*0.02*	*0.07*	*1.51*	*1.65*	*1.96*	*1.47*	*1.09*	*0.83*
Real Assets(1)	**11.2%**	**19.0**	15.0	25.0	**$29.6**	**N/A**	**0.36**	**1.45**	**1.14**	**1.18**	**4.91**	**6.13**	**7.90**	**8.71**
*Blended Custom Benchmark 1Q in Arrears^* (2)						*N/A*	*-0.74*	*0.66*	*3.25*	*4.60*	*5.78*	*6.97*	*8.41*	*9.81*
Private Investment(1)	**7.8%**	**10.0**	5.0	15.0	**$20.6**	**N/A**	**6.62**	**13.62**	**11.09**	**11.63**	**14.08**	**12.29**	**13.10**	**12.78**
*Russell 3000 + 250 basis points 1Q in Arrears^*						*N/A*	*16.25*	*38.67*	*21.62*	*23.74*	*14.35*	*14.70*	*13.21*	*14.55*
Private Credit(1)	**0.4%**	**5.0**	0.0	10.0	**$1.0**	**N/A**	**3.05**	**8.53**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
*S&P / LSTA Leveraged Loan Index + 150 basis points 1Q in Arrears^*						*N/A*	*5.02*	*14.18*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*
Alternative Investment Fund	**6.7%**	**3.0**	0.0	10.0	**$17.7**	**1.93**	**1.79**	**4.45**	**-2.25**	**-1.79**	**2.12**	**3.07**	**2.81**	**N/A**
Absolute Return Strategy blended benchmark (3)						*0.61*	*0.30*	*1.07*	*3.87*	*4.27*	*4.21*	*2.73*	*1.95*	*N/A*

(1) Actual performance, reported one quarter in arrears.

(2) A blended benchmark comprised of the weightings of Real Estate, Infrastructure / Natural Resources and U.S. TIPS as of April 2020.

(3) A blended benchmark comprised of the weightings of each of the investments utilized within the fund of funds vehicle multiplied by their respective benchmarks as of April 2020.

STATE'S ATTORNEYS' RETIREMENT FUND

Net of All Fees and Expenses

Periods Ending November 30, 2020

Funds / *Benchmark*	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
											Compound, annualized returns			
State's Attorneys' Retirement Fund	**100.0%**				**$2.4**	**6.20**	**4.30**	**11.24**	**7.36**	**9.72**	**6.11**	**8.07**	**6.59**	**6.79**
Policy Benchmark						*6.39*	*5.05*	*13.06*	*9.00*	*11.45*	*7.81*	*8.85*	*7.28*	*N/A*
Dynamic Benchmark						*6.55*	*4.82*	*12.22*	*8.96*	*11.51*	*7.60*	*8.73*	*7.23*	*N/A*
Domestic Equity	**21.5%**	**20.0**	15.0	25.0	**$0.5**	**11.95**	**5.41**	**19.61**	**15.71**	**19.03**	**12.98**	**13.86**	**12.39**	**13.91**
Russell 3000						*12.17*	*5.75*	*19.85*	*15.68*	*19.02*	*13.20*	*13.95*	*12.47*	*14.04*
Developed Markets ISF	**11.9%**	**11.0**	6.0	16.0	**$0.3**	**15.25**	**8.50**	**17.25**	**4.65**	**8.26**	**3.36**	**7.17**	**5.79**	**N/A**
MSCI EAFE IMI Net						*15.24*	*8.15*	*16.88*	*3.33*	*6.85*	*4.75*	*7.06*	*6.04*	*N/A*
Emerging Markets ISF	**10.7%**	**9.0**	4.0	14.0	**$0.3**	**8.89**	**9.83**	**25.77**	**16.49**	**24.51**	**7.49**	**12.15**	**5.80**	**N/A**
MSCI Emerging Markets IMI						*9.71*	*9.90*	*22.62*	*10.25*	*18.31*	*4.51*	*10.20*	*4.74*	*N/A*
Core Fixed Income	**16.6%**	**13.0**	8.0	18.0	**$0.4**	**1.15**	**0.65**	**1.58**	**7.81**	**7.77**	**5.13**	**4.24**	**3.74**	**3.70**
Barclays U.S. Aggregate Bond Index						*0.98*	*0.48*	*1.15*	*7.36*	*7.28*	*5.45*	*4.34*	*3.98*	*3.71*
Emerging Market Debt	**5.0%**	**5.0**	0.0	10.0	**$0.1**	**5.54**	**2.79**	**8.01**	**-0.10**	**3.52**	**2.51**	**5.67**	**3.47**	**3.80**
50% JPM EMBI Global Div / 50% JPM GBI EM Global Div						*4.67*	*2.85*	*6.41*	*1.30*	*4.41*	*3.65*	*6.02*	*3.54*	*4.33*
High Yield	**6.1%**	**3.0**	0.0	8.0	**$0.1**	**4.01**	**3.72**	**9.95**	**5.56**	**7.72**	**5.00**	**6.83**	**4.88**	**6.21**
Bloomberg Barclays U.S. High Yield 2% Issuer Cap Index						*3.96*	*3.40*	*9.26*	*4.31*	*6.49*	*5.28*	*7.28*	*5.10*	*6.43*
Liquidity Fund	**2.2%**	**2.0**	0.0	3.0	**$0.1**	**0.01**	**0.04**	**0.09**	**0.64**	**0.78**	**1.70**	**1.56**	**0.95**	**0.82**
50% U.S. 3-Month T-Bill / 50% Bloomberg Barclays US Government Treasury 1 to 3 Year Index						*0.02*	*0.02*	*0.07*	*1.51*	*1.65*	*1.96*	*1.47*	*1.09*	*0.83*
Real Assets[1]	**11.2%**	**19.0**	15.0	25.0	**$0.3**	**N/A**	**0.36**	**1.45**	**1.14**	**1.18**	**N/A**	**N/A**	**N/A**	**N/A**
*Blended Custom Benchmark 1Q in Arrears^* [2]						*N/A*	*-0.74*	*0.66*	*3.25*	*4.60*	*N/A*	*N/A*	*N/A*	*N/A*
Private Investment[1]	**7.8%**	**10.0**	5.0	15.0	**$0.2**	**N/A**	**6.62**	**13.62**	**11.09**	**11.63**	**N/A**	**N/A**	**N/A**	**N/A**
*Russell 3000 + 250 basis points 1Q in Arrears^*						*N/A*	*16.25*	*38.67*	*21.62*	*23.74*	*N/A*	*N/A*	*N/A*	*N/A*
Private Credit[1]	**0.4%**	**5.0**	0.0	10.0	**$0.0**	**N/A**	**3.05**	**8.53**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
*S&P / LSTA Leveraged Loan Index + 150 basis points 1Q in Arrears^*						*N/A*	*5.02*	*14.18*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*
Alternative Investment Fund	**6.6%**	**3.0**	0.0	10.0	**$0.2**	**1.93**	**1.79**	**4.45**	**-2.25**	**-1.79**	**N/A**	**N/A**	**N/A**	**N/A**
Absolute Return Strategy blended benchmark [3]						*0.61*	*0.30*	*1.07*	*3.87*	*4.27*	*N/A*	*N/A*	*N/A*	*N/A*

(1) Actual performance, reported one quarter in arrears.

(2) A blended benchmark comprised of the weightings of Real Estate, Infrastructure / Natural Resources and U.S. TIPS as of April 2020.

(3) A blended benchmark comprised of the weightings of each of the investments utilized within the fund of funds vehicle multiplied by their respective benchmarks as of April 2020.

AGRICULTURAL COLLEGE FUND

Net of All Fees and Expenses

Periods Ending November 30, 2020

Funds / *Benchmark*	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
											Compound, annualized returns			
Agricultural College Fund	**100.0%**				**$0.7**	**1.15**	**0.65**	**1.60**	**7.83**	**7.79**	**5.17**	**4.28**	**3.78**	**4.02**
Policy Benchmark						*0.98*	*0.48*	*1.15*	*7.36*	*7.28*	*5.45*	*4.34*	*3.98*	*3.96*
Dynamic Benchmark						*0.98*	*0.48*	*1.15*	*7.36*	*7.28*	*5.45*	*4.34*	*3.98*	*N/A*
Core Fixed Income	**99.7%**	**100.0**	100.0	100.0	**$0.7**	**1.15**	**0.65**	**1.58**	**7.81**	**7.77**	**5.13**	**4.24**	**3.74**	**3.67**
Barclays U.S. Aggregate Bond Index						*0.98*	*0.48*	*1.15*	*7.36*	*7.28*	*5.45*	*4.34*	*3.98*	*3.71*
Liquidity Fund [1]	**0.4%**				**$0.0**	**0.02**	**0.05**	**0.05**	**0.62**	**0.77**	**1.54**	**1.22**	**0.71**	**0.67**
50% U.S. 3-Month T-Bill / 50% Bloomberg Barclays US Government Treasury 1 to 3 Year Index						*0.02*	*0.02*	*0.07*	*1.51*	*1.65*	*1.96*	*1.47*	*1.09*	*0.83*

[1] Operational cash balance and expense accruals

ANDREW C. CLARK FUND

Net of All Fees and Expenses

Periods Ending November 30, 2020

Funds / *Benchmark*	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year (Compound, annualized returns)	Five Year	Seven Year	Ten Year
Andrew C. Clark Fund	**100.0%**				**$1.4**	**4.73**	**2.72**	**7.16**	**9.51**	**10.70**	**6.51**	**6.54**	**5.51**	**6.09**
Policy Benchmark						*4.55*	*2.59*	*6.44*	*8.79*	*9.95*	*6.77*	*6.47*	*5.65*	*6.03*
Dynamic Benchmark						*4.69*	*2.62*	*6.74*	*8.87*	*10.03*	*6.83*	*6.54*	*5.67*	*N/A*
Domestic Equity	**16.7%**	**15.0**	10.0	20.0	**$0.2**	**11.95**	**5.41**	**19.61**	**15.71**	**19.03**	**12.98**	**13.86**	**12.39**	**13.89**
Russell 3000						*12.17*	*5.75*	*19.85*	*15.68*	*19.02*	*13.20*	*13.95*	*12.47*	*14.04*
Developed Markets ISF	**12.3%**	**11.0**	6.0	16.0	**$0.2**	**15.25**	**8.50**	**17.25**	**4.65**	**8.26**	**3.37**	**7.17**	**5.79**	**N/A**
MSCI EAFE IMI Net						*15.24*	*8.15*	*16.88*	*3.33*	*6.85*	*4.75*	*7.06*	*6.04*	*N/A*
Emerging Markets ISF	**4.5%**	**4.0**	0.0	5.0	**$0.1**	**8.89**	**9.83**	**25.77**	**16.49**	**24.51**	**7.50**	**12.16**	**5.80**	**N/A**
MSCI Emerging Markets IMI						*9.71*	*9.90*	*22.62*	*10.25*	*18.31*	*4.51*	*10.20*	*4.74*	*N/A*
Core Fixed Income	**64.7%**	**67.0**	57.0	77.0	**$0.9**	**1.15**	**0.65**	**1.58**	**7.81**	**7.77**	**5.13**	**4.24**	**3.74**	**3.67**
Barclays U.S. Aggregate Bond Index						*0.98*	*0.48*	*1.15*	*7.36*	*7.28*	*5.45*	*4.34*	*3.98*	*3.71*
Liquidity Fund	**1.8%**	**3.0**	0.0	4.0	**$0.0**	**0.01**	**0.04**	**0.78**	**1.34**	**1.49**	**4.24**	**3.55**	**2.25**	**1.76**
50% U.S. 3-Month T-Bill / 50% Bloomberg Barclays US Government Treasury 1 to 3 Year Index						*0.02*	*0.02*	*0.07*	*1.51*	*1.65*	*1.96*	*1.47*	*1.09*	*0.83*

SOLDIERS' SAILORS' & MARINES' FUND

Net of All Fees and Expenses

Periods Ending November 30, 2020

Funds *Benchmark*	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year (Compound, annualized returns)	Five Year (Compound, annualized returns)	Seven Year (Compound, annualized returns)	Ten Year (Compound, annualized returns)
Soldiers' Sailors' & Marines Fund	**100.0%**				**$87.9**	**4.82**	**2.79**	**7.18**	**9.53**	**10.70**	**6.52**	**6.53**	**5.51**	**5.97**
Policy Benchmark						*4.55*	*2.59*	*6.44*	*8.79*	*9.95*	*6.77*	*6.47*	*5.65*	*5.86*
Dynamic Benchmark						*4.78*	*2.70*	*6.76*	*8.90*	*10.05*	*6.85*	*6.56*	*5.68*	*N/A*
Domestic Equity	**17.1%**	**15.0**	10.0	20.0	**$15.0**	**11.95**	**5.41**	**19.61**	**15.71**	**19.03**	**12.98**	**13.86**	**12.39**	**13.91**
Russell 3000						*12.17*	*5.75*	*19.85*	*15.68*	*19.02*	*13.20*	*13.95*	*12.47*	*14.04*
Developed Markets ISF	**12.4%**	**11.0**	6.0	16.0	**$10.9**	**15.25**	**8.50**	**17.25**	**4.65**	**8.26**	**3.37**	**7.17**	**5.79**	**N/A**
MSCI EAFE IMI Net						*15.24*	*8.15*	*16.88*	*3.33*	*6.85*	*4.75*	*7.06*	*6.04*	*N/A*
Emerging Markets ISF	**5.0%**	**4.0**	0.0	5.0	**$4.4**	**8.89**	**9.83**	**25.77**	**16.49**	**24.51**	**7.50**	**12.16**	**5.80**	**N/A**
MSCI Emerging Markets IMI						*9.71*	*9.90*	*22.62*	*10.25*	*18.31*	*4.51*	*10.20*	*4.74*	*N/A*
Core Fixed Income	**63.2%**	**67.0**	57.0	77.0	**$55.6**	**1.15**	**0.65**	**1.58**	**7.81**	**7.77**	**5.13**	**4.24**	**3.74**	**3.67**
Barclays U.S. Aggregate Bond Index						*0.98*	*0.48*	*1.15*	*7.36*	*7.28*	*5.45*	*4.34*	*3.98*	*3.71*
Liquidity Fund	**2.3%**	**3.0**	0.0	4.0	**$2.1**	**0.01**	**0.04**	**0.09**	**0.64**	**0.78**	**1.70**	**1.56**	**0.95**	**0.82**
50% U.S. 3-Month T-Bill / 50% Bloomberg Barclays US Government Treasury 1 to 3 Year Index						*0.02*	*0.02*	*0.07*	*1.51*	*1.65*	*1.96*	*1.47*	*1.09*	*0.83*

SCHOOL FUND

Net of All Fees and Expenses
Periods Ending November 30, 2020

Funds / *Benchmark*	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Compound, annualized returns Three Year	Five Year	Seven Year	Ten Year
School Fund	**100.0%**				**$13.5**	**4.93**	**2.84**	**7.30**	**9.59**	**10.81**	**6.55**	**6.57**	**5.55**	**6.05**
Policy Benchmark						*4.55*	*2.59*	*6.44*	*8.79*	*9.95*	*6.77*	*6.47*	*5.65*	*6.03*
Dynamic Benchmark						*4.90*	*2.75*	*6.88*	*8.94*	*10.14*	*6.86*	*6.58*	*5.71*	*N/A*
Domestic Equity	**17.7%**	**15.0**	10.0	20.0	**$2.4**	**11.95**	**5.41**	**19.61**	**15.71**	**19.03**	**12.98**	**13.86**	**12.39**	**13.91**
Russell 3000						*12.17*	*5.75*	*19.85*	*15.68*	*19.02*	*13.20*	*13.95*	*12.47*	*14.04*
Developed Markets ISF	**12.7%**	**11.0**	6.0	16.0	**$1.7**	**15.25**	**8.50**	**17.25**	**4.65**	**8.26**	**3.36**	**7.17**	**5.79**	**N/A**
MSCI EAFE IMI Net						*15.24*	*8.15*	*16.88*	*3.33*	*6.85*	*4.75*	*7.06*	*6.04*	*N/A*
Emerging Markets ISF	**5.0%**	**4.0**	0.0	5.0	**$0.7**	**8.89**	**9.83**	**25.77**	**16.49**	**24.51**	**7.50**	**12.16**	**5.80**	**N/A**
MSCI Emerging Markets IMI						*9.71*	*9.90*	*22.62*	*10.25*	*18.31*	*4.51*	*10.20*	*4.74*	*N/A*
Core Fixed Income	**62.9%**	**67.0**	57.0	77.0	**$8.5**	**1.15**	**0.65**	**1.58**	**7.81**	**7.77**	**5.13**	**4.24**	**3.74**	**3.67**
Barclays U.S. Aggregate Bond Index						*0.98*	*0.48*	*1.15*	*7.36*	*7.28*	*5.45*	*4.34*	*3.98*	*3.71*
Liquidity Fund	**1.7%**	**3.0**	0.0	4.0	**$0.2**	**0.02**	**0.06**	**0.13**	**1.23**	**1.52**	**2.95**	**2.49**	**1.48**	**1.19**
50% U.S. 3-Month T-Bill / 50% Bloomberg Barclays US Government Treasury 1 to 3 Year Index						*0.02*	*0.02*	*0.07*	*1.51*	*1.65*	*1.96*	*1.47*	*1.09*	*0.83*

IDA EATON COTTON FUND

Net of All Fees and Expenses

Periods Ending November 30, 2020

Funds *Benchmark*	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
											Compound, annualized returns			
IDA Eaton Cotton Fund	**100.0%**				**$3.0**	**4.74**	**2.72**	**7.21**	**9.52**	**10.70**	**6.52**	**6.54**	**5.51**	**6.09**
Policy Benchmark						*4.55*	*2.59*	*6.44*	*8.79*	*9.95*	*6.77*	*6.47*	*5.65*	*6.03*
Dynamic Benchmark						*4.69*	*2.63*	*6.78*	*8.88*	*10.04*	*6.84*	*6.55*	*5.69*	*N/A*
Domestic Equity	**16.7%**	**15.0**	10.0	20.0	**$0.5**	**11.95**	**5.41**	**19.61**	**15.71**	**19.03**	**12.98**	**13.86**	**12.39**	**13.90**
Russell 3000						*12.17*	*5.75*	*19.85*	*15.68*	*19.02*	*13.20*	*13.95*	*12.47*	*14.04*
Developed Markets ISF	**12.3%**	**11.0**	6.0	16.0	**$0.4**	**15.25**	**8.50**	**17.25**	**4.65**	**8.26**	**3.37**	**7.17**	**5.79**	**N/A**
MSCI EAFE IMI Net						*15.24*	*8.15*	*16.88*	*3.33*	*6.85*	*4.75*	*7.06*	*6.04*	*N/A*
Emerging Markets ISF	**4.6%**	**4.0**	0.0	5.0	**$0.1**	**8.89**	**9.83**	**25.77**	**16.49**	**24.51**	**7.50**	**12.16**	**5.80**	**N/A**
MSCI Emerging Markets IMI						*9.71*	*9.90*	*22.62*	*10.25*	*18.31*	*4.51*	*10.20*	*4.74*	*N/A*
Core Fixed Income	**64.0%**	**67.0**	57.0	77.0	**$1.9**	**1.15**	**0.65**	**1.58**	**7.81**	**7.77**	**5.13**	**4.24**	**3.74**	**3.67**
Barclays U.S. Aggregate Bond Index						*0.98*	*0.48*	*1.15*	*7.36*	*7.28*	*5.45*	*4.34*	*3.98*	*3.71*
Liquidity Fund	**2.4%**	**3.0**	0.0	4.0	**$0.1**	**0.01**	**0.04**	**0.66**	**1.21**	**1.36**	**4.56**	**3.72**	**2.36**	**1.81**
50% U.S. 3-Month T-Bill / 50% Bloomberg Barclays US Government Treasury 1 to 3 Year Index						*0.02*	*0.02*	*0.07*	*1.51*	*1.65*	*1.96*	*1.47*	*1.09*	*0.83*

HOPEMEAD FUND

Net of All Fees and Expenses
Periods Ending November 30, 2020

Funds *Benchmark*	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
											Compound, annualized returns			
Hopemead Fund	**100.0%**				**$4.7**	**4.87**	**2.81**	**7.20**	**9.45**	**10.65**	**6.49**	**6.50**	**5.48**	**5.92**
Policy Benchmark						*4.55*	*2.59*	*6.44*	*8.79*	*9.95*	*6.77*	*6.47*	*5.65*	*6.03*
Dynamic Benchmark						*4.84*	*2.72*	*6.79*	*8.83*	*10.01*	*6.82*	*6.52*	*5.65*	*N/A*
Domestic Equity	**17.4%**	**15.0**	10.0	20.0	**$0.8**	**11.95**	**5.41**	**19.61**	**15.71**	**19.03**	**12.98**	**13.86**	**12.39**	**13.89**
Russell 3000						*12.17*	*5.75*	*19.85*	*15.68*	*19.02*	*13.20*	*13.95*	*12.47*	*14.04*
Developed Markets ISF	**12.5%**	**11.0**	6.0	16.0	**$0.6**	**15.25**	**8.50**	**17.25**	**4.65**	**8.26**	**3.37**	**7.17**	**5.79**	**N/A**
MSCI EAFE IMI Net						*15.24*	*8.15*	*16.88*	*3.33*	*6.85*	*4.75*	*7.06*	*6.04*	*N/A*
Emerging Markets ISF	**5.0%**	**4.0**	0.0	5.0	**$0.2**	**8.89**	**9.83**	**25.77**	**16.49**	**24.51**	**7.50**	**12.16**	**5.80**	**N/A**
MSCI Emerging Markets IMI						*9.71*	*9.90*	*22.62*	*10.25*	*18.31*	*4.51*	*10.20*	*4.74*	*N/A*
Core Fixed Income	**62.6%**	**67.0**	57.0	77.0	**$3.0**	**1.15**	**0.65**	**1.58**	**7.81**	**7.77**	**5.13**	**4.24**	**3.74**	**3.67**
Barclays U.S. Aggregate Bond Index						*0.98*	*0.48*	*1.15*	*7.36*	*7.28*	*5.45*	*4.34*	*3.98*	*3.71*
Liquidity Fund	**2.5%**	**3.0**	0.0	4.0	**$0.1**	**0.01**	**0.04**	**0.09**	**0.64**	**0.78**	**1.70**	**1.56**	**0.95**	**0.83**
50% U.S. 3-Month T-Bill / 50% Bloomberg Barclays US Government Treasury 1 to 3 Year Index						*0.02*	*0.02*	*0.07*	*1.51*	*1.65*	*1.96*	*1.47*	*1.09*	*0.83*

ARTS ENDOWMENT FUND

Net of All Fees and Expenses

Periods Ending November 30, 2020

Funds / *Benchmark*	Percent Holdings	Policy Weights	Lower Range	Upper Range	Market Value (mil.)	Month	Three Months	Fiscal YTD	Calendar YTD	One Year	Compound, annualized returns: Three Year	Five Year	Seven Year	Ten Year
Arts Endowment Fund	**100.0%**				**$21.9**	**8.56**	**5.23**	**14.36**	**10.41**	**13.49**	**7.09**	**7.19**	**5.97**	**6.17**
Policy Benchmark						*8.20*	*5.37*	*13.96*	*8.22*	*11.20*	*7.18*	*6.98*	*6.01*	*6.27*
Dynamic Benchmark						*8.63*	*5.23*	*13.69*	*9.52*	*12.54*	*7.39*	*N/A*	*N/A*	*N/A*
Domestic Equity	**30.6%**	**28.0**	23.0	33.0	**$6.7**	**11.95**	**5.41**	**19.61**	**15.71**	**19.03**	**12.98**	**13.86**	**12.39**	**N/A**
Russell 3000						*12.17*	*5.75*	*19.85*	*15.68*	*19.02*	*13.20*	*13.95*	*12.47*	*N/A*
Developed Markets ISF	**18.8%**	**17.0**	12.0	22.0	**$4.1**	**15.25**	**8.50**	**17.25**	**4.65**	**8.26**	**3.36**	**7.18**	**5.80**	**N/A**
MSCI EAFE IMI Net						*15.24*	*8.15*	*16.88*	*3.33*	*6.85*	*4.75*	*7.06*	*6.04*	*N/A*
Emerging Markets ISF	**13.5%**	**12.0**	7.0	17.0	**$3.0**	**8.89**	**9.83**	**25.77**	**16.49**	**24.51**	**7.49**	**12.17**	**5.81**	**N/A**
MSCI Emerging Markets IMI						*9.71*	*9.90*	*22.62*	*10.25*	*18.31*	*4.51*	*10.20*	*4.74*	*N/A*
Core Fixed Income	**16.2%**	**16.0**	11.0	21.0	**$3.6**	**1.15**	**0.65**	**1.58**	**7.81**	**7.77**	**5.13**	**4.24**	**3.74**	**3.67**
Barclays U.S. Aggregate Bond Index						*0.98*	*0.48*	*1.15*	*7.36*	*7.28*	*5.45*	*4.34*	*3.98*	*3.71*
Emerging Market Debt	**8.5%**	**8.0**	3.0	13.0	**$1.9**	**5.54**	**2.79**	**8.01**	**-0.10**	**3.52**	**N/A**	**N/A**	**N/A**	**N/A**
50% JPM EMBI Global Div / 50% JPM GBI EM Global Div						*4.67*	*2.85*	*6.41*	*1.30*	*4.41*	*N/A*	*N/A*	*N/A*	*N/A*
High Yield	**9.5%**	**9.0**	4.0	14.0	**$2.1**	**4.01**	**3.72**	**9.95**	**5.56**	**7.72**	**N/A**	**N/A**	**N/A**	**N/A**
Bloomberg Barclays U.S. High Yield 2% Issuer Cap Index						*3.96*	*3.40*	*9.26*	*4.31*	*6.49*	*N/A*	*N/A*	*N/A*	*N/A*
Private Credit[(1)]	**0.4%**	**9.0**	4.0	14.0	**$0.1**	**N/A**	**3.05**	**8.53**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
*S&P / LSTA Leveraged Loan Index + 150 basis points 1Q in Arrears^*						*N/A*	*5.02*	*14.18*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*
Liquidity Fund	**2.4%**	**1.0**	0.0	3.0	**$0.5**	**0.01**	**0.04**	**0.09**	**0.63**	**0.78**	**1.70**	**1.52**	**0.92**	**0.81**
50% U.S. 3-Month T-Bill / 50% Bloomberg Barclays US Government Treasury 1 to 3 Year Index						*0.02*	*0.02*	*0.07*	*1.51*	*1.65*	*1.96*	*1.47*	*1.09*	*0.83*

[(1)] Actual performance, reported one quarter in arrears,

POLICEMEN AND FIREMEN SURVIVORS' BENEFIT FUND

Net of All Fees and Expenses

Periods Ending November 30, 2020

											Compound, annualized returns			
Funds *Benchmark*	**Percent Holdings**	**Policy Weights**	**Lower Range**	**Upper Range**	**Market Value (mil.)**	**Month**	**Three Months**	**Fiscal YTD**	**Calendar YTD**	**One Year**	**Three Year**	**Five Year**	**Seven Year**	**Ten Year**
Policemen and Firemen Survivors' Benefit Fund	**100.0%**				**$42.0**	**6.19**	**4.29**	**11.21**	**7.35**	**9.71**	**6.67**	**8.22**	**6.99**	**7.80**
Policy Benchmark						*6.39*	*5.05*	*13.06*	*9.00*	*11.45*	*7.59*	*8.70*	*7.16*	*N/A*
Dynamic Benchmark						*6.54*	*4.81*	*12.18*	*8.92*	*11.47*	*7.59*	*8.71*	*7.23*	*N/A*
Domestic Equity	**21.6%**	**20.0**	15.0	25.0	**$9.1**	**11.95**	**5.41**	**19.61**	**15.71**	**19.03**	**12.97**	**13.85**	**12.38**	**14.09**
Russell 3000						*12.17*	*5.75*	*19.85*	*15.68*	*19.02*	*13.20*	*13.95*	*12.47*	*14.04*
Developed Markets ISF	**11.9%**	**11.0**	6.0	16.0	**$5.0**	**15.25**	**8.50**	**17.25**	**4.65**	**8.26**	**3.36**	**7.16**	**5.79**	**N/A**
MSCI EAFE IMI Net						*15.24*	*8.15*	*16.88*	*3.33*	*6.85*	*4.75*	*7.06*	*6.04*	*N/A*
Emerging Markets ISF	**10.6%**	**9.0**	4.0	14.0	**$4.5**	**8.89**	**9.83**	**25.77**	**16.49**	**24.51**	**7.50**	**12.16**	**5.80**	**N/A**
MSCI Emerging Markets IMI						*9.71*	*9.90*	*22.62*	*10.25*	*18.31*	*4.51*	*10.20*	*4.74*	*N/A*
Core Fixed Income	**16.7%**	**13.0**	8.0	18.0	**$7.0**	**1.15**	**0.65**	**1.58**	**7.81**	**7.77**	**5.13**	**4.24**	**3.74**	**3.73**
Barclays U.S. Aggregate Bond Index						*0.98*	*0.48*	*1.15*	*7.36*	*7.28*	*5.45*	*4.34*	*3.98*	*3.71*
Emerging Market Debt	**5.1%**	**5.0**	0.0	10.0	**$2.1**	**5.54**	**2.79**	**8.01**	**-0.10**	**3.52**	**2.51**	**5.67**	**3.48**	**3.80**
50% JPM EMBI Global Div / 50% JPM GBI EM Global Div						*4.67*	*2.85*	*6.41*	*1.30*	*4.41*	*3.65*	*6.02*	*3.54*	*4.33*
High Yield	**6.1%**	**3.0**	0.0	8.0	**$2.5**	**4.01**	**3.72**	**9.95**	**5.56**	**7.72**	**5.00**	**6.83**	**4.88**	**6.21**
Bloomberg Barclays U.S. High Yield 2% Issuer Cap Index						*3.96*	*3.40*	*9.26*	*4.31*	*6.49*	*5.28*	*7.28*	*5.10*	*6.43*
Liquidity Fund	**2.3%**	**2.0**	0.0	3.0	**$1.0**	**0.01**	**0.04**	**0.09**	**0.64**	**0.78**	**1.70**	**1.56**	**0.95**	**0.82**
50% U.S. 3-Month T-Bill / 50% Bloomberg Barclays US Government Treasury 1 to 3 Year Index						*0.02*	*0.02*	*0.07*	*1.51*	*1.65*	*1.96*	*1.47*	*1.09*	*0.83*
Real Assets[1]	**11.1%**	**19.0**	15.0	25.0	**$4.7**	**N/A**	**0.36**	**1.45**	**1.14**	**1.18**	**4.91**	**6.13**	**7.90**	**8.67**
Blended Custom Benchmark 1Q in Arrears^ [2]						*N/A*	*-0.74*	*0.66*	*3.25*	*4.60*	*5.78*	*6.97*	*8.41*	*9.81*
Private Investment[1]	**7.8%**	**10.0**	5.0	15.0	**$3.3**	**N/A**	**6.62**	**13.62**	**11.09**	**11.63**	**14.08**	**12.29**	**13.10**	**N/A**
*Russell 3000 + 250 basis points 1Q in Arrears^*						*N/A*	*16.25*	*38.67*	*21.62*	*23.74*	*14.35*	*14.70*	*13.21*	*N/A*
Private Credit[1]	**0.4%**	**5.0**	0.0	10.0	**$0.2**	**N/A**	**3.05**	**8.53**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
*S&P / LSTA Leveraged Loan Index + 150 basis points 1Q in Arrears^*						*N/A*	*5.02*	*14.18*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*
Alternative Investment Fund	**6.6%**	**3.0**	0.0	10.0	**$2.8**	**1.93**	**1.79**	**4.45**	**-2.25**	**-1.79**	**2.12**	**3.07**	**2.81**	**N/A**
Absolute Return Strategy blended benchmark [3]						*0.61*	*0.30*	*1.07*	*3.87*	*4.27*	*4.21*	*2.73*	*1.95*	*N/A*

(1) Actual performance, reported one quarter in arrears.

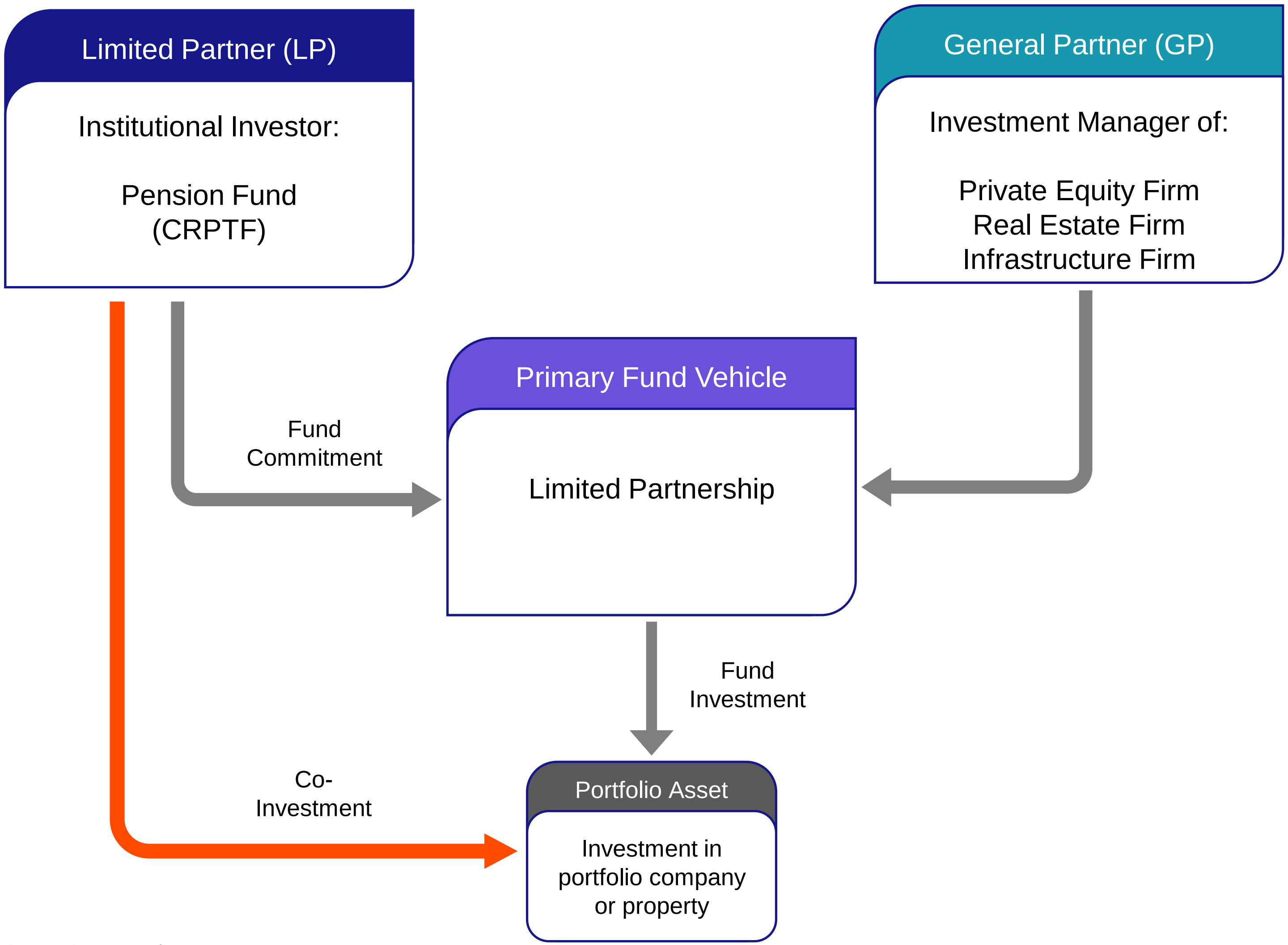
(2) A blended benchmark comprised of the weightings of Real Estate, Infrastructure / Natural Resources and U.S. TIPS as of April 2020.

(3) A blended benchmark comprised of the weightings of each of the investments utilized within the fund of funds vehicle multiplied by their respective benchmarks as of April 2020.

Co-Investment Overview

Raynald Leveque – Deputy Chief Investment Officer
Mark Evans – Principal Investment Officer
Danita Johnson – Principal Investment Officer

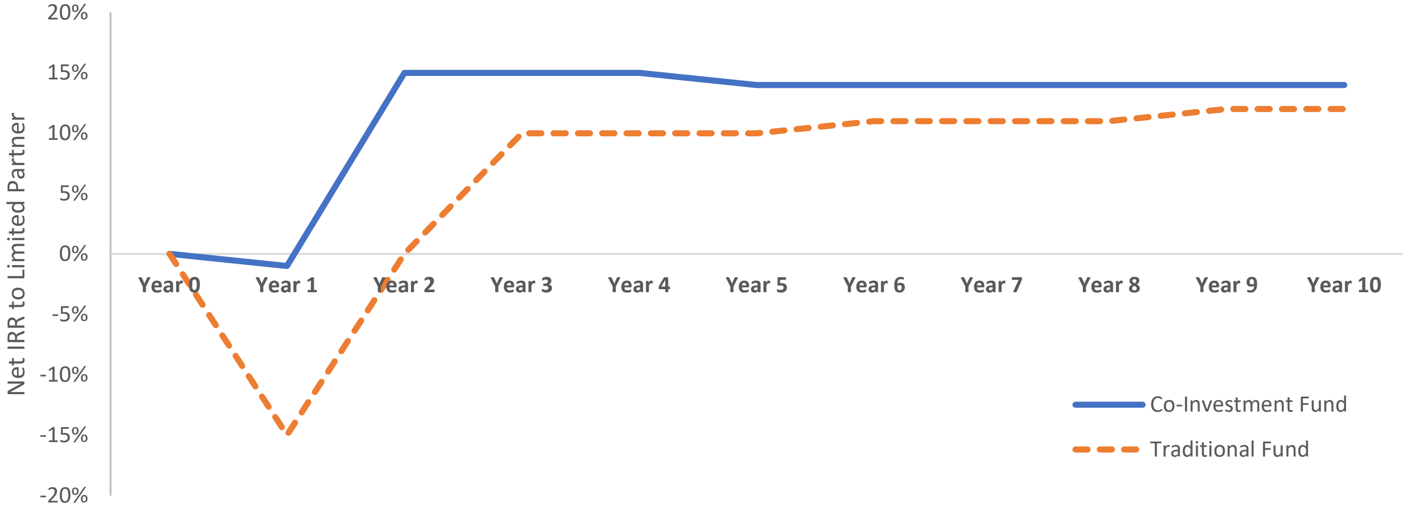
Co-Investment Structure



Source: CRPTF, Harbourvest

Co-Investment Fund versus Traditional Alternative Fund

Shown for illustrative purposes only



Source: CRPTF, Harbourvest

Improved Portfolio Returns

Opportunity to

1) Enhance Long-Term Net Returns
2) Build Additional Exposure in Alternatives portfolios

J-Curve Mitigation

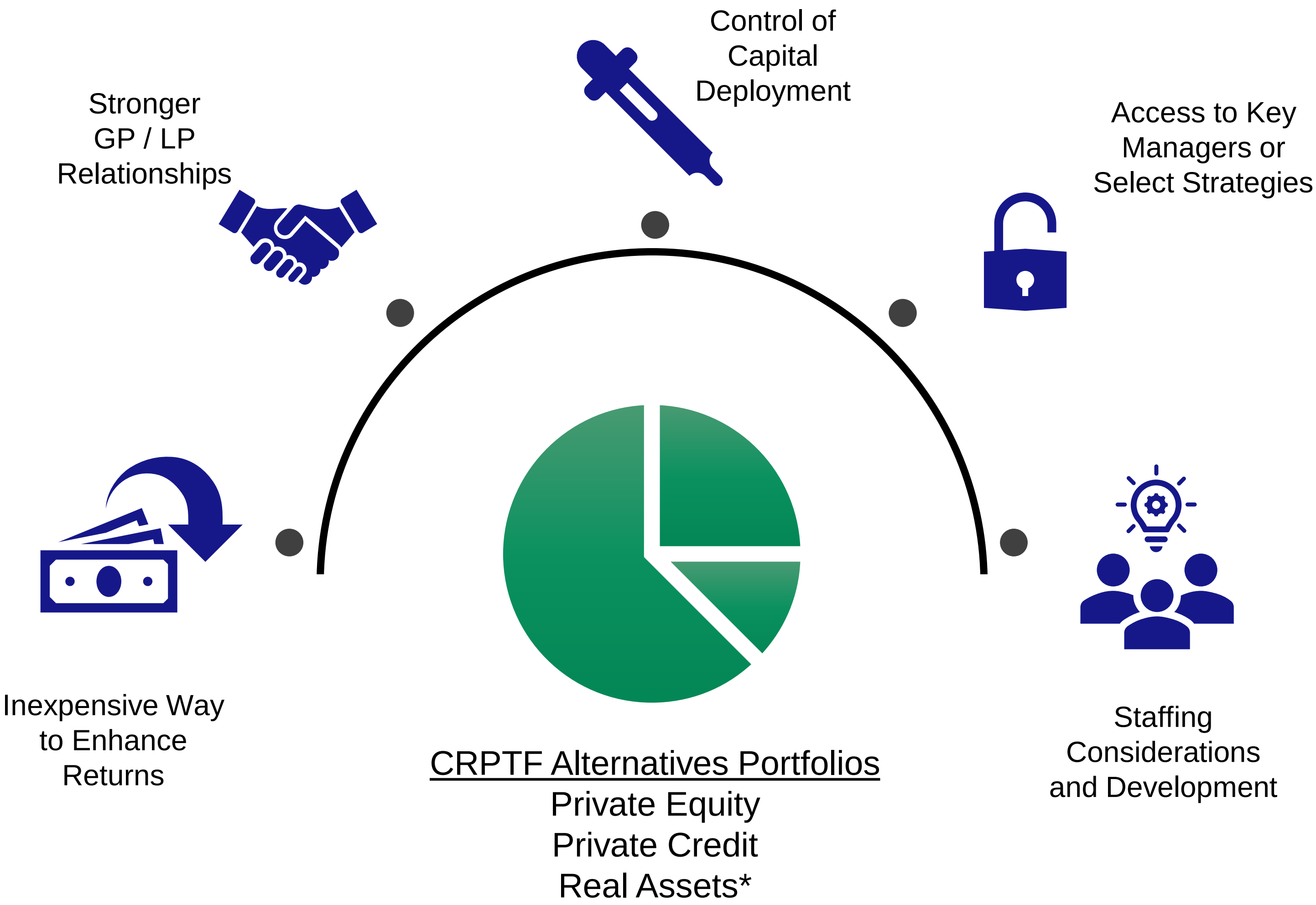
Lower fee burden can substantially reduce performance drag during J-curve period

Lower Fees / Favorable Economics

Traditional Fund
2% Mgmt. fee + 20% Carry

Co-Investment Fund
Reduced fees versus Traditional Fund

Investment Case for Co-Investments



Source: CRPTF

*Real Assets Strategies for Co-Investments include Real Estate, Infrastructure and Natural Resources

Challenges of a Co-Investment Program

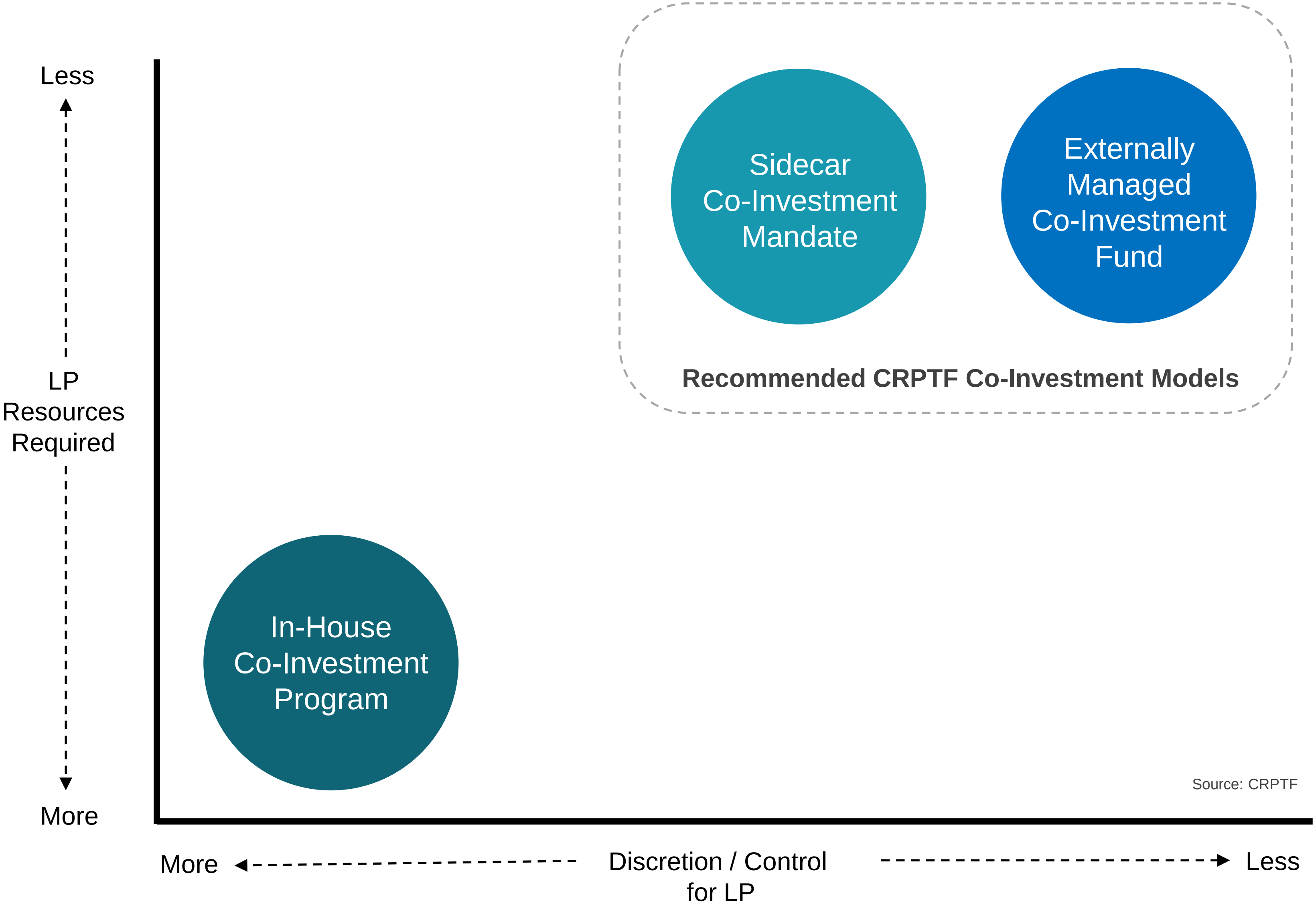
Source: CRPTF

Description of Co-Investment Models

Co-Invest Model	Structure	Pros	Cons
"Sidecar" Co-Investment Mandate	GP manages co-investment vehicle on behalf of LPs. Sidecar vehicle co-invests alongside primary fund in certain transactions.	Low or No Fee Burden Low LP Resources needed	Limited LP Discretion Less scalable
Externally Managed Co-Investment Fund	LP hires External Manager / Advisor to implement co-invest strategy. Possible structures include Separate Account and/or Commingled Fund vehicles.	Custom and Flexible Scalable to CRPTF	More Expensive vs Sidecar Limited LP Discretion
In-House Co-Investment Program	LPs with deep internal resources become active investors in transactions. In-house team handles most aspects of co-investment program.	Full Control Scalable to CRPTF	Resource Intensive Timing and Responsive-ness

Source: CRPTF

Possible Co-Investment Models



Source: CRPTF

Next Steps to Implement a Co-Investment Program

Step 1

Continue
to Implement Sidecar Transactions

Step 2

Expand & Adapt
Co-Investment Strategy into Pacing Plans

Identify
Top Externally Managed Co-Invest Partners

Step 3

Due Diligence
Potential Co-Investment Partners

Step 4

Recommend
External Partners for Alternative Portfolios

Source: CRPTF

State of Connecticut
Office of the Treasurer

SHAWN T. WOODEN
TREASURER

January 8, 2021

Members of the Investment Advisory Council ("IAC")

Re: **Grain Communications Opportunity Fund III, L.P.**
Grain – State of Connecticut Co-Investment Partnership

Dear Fellow IAC Member:

At the January 13, 2021 meeting of the IAC, I will present for your consideration an investment opportunity for the Real Assets Fund in the Connecticut Retirement Plans and Trust Funds (the "CRPTF"): Grain Communications Opportunity Fund III, L.P. ("GCOF III" or the "Fund") and the Grain – State of Connecticut Co-Investment Partnership ("Co-investment Partnership"). This opportunity is sponsored by Grain Management, a Washington, D.C.-based firm investing exclusively in the telecommunications sector.

I am considering a commitment of up to $75 million to the Fund as well a commitment of up to $50 million to the Co-investment Partnership. This opportunity will provide CRPTF exposure to a strategy with the potential to generate strong returns whole providing inflation and downside protection. GCOF III will continue the strategy of its predecessor funds - acquiring assets in the telecommunications industry and/or equity positions in operating companies in the telecommunications industry. The Fund, led by a team with deep experience and a strong track record in the sector, will target investments in fiber-optic networks, spectrum licenses, cell towers and ancillary systems with a focus on generating stable and consistent cash flows. A commitment to the Co-investment Partnership will allow CRPTF to gain additional exposure to the sector at an attractive fee basis by participating in co-investment opportunities related to investments made by GCOF III.

Attached for your review is the recommendation from Laurie Martin, Chief Investment Officer, and the due diligence report prepared by Meketa. I look forward to our discussion of these materials at next week's meeting.

Sincerely,

Shawn T. Wooden
State Treasurer

OFFICE OF THE STATE TREASURER

MEMORANDUM

DECISION

TO:	**Shawn T. Wooden, Treasurer**
FROM:	**Laurie Martin, Chief Investment Officer**
CC:	**Darrell V. Hill, Deputy Treasurer** **Raynald D. Leveque, Deputy Chief Investment Officer** **Danita Johnson, Principal Investment Officer** **Kevin J. Cullinan, Chief Risk Officer**
DATE:	**December 30, 2020**
SUBJECT:	**Grain Communications Opportunity Fund III, L.P.** **Grain – State of Connecticut Co-Investment Partnership**

Summary

The purpose of this memorandum is to recommend that the Connecticut Retirement Plans and Trust Funds ("CRPTF") consider a commitment of up to $75 million to Grain Communications Opportunity Fund III, L.P. (the "Fund" or "GCOF III") and up to $50 million to a proposed Grain – State of Connecticut Co-Investment Partnership ("Co-investment Partnership"), to be managed by the general partner, Grain GP VI, LLC (the "GP" or the "General Partner"), a Delaware limited liability company and an affiliate of Grain Management LLC ("Grain" or the "Firm"). Grain is based in Washington, D.C. and is focused on investing in the telecommunications sector.

Grain Communications Opportunity Fund III, L.P. targeting $1.5 billion of capital commitments with a hard cap of $2.25 billion, held a first close on December 16, 2020 and has closed $1.97 billion to date with a final closing expected in Q1 2021. The Co-investment Partnership, at commitment of $50 million, will allow CRPTF to participate in co-investment opportunities related to investments made by Grain Communications Opportunity Fund III, L.P.

Strategic Allocation within the Real Assets Portfolio

The Fund's strategy falls under the Infrastructure and Natural Resources allocation of the Real Assets Fund ("RAF"). As of September 30, 2020, the CRPTF's total allocation to infrastructure and natural resources by market value was 0.4%, which is underweight the policy target allocation of 4%. Pension Funds Management ("PFM") investment staff and the CRPTF Real Assets Consultant, Meketa, believe that an investment in GCOF III is consistent with the asset class strategic plan to maintain steady commitments to the real assets sector and to diversify the portfolio. Along with meeting the plans strategic goals, an investment in the Fund will provide CRPTF exposure to a strategy with the potential to generate strong returns whole providing inflation and downside protection.

Firm Overview

Grain Management, established in 2007, is a privately held asset owner and operator investing primarily in opportunities across three telecommunications sectors; fiberoptic networks, wireless spectrum and cell towers. The Firm is led by a five-member Management Committee comprised of CEO and Founder, David Grain, and Managing Directors, Michael McKenzie, Chad Crank, Paul Licursi and Merche del Valle. Grain's Management Committee is supported by 19 investment professionals, seven Senior Advisors and 17 operations professionals. Prior to launching the firm, David Grain served as President of Global Signal, Inc. ("GSL"), an owner and operator of communications towers in North America, where he led the firm through bankruptcy and grew the platform into one of the largest independent wireless communications tower companies in North America. After the monetization of GSL, Grain launched Global Infrastructure Fund ("GIF"), the firm's first institutional fund, in 2011 with $109 million of capital commitments and targeting communications tower assets and related/ancillary systems in North America. Since inception, Grain has raised five institutional funds and two investment vehicles focused exclusively on investments in communications assets and companies. The firm has managed assets totaling $3.8 billion and has 41 total employees with offices in Washington DC, New York City and Sarasota, Florida.

David Grain, Chad Crank and Michael McKenzie are the three senior members of the investment team and committee. McKenzie joined Grain in 2012 from the Federal Communications Commission where he helped shape U.S, communications and broadband policy. He also held executive roles in strategy and business development at Microsoft Corporation where he focused on emerging platforms. Chad Crank was Head of Technology, Media and Telecommunications Investment Banking at Stephens Inc. where he advised on M&A and capital markets transactions in excess of $100 billion. The firm's three additional members of the investment committee are Principals Raghav Nayar, Ricardo Rodriguez and Nikola Trkulja whose responsibilities include providing support in deal origination, investment underwriting, portfolio performance tracking, deal structuring and asset/company financings.

Investment Strategy

GCOF III will continue the strategy of its predecessor funds - acquiring assets in the telecommunications industry and/or equity positions in operating companies in the telecommunications industry. Investments targeted for direct acquisition include fiber-optic communications networks, radiofrequency spectrum licenses, cell towers and ancillary systems. This strategy involves identifying, acquiring, or constructing and managing assets with a focus on generating stable and consistent cash flows. The strategy also emphasizes building an attractive portfolio of assets located in economic areas with growth strategies aligned with buyers' appetites. As a secondary strategy, the Fund will also target direct equity positions in companies that own and operate communications assets. This strategy will focus on investments that exhibit the same underlying fundamentals as pure-play infrastructure investments, specifically reliable revenue streams and sustainable cash flows. The Fund will look to build a portfolio of investments of $100 - $300 million each, over a five-year period, targeting investment opportunities expected to achieve a gross IRR of at least 20% and a gross ROI of at least 2.5x., and will typically exit through recapitalizations, sales to strategic or financial buyers, or through initial public offerings.

Grain's investment philosophy emphasizes data-driven decision making, value creation, and capital preservation. The firm's approach to generating, evaluating, and selecting opportunities includes econometric and geospatial modeling, ideas developed from existing portfolio assets, and discussions with wide-ranging senior industry participants. Grain seeks to partner with businesses that have the following characteristics: strong and financially aligned management team; compelling value proposition; defensible position in the market; strong growth profile and potential to expand customer base or quickly grow into new markets; contractual cash flows and "sticky" customer relationships; and synergistic value to Grain's overall portfolio. The team's continuous monitoring of the market, along with its analysis of market data, facilitates this strategy. It also informs the eventual monetization of mature assets.

Grain pursues and established significant ownership or influence positions in each of its assets or platform companies, assuming an active role as a principal investor to guide the strategic direction of its investments. Post-acquisition, Grain attempts to create value through the implementation of operational efficiencies, organic and strategic growth, and self-amortizing capital structures. Once an investment has closed, Grain focuses on the execution of an action plan, including creation and implementation of a business plan and set of prescribed best practices. During the early stages of the investment, Grain works with executives and asset operators to set performance metrics, track performance against the business plan, monitor market conditions and develop longer-term goals. Throughout the investment life cycle, utilizing a set of standardized processes, Grain works with management to review operating metrics versus key benchmarks and to implement improvements.

Co-investment Partnership
Historically, Grain has allocated co-investments to LPs across several transactions and considering the investment strategy for GCOF Ill and the forward pipeline, anticipates that co- investment will be increasingly important to allow it to consummate the most attractive investments for the Fund. As a result, Grain is adding a subset of Limited Partners in GCOF Ill who have both the appetite and the ability to co-invest in partnership with the Fund. The proposed Grain – State of Connecticut Co-Investment Partnership will allow CRPTF to increase its exposure to a GCOF III which has been oversubscribed and to decrease the overall fee load.

Market Opportunity

The telecommunications infrastructure sector is continuing to undergo change with the exponential growth of broadband consumption. The opportunities created by consolidation and convergence in the sector, strategic activity, technological advancements, and regulatory initiatives contribute to an attractive investment environment for GCOF Ill. Grain believes that the most compelling telecommunications industry drivers and macro trends underscore the critical sector verticals that are best positioned to grow in importance as the industry transitions from 4G to 5G, including fiber-optic communications networks, radio frequency spectrum licenses, cell towers and ancillary systems.

Demand for fiber is fueled by several key trends: escalating mobile data traffic on wireless networks, the growing need for reliable data center connectivity and the continued migration by enterprises from on-premises software and networking to cloud-based services. With capacity needs escalating across the economy, legacy wireline alternatives to fiber (e.g., copper) and existing wireless access options fail to deliver sufficiently robust connectivity. The expansion of data traffic from various sources, has led to the need for a transmission medium capable of handling higher bandwidth for handling such vast amounts of information. Fiber optic cables, with comparatively infinite bandwidth, have proven to be the solution. According to Fiber Optic Cable Market - Growth, Trends, Forecasts (2020 - 2025), the global fiber optic cable market was valued at $7.6 billion in 2019, and it is expected to reach $16.4 billion by 2025.

Comparatively, the telecom towers market is expected to register a compound annual growth rate of 4.6% over 2020 – 2025 as carriers look to expand coverage, capacity and speeds. Tower-sharing is one of the significant growth drivers for the telecom industry, as it provides benefits like cost reduction and faster data rollout. The leasing concept has enabled wireless service providers to reach across rural regions thus bringing new revenues to tower operators as service providers seek to improve broadband connectivity to these regions. Not surprisingly, tower customers tend to be “sticky” which means tower companies typically enjoy high rates of renewals. This dynamic translates into stable predictable cash flows for asset owners, and long-term leases that typically include annual inflation linked adjustments. As competition in the cell tower market has increased, Grain seeks to invest in new areas of growth where there is still market fragmentation and the firm can leverage it relationships to generate attractive opportunities that fit their value creation profile.

In addition to fiber and cell towers, Grain has identified attractive investment opportunities in the primary (i.e., auction) and secondary spectrum market. Spectrum refers to the radio frequencies grouped in "bands" on which wireless signals travel, enabling mobile devices. These signals include broadcast television, AM and FM radio, satellite radio, and mobile voice and data transmissions. The demand for additional spectrum to power the information economy is likely only to intensify with the integration of wireless technologies into everyday objects and across key sectors of the modern economy (e.g., energy, healthcare, transportation). However, Spectrum is a finite resource and owned by the government in the United States where the FCC oversees the allocation of spectrum licenses for commercial use and makes spectrum available through public auctions. The market value of spectrum has consistently appreciated over the last decade and is expected to continue to due to the scarcity of spectrum and the increasing demand for mobile data.

Track Record/Performance

Since inception, Grain has raised five institutional funds and two investment vehicles, investing a total of $1.1 billion, focused exclusively on telecommunications sectors including cell towers, spectrum and fiber. The Grain investment vehicles have generated a realized 47% net IRR and 2.3x net ROI. The total portfolio -realized and unrealized- is projected to generate a 25.2% net IRR and 1.6x net ROI.

Grain Performance Summary
As of September 30, 2020

	Invested Capital	Realized Value	Unrealized Value	Total Value	Gross ROI	Gross IRR
Realized Investments	\$307.9	\$711.0		\$711.0	2.3x	47.0%
Unrealized Investments	\$806.6	-	\$1,332.8	\$1332.8	1.7x	24.6%
Total Investments	**\$1,114.6**	**\$711.0**	**\$1332.8**	**\$2,043.8**	**1.8x**	**36.6%**
				Net Returns	**1.6x**	**25.2%**

Key Strengths

- Strong and Cohesive Investment Team: Grain is led by a strong and stable senior team with extensive industry experience - 25 years on average. The firm’s Investment Committee has complementary skillsets, broad operating capabilities, regulatory experience and structuring capabilities. The senor investment team has had no turnover and has demonstrated the ability to deploy capital in profitable investments across various sectors and through changing market dynamics.

- Robust Sourcing Capabilities: Grain implements a structured quantitative approach to their investment process that begins with generating proprietary deal flow. The firm employs a multi-pronged strategy for sourcing opportunities which leverages the team's industry experience and relationships combined with market analysis used to determine what sectors have the best risk adjusted returns. This origination methodology has allowed the team to maintain a steady flow of attractive opportunities and to often engage in bilateral negotiation of potential investments.

- Capital Preservation Focus: Grain has been able to generate high returns while preserving a Loss Ratio since inception of 0%. To protect value, the team has developed the ability to create unique capital structures with the goal to minimize risk while maximizing return potential. During the due diligence process and throughout the lifecycle of an investment, Grain's investment team assesses associated downside risks and is focused on assessing each opportunity against a comprehensive framework.

- Defensive Strategy Focused on Cash Flows: Key characteristics inherent in broadband infrastructure businesses include reliable revenue streams and sustainable cash flows, high barriers to entry, mission-critical services and assets, and relatively low correlation to market cycles. Grain's investments in broadband infrastructure companies and assets often have significant visibility into future years of cash flows through long- leasing and service contracts. In addition, lessees and customers are typically one or more of the national or regional wireless carriers, who are all strong creditworthy counterparties.

- Strong Track Record: Grain is an experienced telecommunications investor and as noted in Meketa's performance analysis, the team has exhibited strong historical performance across prior funds, generating returns above the gross stated target of 20%, and consistently in excess of Meketa's selected benchmark, The Firm has also generated outsized returns on both spectrum auctions, returning approximately $175 million on $9.4 million invested.

Risks

- Larger Fund Size: The_Fund target size is a significant increase over prior fund sizes. Given the increasingly competitive landscape, identifying sufficient relationship-driven opportunities with bilateral negotiations may be a challenge. In addition, this increase in size could create pressure to drift from their traditional focus.

  Grain has taken a thoughtful approach to Fund size, with consideration of the market opportunities in each sector, target deal sizes and team capacity. As the firm has grown, Grain has taken a measured approach to recruiting and hiring talent with specialized skills that are relevant to the strategy. In the last 12 months, the firm has added eight investment professionals, two Senior Advisors, and an operating professional on the Compliance team. Grain believes its investment team is positioned favorably from a capacity perspective based on the number of active assets per investment professional of approximately one per senior investment professional. In addition, Grain does not expect its team to have to spend an inordinate amount of time working out challenged portfolio companies as its portfolio remains largely healthy, even with the challenging economic conditions arising from the COVID-19 pandemic. PFM is comfortable that the team can deploy the capital, and that the firm's focus across three major sectors will enable the investment team to continue to be selective

- Unrealized Recent Track Record: As Meketa has noted, Grain's past two funds are unrealized

  The firm's most recent funds, GCOF I and GCOF II continue to be developed, and as such, do not yet have realizations. GCOF I primarily comprise spectrum holdings, accounting for 90% of its invested capital. The spectrum has continued to appreciate and has been held for four years. GCOF II has implemented an aggregation strategy of fiber networks that take time to develop. These investments have been held for less than two years and have begun to show growth.

  Grain has exhibited the ability to successfully exit investments and has incorporated exit analysis into process at the pre-acquisition phase and throughout the life of an investment. Before an investment is acquired and while negotiating the terms of a potential investment, Grain will consider the likely exit route and, when possible, pre-package the structural elements of the deal to facilitate such exit. The Firm continuously monitors the market for potential exit opportunities, and over the last 12 months, has realized $402 million through disposition of GIF Il and GSH Il investments.

Economics/Fees

- Management fee: 2%
- Carried interest: 20%, over an 8% preferred return, 70% GP catch-up (fund-level)
- Term:10-year term with one two-year extension at GP discretion and 1 one-year extension with Advisory Board approval
- GP Commitment: 2% of capital commitments.
- Co-investment Partnership; a one-time fee in the amount equal to 1% of the Partnership's investment in such Co-Investment. Afterwards, no fee/no carry

Limited Partner Advisory Board

An Advisory Board will be established for the Fund consisting of representatives of the Investor Limited Partners selected by the General Partner. The Advisory Board will meet at least once a year to: (i) review any matters involving a potential conflict of interest; (ii) review all matters for which the approval or consent of the Advisory Board is required under the LPA and (iii) discuss such other matters as may be raised. CT has been offered membership on the Advisory Board subject to investment approval and completion of legal documentation.

Legal and Regulatory Disclosure (provided by Legal)

Through its disclosure, Grain Management, LLC ("Grain"), states (i) it has no material legal or non-routine regulatory matters, (ii) no material claims under its fidelity, fiduciary or E&O insurance policies, and (iii) no ongoing internal investigations to report. Grain states it has adequate procedures in place to undertake internal investigations of its employees, officers and directors. The firm conducts extensive management screening, including but not limited to, background checks and reference calling with previous employers.

Compliance Review (provided by Compliance)

The Chief Compliance Officer's Workforce Diversity and Corporate Citizenship review is attached.

Environmental Social and Governance ("ESG") Analysis (provided by Policy)

The Evaluation and Implementation of Sustainable Principles review is pending

12/23/20

COMPLIANCE REVIEW FOR GRAIN COMMUNICATIONS OPPORTUNITY FUND III

SUMMARY OF LEGAL AND POLICY[1] ATTACHMENTS
SUBMITTED BY
GRAIN MANAGEMENT, LLC

I. Review of Required Legal and Policy Attachments

GRAIN MANAGEMENT, LLC ("Grain") a Washington DC-based minority[2] Black-owned firm, completed all required legal and policy attachments. It disclosed no impermissible third party fees, campaign contributions, known conflicts, gifts or legal/regulatory proceedings.

II. Workforce Diversity (See Also 3 year Workforce Diversity Snapshot Page Attached)

As of September, 2020 Grain employed 40, 13 more than the 27 employed in December 2018. Two women and 3 minorities are Executive/Senior Level Officials and Managers. Between 2018 - 2020, 4 minorities and 1 woman were promoted within the ranks of professionals and mangers.

Commitment and Plans to Further Enhance Diversity

Equality, diversity and inclusion are paramount to Grain's philosophy and viewed as core competencies. Grain believes that diversity is its most important competitive advantage, and is committed to diversity and inclusion at all levels of the investment management business, portfolio companies, and third-party service providers. The firm believes this commitment provides a strategic, long-term edge as a partner. Grain proactively seeks to select, recruit, develop, retain, reward and promote people with a variety of backgrounds, ethnicities, identities, perspectives and orientations. Grain's philosophy extends to how it manages its assets, from the way it seeks advice (fully diverse Senior Advisor Board), to the way it appoints Board members for portfolio companies. Grain knows diversity of background and perspective lead to smart, differentiated investment decisions.

Workforce Statistics

For Executive/Senior Level Officials and Managers:

- Women held 36% (4 of 11) of these positions in 2020, down from 40% (4 of 10) in 2019, but up from 33% (3 of 9) held in 2018.
- Minorities held 45.45% (9.09% Asian, 9.09% Hispanic and 27.27% Black) or (5 of 11) of these positions in 2020, up from 40% (10% Asian and 30% Black) or (4 of 10) held in 2019, and 44.44% (11.11% Asian and 33.33% Black) or (4 of 9) held in 2018.

At the Management Level overall:

- Women held 50% (8 of 16) of these positions in 2020, down from 57% (8 of 14) in 2019, but the same 50% (6 of 12) held in 2018.
- Minorities held 43.75% (18.75% Asian, 6.25% Hispanic and 18.75% Black) or (7 of 16) of these positions in 2020, up from 35.71% (14.29% Asian and 21.43% Black) or (5 of 14) held in 2019, and 41.67% (16.67% Asian, 8.33% Hispanic and 16.67% Black) or (5 of 12) held in 2018.

[1] The Treasury Unit responsible for reviewing Grain's ESG submission will prepare a separate report.
[2] Not Connecticut certified.

At the Professional Level:

- Women held 40% (8 of 20) of these positions in 2020, down from 44% (7 of 16) in 2019, and 54% (7 of 13) in 2018.
- Minorities held 50% (20% Asian, 20% Black and 10% Two or More Races) or (10 of 20) of these positions in 2020, up from 43.75% (18.75% Asian, 6.25% Hispanic, 12.5% Black and 6.25% Two or More Races) or (7 of 16) held in 2019, and 30.77% (15.38% Asian, 7.69% Hispanic and 7.69% Black) or (4 of 13) held in 2018.

Company-wide:

- Women held 48% (19 of 40) of these positions in 2020, down from 52% held in both 2019 (17 of 33) and 2018 (14 of 27).
- Minorities held 45% (17.5% Asian, 2.5% Hispanic, 20% Black and 5% Two or More Races) or (18 of 40) of these positions in 2020, up from 36.36% (15.15% Asian, 3.03% Hispanic, 1515% Black and 3.03% Two or More Races) or (12 of 33) held in 2019, and 33.33% (14.81% Asian, 7.41% Hispanic and 11.11% Black) or (9 of 27) held in 2018.

III. Corporate Citizenship

Charitable Giving*:*

Grain supports its employees' charitable activities. Additionally, it supports several trade organizations focused on advancing education, mentorship, and career opportunities for diverse groups, including Sponsors for Educational Opportunity (high school level), the Robert Toigo Foundation (graduate school level), and organizations local to Washington, D.C. such as Year Up. Year Up is a one-year intensive training program that provides talented and motivated young adults in underserved communities with a combination of hands-on skills development, coursework eligible for college credit, corporate internships, and wraparound support.

Internships/Scholarships:

While Grain does not offer an internship program, it offers a 2-year Associate program during which recipients are immersed in the culture and investment activities of the firm. 53.8% of the program's recipients have been minorities, and 7.7% have been women. Grain also has a Tuition Assistance Program to support all employees in their efforts to obtain degrees and certifications relevant to their roles, and to cover the cost of professional dues and memberships in professional organizations that nurture and mentor young professionals. Grain does not provide direct scholarships to students, however, it invests in conjunction with programs that ensure schools and libraries in low income and rural markets have access to affordable telecommunications and information services.

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Procurement:

Grain maintains a comprehensive procurement policy to foster business relationships with women-owned, minority-owned and emerging businesses.

MEKETA
INVESTMENT GROUP

Private Markets Investment Memorandum

Grain Communications Opportunity Fund III, L.P.

November 13, 2020

MEKETA
INVESTMENT GROUP

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Executive Summary

DILIGENCE PROCESS

Meketa Investment Group ("Meketa") initiated its evaluation of Grain Management, LLC ("Grain", the "Manager", or the "Firm") and its investment offering Grain Communications Opportunity Fund III, L.P. ("GCOF III", "Fund III", or the "Fund) in October 2020. Respecting diligence conducted for prior funds: in 2018, Meketa underwrote Fund II for several clients. As part of our diligence for Fund III, we conducted a thorough review of the Firm's response to Meketa's Due Diligence Questionnaire and other related offering materials including the Private Placement Memorandum, Limited Partnership Agreement, and other data room content provided by Grain. We also conducted a virtual on-site due diligence meeting on November 3rd to perform a deeper evaluation of the Firm's strategy, investment team, track record, operations, and other resources. Due to travel restrictions related to the COVID-19 pandemic, a virtual rather than physical on-site visit was conducted. Meketa, however, has previously met with senior professionals in their Washington, DC office and has followed the manager for two years.

Fund III is seeking $1.5 billion of commitments and a hard cap of $2.25 billion. The Manager held a first closing on December 16, 2020. The target fund size is an increase from Fund II, which was oversubscribed at their cap of $899 million.

MANAGER BACKGROUND

Fund Name	Manager	Office Location(s)	Target Market	Target Geography
Grain Communications Opportunity Fund III	Grain Management, LLC	Washington, DC (HQ), New York, NY, Sarasota, FL	Communications Infrastructure	North America

David Grain formed Grain Management, LLC in 2007 and has offices in Washington, DC, New York City, and Sarasota, Florida. The 22-member investment team is led by three Managing Directors and three Principals that serve as the Firm's six member investment committee. The investment team is supported by 18 operating, finance, and administrative personnel. The Firm also has an experienced group of seven Senior Advisors who provide strategic advice and guidance. Grain is 100% minority owned and has a relatively high diversity representation among the entire team, with respect to race and gender, compared to most infrastructure and private equity managers.

Grain raised its first institutional vehicle, Grain Infrastructure Fund I ("GIF"), in 2011 with aggregate commitments of $109 million to invest exclusively in macro cell tower consolidation deals. Grain raised its second fund in 2012 with $263 million for GIF II, which continued to focus on macro tower investments, as well as some spectrum deals on an opportunistic basis. Grain re-branded its next fund as Grain Communications Opportunity Fund ("GCOF"), dropping the infrastructure moniker from its fund name in favor of a sector brand, closing in 2016 with commitments of $349 million, to continue its sector-specific focus of investing in a range of opportunistic digital infrastructure assets including macro tower, spectrum, and fiber deals. In early 2019, Grain Communications Opportunity Fund II ("GCOF II") held its final close at its hard cap of $899 million.

OFFERING TERMS

Fund Size	Management Fee[1]	Carry And Carry Structure	Preferred Return	Fee Income	Inv. Period And Total Term
$1.5 billion/$2.25 billion hard cap	2.0%	20%; whole-fund	8%	100% off-set	5/10 years

STRATEGY

Grain invests across U.S. communications infrastructure and has demonstrated the ability to shift its focus across sub-sectors as its view of the optimal risk adjusted return changes. The Fund has the ability to invest up to 33% outside of the U.S., but to date all investments have been domestic. The Firm will continue to employ its data-driven approach to sourcing and underwriting, using econometric and geospatial analysis to find attractive undervalued assets. Grain looks to identify opportunities that have the following characteristics: recurring revenue; mission-critical services; low correlation to market cycles; and high barriers to entry. Grain has identified cell towers, fiber, and spectrum as sub-sectors having the contracted cash flow profile that can provide the desired length, stability, and growth potential. Additionally, a fragmented market can create buying opportunities due to an inability of less sophisticated counterparties from identifying the full value of the assets.

Grain's strategy generally involves aggregating assets, as demonstrated with cell towers in GIF I and II and with spectrum assets in GCOF I, and fiber in GCOF II. GCOF III will target all three of

[1] 2.0% per annum on committed capital during investment period, thereafter 2.0% on aggregate invested capital.

Grain's primary communication sub-sectors, but expects a higher allocation to fiber optic communications networks and lesser allocations to radio frequency spectrum licenses, cell towers, and "ancillary" systems and other opportunities (e.g., buying entities divested from mergers, take private opportunities, data centers). GCOF III is expected to make between eight and 12 portfolio investments ranging from $100 million to $300 million in individual size, although Grain may consider opportunities outside of this range. GCOF III will target a 20% gross IRR and 2.5x gross multiple.

INVESTMENT ANALYSIS

Strengths

→ Strong track record with a net IRR across all prior vehicles of 27% and zero loss ratio.
→ Deep network connections of senior team with operating, regulatory, and investing experience.
→ Experienced senior investment team with diverse and complementary skill set who have taken a collaborative approach to portfolio construction across towers, spectrum, and fiber.
→ Corporate diversity as a 100% minority-owned firm and significant racial and gender diversity among its team.
→ Flexible investment approach to take advantage of an evolving communications industry.
→ Educational and economic development through expanded modern telecommunications equipment and services to rural areas and other underserved areas of the country.

Weaknesses

→ Grain has more than doubled their investment team in the past two years, challenging the senior management to maintain the company culture across an expanded junior ranks.
→ Their past two funds do not have any realizations as the portfolios continue to be developed.
→ Grain has increased their ability to invest internationally, but have still not made an investment outside of the U.S.

Opportunities

→ Fiber-to-the-home ("FTTH") has become a focus with the recent significant shift of the workforce to working from home and more demand for streaming services.
→ 5G continues to evolve and expand, leading to the need for additional spectrum licenses and densification of fiber and tower infrastructure.
→ Fiber markets continue to be fragmented which leads to opportunities to consolidate several regional players.

Threats

→ As a high growth sector of infrastructure, the communications market continues to attract competitors which could drive up prices.
→ Regulatory changes must be monitored over spectrum bands that will be released or retained by the government.
→ The amount of funding approved to expand broadband within schools or other public buildings will impact fiber companies within certain networks as well.
→ As technology evolves, the demand for certain spectrum licenses can change and adversely affect the value of holdings.

CONCLUSION

GCOF III represents an attractive opportunity to commit capital to an experienced investment manager focused on the high growth communications infrastructure sector. Grain continues to show the ability to effectively shift their focus to pursue sub-sectors in fragmented markets with favorable entry valuations. Grain has identified cell towers, fiber, and spectrum as having characteristics of recurring revenue; mission-critical services; low correlation to market cycles; and high barriers to entry. Staying disciplined in their highly analytical approach has allowed the team to continue to generate proprietary deal flow and attractive returns to date. Key considerations are the rapid team growth challenging the senior management to maintain company culture and an increased ability to invest internationally without a prior investment outside the U.S. to date.

Investment Strategy

Grain invests across several of the fastest growing U.S. communications infrastructure sub-sectors and has demonstrated the ability to shift its relative focus across asset categories as its view of the optimal risk adjusted returns changes, while maintaining a disciplined approach to targeting markets and assets. GCOF III has the ability to invest up to 33% outside of the U.S. but to date all prior funds' investments have been domestic. For any given fund, Grain's investment model aims at identifying opportunities that have the following characteristics: recurring revenue; mission-critical services; low correlation to market cycles; and high barriers to entry. The idea is to create long-term stability and consistent growth that will create a portfolio that can be sold at a premium.

Across prior funds, Grain has identified cell towers, fiber, and spectrum as sub-sectors having the contracted cash flow profile that can provide the desired stability and growth potential. The contractual cash flow will also lead to "sticky" customer relationships. A fragmented market can create buying opportunities due to the inability of less sophisticated counterparties to identify the full value of the assets. Grain's strategy generally involves aggregating assets, as demonstrated with cell towers in GIF I and II and with spectrum assets in GCOF I, and fiber in GCOF II.

GCOF III will target all three of Grain's primary communication sub-sectors, but expects a higher allocation to fiber optic communications networks and lesser allocations to radio frequency spectrum licenses, cell towers, and "ancillary" systems and other opportunities (e.g., buying entities divested from mergers, take private opportunities, datacenters). The Firm will continue to employ its data-driven approach to sourcing and underwriting, using econometric and geospatial analysis to find attractive undervalued assets across fiber, spectrum, and towers. GCOF III is expected to make between eight and 12 portfolio investments ranging from $100 million to $300 million in individual size, although Grain may consider opportunities outside of this range. GCOF III will target a 20% gross IRR and 2.5x gross multiple.

As with previous funds, GCOF III will focus on the types of counterparties related to their networks. The higher quality tenants such as big wireless carriers will provide stable, strong cash flow and will make the portfolio more marketable for eventual exit. The primary focus for GCOF III will continue to be fiber in the Tier Two and Three markets. Tier One markets include cities such as New York City and Los Angeles, while Tier Two and Three include cities such as

Tampa, Raleigh, and Austin. Tier Two and Three markets tend to exhibit the fragmented ownership that Grain targets in order to find valuation disconnects. After a fiber network has been acquired, Grain will strategically focus on adjacent areas that could be combined for a larger exit down the line.

The strategy can rely on asset-based securitization to finance diversified sub-portfolios consisting of smaller, divisible assets. This approach to portfolio construction is intended to establish a broad and diverse package of cash flows and ultimately, limit downside risk. Grain first used this strategy in GIF I with the tower portfolio as 62 acquisitions of tower and land were aggregated into a single portfolio that was sold at over 2x cost. Grain believes that the same strategy can be used in fiber as many fragmented owners in Tier II and Tier III markets can be consolidated as Grain acquires multiple fiber networks providing consistent cash flow from residences and businesses.

The primary exit strategy for GCOF III investments is expected to be through a public offering or strategic sale of combined or individual companies. The key to either exit strategy is developing the assets to have the desired counterparty, long-term leases, and a sustainable growth rate. At that point, Grain assesses the strength of the public market, potential acquirers, and point on the market cycle to determine the best exit for the portfolio.

Manager Background

David Grain formed Grain Management ("Grain") in 2007, after previously serving as President of Global Signal, an owner and operator of cell towers and other communications sites. Mr. Grain was originally hired in 2002 by private equity investors to lead Pinnacle Towers out of bankruptcy, which he successfully accomplished. Pinnacle Towers was renamed Global Signal and the firm became one of the largest wireless communication tower companies in North America. In 2006, Crown Castle International acquired Global Signal for $5.7 billion, giving Mr. Grain the opportunity and capital stake to form his own investment platform. Grain Management is 100% owned by David Grain, and thus 100% minority owned.

Mr. Grain first identified an opportunity to acquire and create value through the aggregation of communications assets with a focus on macro towers. The original portfolio of communication tower assets was held under the entity Grain Communications Group, Inc. ("GCGI") and was funded by Mr. Grain and two venture capital firms, Sutter Hill Ventures and General Catalyst. With this capital, GCGI acquired over 50 tower assets from 2007 until 2011. GCGI would eventually become the initial investment for Grain Infrastructure Fund ("GIF") by acquiring 100% of the outstanding shares of GCGI, of which Mr. Grain and other members of the investment team owned approximately 34% and Sutter Hill and General Catalyst owned the remainder. The assets were purchased for a net equity value of approximately $17 million, determined by an independent appraisal by RBC, and transferred to Grain Infrastructure Fund's REIT portfolio. During this period prior to raising Grain's first fund, Mr. Grain continued to be the key to the Firm's success, but grew Grain's investment and management capabilities by recruiting an experienced team to complement his skills and contacts.

Grain raised its first institutional vehicle, GIF I, in 2011 with aggregate commitments of $109 million to invest exclusively in macro cell tower consolidation deals. Grain followed this in 2012 by raising $263 million for GIF II, which continued to focus on macro tower investments, as well as some spectrum deals on an opportunistic basis. Grain re-branded its next fund as Grain Communications Opportunity Fund ("GCOF"), dropping the infrastructure moniker from the fund name in favor of a sector brand, closing in 2016 with commitments of $349 million, to broaden its sector-specific focus of investing in a range of opportunistic digital infrastructure assets including macro tower, spectrum, and fiber deals. In early 2019, Grain Communications Opportunity Fund II ("GCOF II") held its final close at its hard cap of $899 million.

Investment Resources and Experience

Grain directly employs a team of 40 professionals, located across three offices in Washington, DC (headquarters), New York City, and Sarasota, Florida. Led by Founder and CEO David Grain, the investment team totals 22 investment professionals and includes three Managing Directors, three Principals, two Vice Presidents, four Senior Associates, and 10 Associates. All except three professionals are located in Grain's main office in Washington D.C. They are supported by 18 administration, operations, and finance professionals led by Managing Director and Chief Operating Officer ("COO") Paul Licursi, most of whom are base in the Sarasota, Florida office. Grain's investor relations team is led by Director Kathlika Fontes, who is based in Atlanta, Georgia, but travels frequently to Grain's offices as well as to visit Limited Partners. Grain has a bench of seven senior advisors, engaged via retainer.

The eight senior investment professionals are listed in the table below. No senior professionals have departed since the last fund, but Ricardo Rodriguez was hired in May 2020 as a Principal and two Vice Presidents were brought in over the past two years, Jenny Zhang and Jeff Zhou, both of whom came from Morgan Stanley. Raghav Nayar and Nikola Trkulja were promoted from Vice President to Principal since the close of GCOF II. Two of the three Managing Directors have been together since GIF II and the third joined prior to GCOF II being raised. Although Chad Crank did not join Grain until 2017, he had known and worked on deals with Grain over the past seven years while at Stephens.

INVESTMENT PROFESSIONALS

Name	Title	Years At Manager	Total Years' Experience	Relevant Experience/Degree
David Grain	Managing Director, CEO	13	32	→ President, Global Signal → Senior Vice President, AT&T Broadband's New England Region → MBA Dartmouth College; BA Holy Cross
Michael McKenzie	Managing Director	8	24	→ Top positions, U.S. Federal Communications Commission → Executive, Microsoft Corp. → JD Harvard Law School; BA University of Virginia

Name	Title	Years At Manager	Total Years' Experience	Relevant Experience/Degree
Chad Crank	Managing Director	3	17	→ Head of Technology, Media, and Telecom Investment Banking, Stephens, Inc. → Strategic Planning, Alltel → MBA Northwestern University; Graduate degree in Economic Policy Harvard University; Graduate degree in Engineering Northwestern University; U.S. Military Academy at West Point
Raghav Nayar	Principal	3	10	→ Vice President, Morgan Stanley → MS Johns Hopkins University; Bachelor of Technology Thapar University
Nikola Trkulja	Principal	4	9	→ Member of Asset Finance Team, Morgan Stanley → BA Vassar College
Ricardo Rodriguez	Principal	<1	19	→ President & CEO Spirit MTA REIT → Global Capital Markets, Morgan Stanley → BS United States Naval Academy
Jenny Zhang	Vice President	2	9	→ Vice President Morgan Stanley → BS Cornell University
Jeff Zhou	Vice President	<1	11	→ Vice President Morgan Stanley → BS Fudan University → MS Texas A&M University → MBA Dartmouth College

SENIOR ADVISORS

Name	Title	Advisor Since	Relevant Experience/Degree
James Cash, PhD	Senior Advisor	2007	→ Retired Professor and Senior Associate Dean, Harvard Business School → PhD and MS Purdue University; BS Texas Christian University
Cleve Christophe	Senior Advisor	2020	→ President and CFO US&S → Managing Director TSG Capital Group
Virgis Colbert	Senior Advisor	2017	→ Former executive Chrysler → Former executive Miller Brewing Co.

Name	Title	Advisor Since	Relevant Experience/Degree
Edith Cooper	Senior Advisor	2018	→ Former Global Head of Human Capital Management Goldman Sachs → MBA Northwestern University; BA Harvard & Radcliffe Colleges
Stanley O'Neil	Senior Advisor	2007	→ Retired CEO/Chairman Merrill Lynch → MBA Harvard Business School;' BS Kettering University
Stephanie Phillipps	Senior Advisor	2020	→ Partner Arnold and Porter → JD Harvard Law School → BA Radcliffe College
David Thomas, PhD	Senior Advisor	2007	→ Professor Harvard Business School → Professor Georgetown University → Bachelors, Masters, and Doctorate in Organizational Behavior Yale University

FIRM DIVERSITY

Staff Demographics (%)	Number of Professionals	Male	Female	Minority	Non-Minority
Entire Staff	40	52%	48%	45%	55%
All Investment Professionals	22	82%	18%	64%	36%
Senior Investment Professionals	8	88%	12%	75%	25%
Firm Ownership	1	100%	0%	100%	0%

The senior professionals have heavy representation across the communications infrastructure space and a diverse background in operating companies, regulatory agencies, and investment banking. Grain is 100% minority owned and has relatively high diversity representation among its team, with respect to race and gender: across all employees the Firm is 45% minority and 48% women; and the investment team is 64% minority and 18% women.

PERSONNEL COMMENTS

The most notable things about Grain's team is that there have been no senior departures and there have been a significant number additions primarily at the mid- to junior-levels of the investment team. Since the close of GCOF II in early 2019, the investment team has more than doubled from 10 to 22 professionals. The three Managing Directors have remained the same and Messrs. Nayar and Trkulja were promoted from Vice President to Principal. Over the past two years, Grain has hired an additional Principal, two Vice Presidents, four Senior Associates, and nine Associates. The investment team departures were all at the Associate and Analyst level as this position is typically rotated after completing a two-year term. One recent Senior Associate hire returned to Grain after departing as an Associate to attend graduate school in 2018.

In addition to the investment team, the Firm has continued to grow and mature as an institutional investment manager. As anticipated, Grain has brought in a Chief Talent Officer, Chief Compliance Officer, plus several mid- and junior level professionals focusing on investor relations, compliance, operations, and human resources.

Investment Process

Grain implements a structured quantitative approach to their investment process that begins with generating proprietary deal flow. The senior investment team has extensive industry connections combined with an intense data-driven approach to market analysis. The data is used to determine what sectors have the best risk adjusted returns and sourcing individual investments and the process leads to the team understanding and reacting to the changing dynamics of the communications sector. Grain uses internal bottoms-up econometric and geospatial market analysis to find attractive undervalued assets within these sectors. The senior investment team leverages its operating experience and industry relationships to identify market trends and maintain a steady flow of opportunities. Regular meetings and networking with industry operators and executives also generates a differentiated deal flow.

Grain implements a three-phase investment process for all potential opportunities. The Initial Diligence phase involves logging opportunities into an internal pipeline and assigning a Vice President and Associate to qualify the investment to proceed with due diligence. A short form investment teaser is prepared and presented to the Investment Committee ("IC"). The IC comprises six voting members: Managing Directors Messrs. Grain, McKenzie, and Crank; and Principals Messrs. Nayar, Rodriquez, and Trkulja. The IC will review this teaser and preliminary financial models to consider the risk adjusted return of the investment and how it will fit into the Firm's current views of target focus. A deal team, typically consisting of a Managing Director, a Principal, Vice President, and Associate, will be assigned to lead the investment into expanded due diligence if the opportunity is deemed to be compelling.

Expanded Due Diligence will enhance and refine the initial financial model on a company or asset. The model will include stress testing to assess the company's ability to survive economic downturn. In addition to the financial analysis, the investment team will perform extensive management screening, create post-acquisition metrics that will track progress, and complete an investment memo and comprehensive financial model. Expanded due diligence typically takes two to three months, with the results presented for discussion with the IC. Decisions by the IC require unanimous approval, however Mr. Grain retains a veto.

Final Due Diligence involves conducting reference calls with the target company's customers, finalizing outstanding legal or accounting due diligence, and a final discussion with Senior Advisors or any third-party consultants that have been involved with the particular due diligence opportunity. The investment memo is finalized with this information and presented to the IC for final approval.

Post-acquisition, Grain will actively guide the platform company or operating assets with strategic decision making as a control investor. The team will execute a 100-day plan of action that will include creating and implementing a business plan and policies. The investment team will maintain regular contact with the portfolio management teams and discuss Grain's business metrics measurement package. The package typically includes company-specific operating metrics and well as historical and forecasted financial information.

Potential exit strategies are initially considered during the screening phase of the due diligence process and continuously monitored post-acquisition. Exit options are discussed in the IC meetings by assessing the near term disposition opportunities as well as potential long term strategies. The assessment will include weighing the future upside potential against the risk of achieving the growth for future exits. The process allows Grain to process the risk adjusted return potential for both short term exit opportunities and longer term growth initiatives.

Summary of Key Partnership Terms

PROVISION	TERMS
Fund Size & Hard Cap	$1.5 billion target, $2.25 hard cap
GP Commitment	At least 2% paid in cash
Investment Period	5 years
Total Term	10 years
Diversification Limits	GCOF III may not make a portfolio investment exceeding 20% of the aggregate capital commitments or 33% of the capital commitments in portfolio companies which do not conduct a substantial portion of their business in, or have less than 50% of their assets located in North America.
Management Fee	2.0% per annum on committed capital during investment period, thereafter 2.0% on aggregate invested capital
Preferred Return	8%
Carried Interest	20%
Carry Structure	Whole-fund basis
Catch-Up Provision	70%
Fee Income	100%
Key Person Provision	If any time David J. Grain or all of Michael McKenzie, Chad Crank, Raghav Nayar, Ricardo Rodriguez, and Nikola Trkulja cease to devote substantially all of their business time to the affairs and business of the Fund
No-Fault Termination	Fund may be terminated on the affirmative vote of at least 75% of LP interest.

Environmental, Social, & Corporate Governance

ESG POLICY AND PROGRAM

Grain has a formal ESG policy, first effective in 2017 and most recently updated in June 2020, representing a comprehensive collection of ESG elements and including documentation, reporting, and other communication elements. Grain is not a signatory to the United Nations Principles for Responsible Investment ("UNPRI"), but states the Firm generally supports the underlying concepts and themes in the principles and took them into consideration when developing its own policy.

In 2018, Grain hired Letti de Little as Chief Compliance Officer who is responsible for conducting periodic testing and review of the policy and procedures. Grain's investment team is responsible to for ensuring that ESG considerations are integrated into investment decisions. Additionally, Senior Management is responsible for facilitating the implementation of the policy.

Highlights of the policy are listed below.

- Key principles: Key policy principles include incorporating ESG issues into analysis and decision-making, being active owners, disclosures at the portfolio company level, and promoting ESG principles in the investment industry.
- Integration into business plans: Grain will work to minimize impacts and improve performance at portfolio companies with respect to environmental, public health, safety, and social issues. This includes integrating ESG risk identification and management in the initial 100-day plan and the longer term business plan.
- Supporting implementation: Grain will work to assist portfolio companies develop, implement, and improve their ESG management program, including facilitating sharing best practices across Grain's companies.
- Labor issues: Grain is committed to compliance with applicable labor laws, supporting competitive wages and benefits, providing a safe and healthy workplace, and respecting employees' rights about whether to join a union and engage in collective bargaining. See also under RCP below

- Performance standards: Where applicable, Grain will develop voluntary ESG performance standards, where local laws and regulations are insufficient to help assess ESG risks and opportunities. Grain may consider using the Sustainability Accounting Standard Board ("SASB") sustainability accounting standards, the International Finance Corporation ("IFC") Performance Standards on Environmental and Social Sustainability, and the International Organization for Standardization's Guidance on Social Responsibility ("ISO 26000").

RESPONSIBLE CONTRACTOR POLICY

Grain adopted its RCP on September 1, 2018 as an outcome of Meketa's recommendation to consider such a policy during the fundraising of GCOF II. Grain's RCP is substantively identical to Meketa's RCP model, with a few organizational differences, but no material differences. While the investment strategy does not generally involve major construction projects, it can involve activities the policy will cover if applicability criteria are met. Prior to the adoption of the stand-alone RCP, Grain took a positive stance toward labor issues in an affirmative statement in its ESG policy referenced above.

Operations

ORGANIZATION

Grain has grown from 24 professionals to 40 over the past two years. The growth has been in both the investment and operations groups. The senior team remains intact and the employee turnover has been at the junior levels as some professionals departed once Grain's tower portfolio was disposed and other Associates left after their two-year standard employment period ended. The team has been transparent regarding their growth and thoughts for ensuring Firm culture does not change with the new hires coming into the firm.

FINANCE AND ACCOUNTING

Meketa's due diligence for GCOF III included an Operations Review of existing practices relating to: cash flow management; and accounting, policies, controls, and auditing. Overall, the Fund's procedures are suitable for the investment vehicle and documented, including policies for valuation and responsible contracting. The Firm has historically performed all accounting and cash management functions in parallel to a third party administrator, Broadscope Fund Administrators. Mr. Licursi, Managing Director and COO, oversees 16 employees involved in Accounting, Finance, Operations, and Human Resources functions. Grain also completed its search for an in-house CCO, hiring Letti de Little in 2018. The CCO performs all compliance functions including performing the annual review, preparing and filing regulatory reporting, overseeing annual and targeted compliance training, implementing and testing policies, updating policies as needed and performing other compliance functions as may be appropriate for the firm.

Cash flow management strengths include:

- Grain's Finance and Accounting team works with Broadscope, the fund administrator, who assists with the creation and approval of cash flow transfers.
- Final cash invoices come through to Grain for review and approval and final release. Grain maintains authority and knowledge of the cash flow management even with Broadscope providing the administration.
- The CFO can approve and release payments up to $500,000. For payments in excess of this amount, Mr. Liscursi must release the cash.

Accounting-related strengths include:

- Grain has partnered with Broadscope Fund Administrators, an independent fund administration firm focused solely on private equity to provide fund administration services to existing and future funds. In collaboration with Broadscope, Grain has three full-time accounting professionals, two of which are Certified Public Accountants.
- Grain established shadow accounting to verify results and conclusions that Broadscope reports on a quarterly basis. The process includes verification of capital calls and distributions, waterfall, and Limited Partner allocations.
- Valuations will be incorporated into the financial statements and audit. Prior to GCOF II, fair values were created and provided outside of the financial statements.

The Firm will furnish a quarterly Capital Account Statement for Limited Partners, audited annual financial statements, unaudited quarterly financial statements, quarterly descriptive investment information for each portfolio investment, and annual tax information. The Firm will prepare its financial reports in accordance with U.S. GAAP, and in turn, adhere to ASC 820 valuation standards and FAS 157. The financial statements will be audited by KPMG and prepared according to United States generally accepted accounting standards.

Meketa's Operations Review of GCOF II (see also under Internal Controls) included a review of reporting-related information in DDQs, examples of capital call and distribution documents, and materials provided by the General Partner on Accounting, Financial Reporting, and Internal Controls. Overall, Meketa is comfortable with the Firm's reporting practices and accuracy.

VALUATION

GCOF III appears to meet best practices for accounting and valuation policies, which are deemed appropriate for this investment vehicle. We were able to identify that the valuation methodologies used are in line with the policies of the Manager and are in line with industry standards. Valuations are created and maintained by an associate/analyst that is part of the deal team. A valuation method will be chosen for each asset at the time of acquisition and typically will be comparable transactions for towers, discounted cash flow model for spectrum, and fiber comparable transactions. The key is to have documentation on valuation methodology at first valuation and remain consistent going forward. Quarterly, the assigned Associate/Analyst will update the value and these are reviewed by the CFO. After sign-off, the values will be given to the Valuation Committee consisting of David Grain, Paul Licursi, Chad Crank, Michael McKenzie, and Jennie Jones (CFO).

All investments will be initially recorded at cost, with the intent that such cost should be reflective of a sound valuation methodology applied during the acquisition of an investment.

Other Items

LEGAL ISSUES

Grain reported no lawsuits, litigation, investigation, bankruptcy, or other negative legal or regulatory matters involving the Firm or its senior team within the past 10 years except for one lawsuit where David Grain is named for his capacity as a member of the Board of Directors of The Southern Company as summarized below.

- In February 2017, two shareholders filed lawsuits in the U.S. District Court for the Northern District of Georgia naming as defendants the Southern Company, certain of its directors, certain of its officers, and certain former Mississippi Power officers, which were later consolidated.
- The complaints allege that the defendants caused the Southern Company to make false or misleading statements regarding the Kemper County energy facility cost and schedule, and that the defendants were unjustly enriched and caused the waste of corporate assets, violating their individual fiduciary duties.
- In April 2018, the court entered an order staying this lawsuit until 30 days after the resolution of any dispositive motions or any settlement, whichever is earlier, in the securities class action.
- The lawsuit was settled in September 2020 with Southern Company agreeing to pay $87.5 million to shareholders who purchased or otherwise acquired Southern Cross stock between April 25, 2012 and October 30, 2013.

POTENTIAL CONFLICTS

Grain senior professionals are expected to commit a significant amount of business efforts to the Fund, but are not required to devote all of their time to the Fund's affairs. A few Managing Directors hold board seats of companies not related to Grain Management. However, these obligations are not expected to interfere with their duties of Grain.

DISTRIBUTION/MARKETING

Credit Suisse Private Fund Group, acting through Credit Suisse Securities USA, LLC ("CSSU") currently serves as Placement Agent for Grain. Meketa Investment Group has no compensatory relationship with Grain or any of its Placement Agents.

CSSU reported that there is no regulatory proceeding or investigation by a regulatory authority involving CSSU, its officers, or principals currently or within the last 10 years relative to its private fund placement agent and advisory business that would have a material impact on its ability to perform such services.

LIMITED PARTNERS

Grain expects to have significant interest from investors in Fund II, which was oversubscribed. Below is a list of investors by type that committed to GCOF II.

Limited Partners	Number of Clients	Total Commitment ($ in Millions)
Public Pensions	12	474
Endowments	4	170
Foundations	9	102
Private Pensions	7	61
Family Offices	4	32
Other	NA	60
Total		**899**

Analysis & Conclusions

DUE DILIGENCE BASIS

Meketa has carefully evaluated the Fund's manager, investment professionals' experience and qualifications and related resources, strategy, existing investments and pipeline, investment process, historical track record, and other aspects of this opportunity as described in prior sections of this investment memorandum.

Overall, we find Grain Communications Opportunity Fund III an attractive opportunity that we can generally recommend for client infrastructure portfolios, and specifically where it is consistent with a client's investment policy, pacing plan, and other infrastructure portfolio goals and objectives. This finding is based on our evaluation of this offering's primary advantages, balanced with any concerns or considerations, along with Meketa's and the manager's view of the investment thesis relative to market opportunities and potential strategy execution challenges. These elements of our findings are documented below, along with our overall conclusion and recommendation.

SWOT ANALYSIS

Strengths

→ Track Record – Grain has consistently produced strong returns with a net IRR across all prior vehicles of 27%. Every fund has significantly outperformed Meketa's public market equivalent benchmark and the Firm maintains their near zero loss ratio since inception.

→ Deep Network Connections of Senior Team – The Managing Directors have a nearly 75 combined years of industry experience with operating, regulatory, and investing experience. Their industry relationships have allowed the team to implement their aggregation strategy within fragmented markets and approached companies that have not had prior institutional capital.

→ Experienced Senior Investment Team – Grain has built a strong senior team with history across the communications infrastructure market segments. The senior team members have diverse and complementary skill set and have taken a collaborative approach to portfolio construction across towers, spectrum, and fiber.

→ Corporate Diversity – Grain is a 100% minority-owned firm and has significant racial and gender diversity among its team, including its senior advisors. The Firm is committed to maintaining and enhancing its diversity and that has shown through their hires over the past two years as the team expanded from 24 to 40.

→ Flexible Approach – Grain has successfully implemented an investment team structure that provides adaptability to adjust the portfolio focus as new communication infrastructure sectors become favorable. GIF I and II were primarily invested in macro cell towers as the fragmented market provided attractive investment opportunities. As the tower market matured, Grain shifted focus to spectrum, and then currently to fiber networks that show the same fragmented characteristics that towers did a decade ago.

→ Educational and Economic Development – Many of Grain's investments bring or expand modern telecommunications equipment and services to rural areas and other under- or as yet served areas of the country. Further access to affordable mobile phones and a reliable network enables citizens to participate in our on-line and app-centric economy. Local businesses also benefit from healthy and reliable broadband and wireless capacity.

Weaknesses

→ Rapid Firm Growth – Since the beginning of 2019, Grain's investment professionals cadre has grown from 10 to 22 team members. Overall, the Firm expanded from 24 to 40 employees, including growth in the operating and compliance functions. The Firm's rapid growth will challenge the senior management to maintain the company culture across an expanded junior ranks.

  → Mitigating factor(s): The senior management remains unchanged and many of the mid- and junior-level investment team hires came over from Morgan Stanley which gives consistency to prior training programs. Another Senior Associate was a former Associate and returned this past year after completing graduate school.

→ Limited Realizations in GCOF I and II – GCOF I primarily comprises spectrum holdings, which account for 90% of its invested capital. The spectrum has continued to appreciate and has been held for four years. GCOF II has implemented an aggregation strategy of fiber networks that take time to develop. These investments have been held for less than two years and have begun to show growth.

→ Lack of International Experience – Grain has increased their ability to invest the Fund outside of the United States from 15% to 33% of the portfolio. However, while Grain has talked about international exposure and opportunities, they have yet to make an investment outside the U.S. and do not appear to have the same network internationally that they do in the states.

  → Mitigating factor(s): Grain appears cautious with the potential of entering foreign markets and plan to only pursue non-U.S. deals within sub-sectors and regulatory environments that they have experience.

Opportunities

→ Fiber-to-the-Home with COVID – The pandemic has intensified the need for additional data capacity for residential networks as more people work from home and use streaming services as entertainment. Through their fiber companies, they can shift focus from enterprise networks to capture the new market that is not expected to disappear.

→ 5G Expansion – As carriers continue to focus on 5G expansion throughout the nation, there is an increasing need for additional infrastructure. As the market evolves, additional wavelengths of spectrum have been added as the implementation of 5G will require both short and long wavelengths to transfer the data. There is also a need for additional fiber and towers to densify current networks for the speed and data capacity that 5G brings.

→ Fragmented Market – The fiber market continues to be owned by small regional businesses that do not have the experience or knowledge to expand to other regions. By aggregating several companies, an investor can implement economies of scale and experienced sales forces to promote opportunities within an existing market and surrounding areas.

Threats

→ Competition –As a high growth infrastructure sector, the communications market continues to attract competitors. The pandemic also showed the demand for communications increasing while shifting from enterprise to residential use. With the increasing number of managers focusing on communications, Grain will continue to rely on their proprietary sourcing to mitigate rising competition and any pricing pressures.

→ Regulatory Changes - As the communications industry continues to evolve, regulatory changes must be monitored. Control over spectrum bands that will be released or retained is important and additional spectrum is required for the increased data traffic. The amount of funding approved to expand broadband within schools or other public buildings will impact fiber companies within certain networks. Grain has regulatory experience to anticipate and respond to the changing environment.

→ Demand or Technology Changes – Increasing technology will result in additional infrastructure, but can be a threat to existing fiber or spectrum licenses. As 5G continues to evolve, carriers have added additional spectrum to solve issues with building penetration and longer distance accessibility. Spectrum licenses may decrease in value if demand shifts to use a different wavelength.

CONCLUSION

GCOF III represents an attractive opportunity to commit capital to an experienced investment manager focused on the high growth communications infrastructure sector. Grain continues to show the ability to shift their focus to pursue sub-sectors in fragmented markets with disconnected valuations. Grain has identified cell towers, fiber, and spectrum as having characteristics of recurring revenue; mission-critical services; low correlation to market cycles; and high barriers to entry. Staying disciplined to their highly analytical approach allowed the team to continue to generate proprietary deal flow and attractive returns. Key considerations are the rapid team growth challenging the senior management to maintain company culture and an increased ability to invest internationally without a prior investment outside the U.S. to date.

Appendices

Exhibit 1: Professional Biographies

SENIOR INVESTMENT PROFESSIONALS

David Grain, Managing Director, Chief Executive Officer (58)

David Grain is the Founder and CEO of Grain Management. He brings over 25 years of experience in industry and 15 years in private equity. David founded Grain in 2007, having formerly worked as a Communications industry operator, private equity operating partner, and investment banking executive.

Prior to Grain, David served from 2002 to 2006 as President of Global Signal, Inc. (formerly NYSE: GSL), the largest communication tower owner/operator at the time. David has also served as Senior Vice President at AT&T Broadband's New England Region and was an Executive Director in the High Yield Finance department at Morgan Stanley, where his focus was TMT. He also served as an Operating Advisor to General Catalyst.

David received a B.A. in English from the College of the Holy Cross and M.B.A. from the Amos Tuck School of Business Administration at Dartmouth College. He currently serves on the Board of Directors of Southern Company and on the Board of Trustees of the Brookings Institution.

Michael McKenzie, Managing Director (55)

Michael McKenzie is a Managing Director at Grain and brings over twenty years of communications and technology industry experience, including nearly a decade in private equity. Michael focuses on investments in communications infrastructure and technology, including fiber optic networks, spectrum, wireless towers and data centers.

Prior to Grain, Michael helped shape U.S. communications policy in areas such as broadband deployment, spectrum and emerging mobile technologies as a top FCC official. Before that, Michael held executive roles in strategy and business development at Microsoft Corp., where he focused on the commercialization of emerging platforms (e.g., Internet, mobile, cloud). He began his career practicing communications and technology law at Silicon Valley's Wilson Sonsini Goodrich & Rosati and Washington D.C.'s WilmerHale, after clerking on the U.S. Court of Appeals for the Third Circuit.

Michael graduated with honors (Phi Beta Kappa) from the University of Virginia and received his J.D. degree from Harvard Law School. He is a member of the board of directors of Summit Broadband, Hunter Communications and WANRack, LLC and serves on the advisory board of the University of Virginia's Batten School of Public Policy and Year Up. Michael is a member of the Economic Club of Washington, D.C. and the Council on Foreign Relations.

Chad Crank, Managing Director (46)

Chad Crank is a Managing Director at Grain and brings a strong track record of investment banking having advised on some of the industry's most notable transactions including several Grain Management investments. He also brings significant principal investing experience and deep telecom industry relationships.

Prior to Grain, Chad was Head of TMT Investment Banking at Stephens Inc. where he advised on M&A and capital markets transactions in excess of $100 Billion including over 50 completed M&A transactions. While at Stephens he helped evaluate and manage several successful principal investments totaling over $1 Billion in value. Prior to Stephens, he worked in strategic planning at Alltel and served as an Armored Cavalry Officer in the U.S. Army.

Chad graduated from the United States Military Academy at West Point and received an MBA from the Kellogg School of Management, where he was an Austin Scholar. He also holds graduate degrees in Economic Policy from Harvard University and Engineering from Northwestern University. Chad serves on the boards of Great Plains Communications, Ritter Communications, and the MacArthur Museum of Military History.

Raghav Nayar, Principal (36)

Raghav Nayar is a Principal on the Investment Team at Grain Management. Raghav's responsibilities include deal origination, investment underwriting, portfolio performance tracking, and analytical support.

Prior to joining Grain, Raghav was a Vice President in the Asset Finance Group at Morgan Stanley where he spent seven years structuring and executing over $21 billion of divestitures, structured financings, and esoteric securitizations across a variety of assets including cell towers, wireless spectrum, media, and other industries.

Raghav graduated with a Bachelor of Technology in Biotechnology Engineering from Thapar University and M.S. in Finance from Johns Hopkins University. Raghav serves on the Boards of Summit Broadband and WANRack, LLC.

Nikola Trkulja, Principal (31)

Nikola Trkulja is a Principal on the Investment Team at Grain Management. Nikola's responsibilities include deal origination, investment underwriting, portfolio performance tracking and analytical support.

Prior to joining Grain, Nikola spent five years at Morgan Stanley where he developed new financing structures across a wide variety of industries, including cell towers, wireless spectrum transactions, and others. As a member of Morgan Stanley's Asset Finance team, Nikola developed analytical tools for projecting and valuing assets and cashflow portfolios, diligenced, structured, and marketed a wide array of innovative financing solutions, and raised over $18 billion of capital across industries. In the process, Nikola developed numerous of first-of-their-kind financing structures including Grain Management's first ever securitizations of wireless spectrum licenses.

Nikola graduated cum laude with a B.A. in Economics and Political Science from Vassar College. Nikola currently serves on the boards of Great Plains Communications, Hunter Communications and CE Workforce.

Ricardo Rodriguez, Principal (43)

Ricardo Rodriguez is a Principal on the Investment Team at Grain Management. Ricardo's responsibilities include deal origination, investment underwriting, portfolio performance tracking and analytical support.

Prior to Grain, Ricardo served from 2018 to 2020 as President & CEO of Spirit MTA REIT (formerly NYSE: SMTA), a net lease real estate investment trust (REIT) with approximately $2.5Bn in AUM and which sold substantially all its assets to another publicly traded REIT in the fall of 2019. Prior to SMTA, Ricardo spent 17 years at Morgan Stanley where he held various positions in the firm's Global Capital Markets department. While at Morgan Stanley, Ricardo invested and managed project and structured investments made by the firm, and provided banking coverage and structuring advice on capital markets transactions to clients in developed and emerging markets.

Ricardo received B.S. degrees in Engineering and in Economics from the United States Naval Academy.

Jenny Zhang, Vice President (30)

Jenny Zhang is a Vice President on the Investment Team at Grain Management. Jenny's responsibilities include deal origination, investment underwriting, portfolio performance tracking, and analytical support.

Prior to joining Grain, Jenny spent seven years at Morgan Stanley where she was a Vice President in the Financial Institutions Group, advising clients on M&A and strategic transactions, including completed deals totaling $35 billion. During her time at Morgan Stanley, she also advised clients on esoteric solutions in the Capital Markets division and helped manage the firm’s capital and liquidity in the Corporate Treasury division.

Jenny graduated magna cum laude with a B.S. in Hotel Administration from Cornell University. Jenny currently serves on the boards of Ritter Communications and CE Workforce.

Jeff Zhou, Vice President (39)

Jeff Zhou is a Vice President on the Investment Team at Grain Management. Jeff's responsibilities include deal origination, investment underwriting, portfolio performance tracking, and analytical support.

Prior to Grain, Jeff spent six years at Morgan Stanley where he was a Vice President in the Media and Communications Group, advising clients across the telecommunications sectors on M&A and strategic transactions, including completed M&A deals totaling $160 billion. Prior to Morgan Stanley, Jeff worked in corporate development and strategic planning at iHeartMedia (fka Clear Channel Communications).

Jeff received a B.S. in Computer Science from Fudan University, M.S. in Finance from Texas A&M University and M.B.A from the Tuck School of Business at Dartmouth.

SENIOR ADVISORS

James Cash, PhD

Dr. James Cash has been a Senior Advisor to Grain Management since 2007, and brings over 30 years of experience to the team as a top academician on technology. He is a former board member of General Electric, Microsoft, Sprint, Scientific Atlanta and other Fortune 100 companies.

Dr. Cash is a James E. Robison Professor and Senior Associate Dean, Emeritus, of the Harvard Business School, where he first joined the faculty in 1976 and retired in 2003. In addition to the boards mentioned above, he has served on the board of Wal-Mart, Chubb, State Street Corp., and other public, private, and non-for-profit boards.

Dr. Cash graduated from Texas Christian University with a BS in Mathematics, while being named an Academic All-American. Later he received an MS in Computer Science from Purdue University's Graduate School of Mathematical Sciences, and a PhD in Management Information Systems and Accounting from Purdue University's Krannert Graduate School of Management.

Cleveland Christophe

Cleveland Christophe joined Grain's board of Senior Advisors in 2020, bringing over 40 years of experience in high tech industries and private equity.

Mr. Christophe is best known for engineering the largest leveraged buyout of offshore assets in history, the purchase of Beatrice International Food Company by TLC Group in 1987. He also co-founded private equity investment firm TSG Capital Group, where he served as Managing Partner from 1994 to 2008. Prior to his retirement in 2013, Mr. Christophe was President and Chief Financial Officer of US&S, Inc., a supplier of services and materials to United States government agencies.

Virgis Colbert

Virgis Colbert joined Grain's board of Senior Advisors in 2017, bringing over 40 years of experience to the team as a global operator with expertise that includes engineering, information technology, and strategic growth.

Mr. Colbert is a former executive of Chrysler and Miller Brewing Company, and a former board member of Merrill Lynch, Bank of America Corporation, Stanley Black & Decker, Sara Lee Corporation, Delphi Automotive, Manitowoc Company, Inc., the National Center for Human and Civil Rights and Hillshire Brands. He currently serves on the board of the NASDAQ Exchange, STAG Industrial, Inc and New Senior Investment Group, as well as the Hutchins Center for African and African American Studies at Harvard University, and the National Center for Human and Civil Rights.

Edith Cooper

Edith Cooper joined Grain's board of Senior Advisors in 2018, bringing over 20 years of experience in organizational development, talent gathering, and organizational diversification.

Ms. Cooper is the former Global Head of Human Capital Management at Goldman Sachs, where she was responsible for the recruitment and development of the firm's 35,000 professionals. Prior to Goldman Sachs, Ms. Cooper held leadership roles at Morgan Stanley and Bankers Trust. She currently serves on the boards of Slack, Etsy, the Museum of Modern Art, and Northwestern University.

Ms. Cooper earned an MBA from the Kellogg School of Management at Northwestern University and a Bachelor of Arts from Harvard and Radcliffe Colleges.

Stanley O'Neal

Stan O'Neal has been a Senior Advisor to Grain Management since 2007, and brings over 30 years of experience to the team, advising on financing and complex deal structuring.

Mr. O'Neal was formerly Chief Executive Officer and Chairman of the Board of Merrill Lynch & Co. Inc., and has served in numerous senior management positions in the company. He was also a member of the board of directors of General Motors from 2001 through 2006, and currently serves on the board of Alcoa.

Mr. O'Neal holds a bachelor's degree in industrial administration from Kettering University and an MBA from Harvard Business School.

Stephanie Phillipps

Stephanie Phillipps joined Grain's board of Senior Advisors in 2020, bringing over 25 years of experience in global communications, data security, and corporate governance.

Ms. Stephanie Phillipps is a communications veteran who, during her time as a Partner at Arnold and Porter, advised wireless, cable, satellite, media, and internet service providers on a broad range of transactions, mergers and acquisitions, real estate, corporate governance, and regulatory issues. Ms. Phillipps was also an experienced advocate before the Federal Communications Commission and other regulatory agencies and public bodies.

Ms. Phillips earned a JD from Harvard Law School and a Bachelor of Arts from Radcliffe College.

David Thomas, PhD

Dr. David Thomas has been a Senior Advisor to Grain Management since 2007 and brings over 30 years of expertise in organizational growth and development to the team.

Outside of Grain, Dr. Thomas is President of Morehouse College, the nation's largest liberal arts college for men. He is also the former H. Naylor Fitzhugh Professor of Business Administration at Harvard Business School, and the former Dean of Georgetown University's McDonough School of Business.

Dr. Thomas holds a doctorate in Organizational Behavior Studies and a Master of Philosophy degree in Organizational Behavior, both from Yale University. He also has a master's degree in Organizational Psychology from Columbia University, and a Bachelor of Administrative Sciences degree from Yale College. He currently is a member of the Board of Governors for the American Red Cross, the Board of Directors of DTE Energy, and the Estoril Conferences Advisory Board.

Exhibit 2: Manager Meetings

Meeting Location:	**Conference Call**
Date:	November 3, 2020
Manager Attendees:	David Grain, Chad Crank, Michael McKenzie, Raghav Nayar Jenny Zhang, Ricardo Rodriguez, Kathlika Fontes
Meketa Attendees:	Adam Toczylowski, Lisa Bacon, Yianni Grupen
Purpose of Meeting:	Formal (virtual) on-site covering the changes to the team, detailed analysis of GCOF II portfolio, pipeline, compensation

Meeting Location:	**Conference Call**
Date:	June 16, 2020
Manager Attendees:	Kathlika Fontes, David Grain, Michael McKenzie, Nikola Trkulja
Meketa Attendees:	Adam Toczylowski, Lisa Bacon, Yianni Grupen
Purpose of Meeting:	Spectrum Holding upcoming auction including: details on the C Band spectrum, Grain deal team, auction strategy, target markets, optimization

Meeting Location:	**Conference Call**
Date:	April 1, 2020
Manager Attendees:	David Grain, Kathlika Fontes, Andrea Logan
Meketa Attendees:	Adam Toczylowski, Lisa Bacon
Purpose of Meeting:	Updates on GCOF I and II, Response to COVID pandemic, on-going hiring searches, C-Band auction introduction

Meeting Location:	**Conference Call**
Date:	February 7, 2020
Manager Attendees:	Kathlika Fontes, Andrea Logan
Meketa Attendees:	Adam Toczylowski
Purpose of Meeting:	Thoughts for timing of Fund III, New investment Summit Broadband in GCOF II, hiring of Chief Talent Officer Merche del Valle, relocation of Raghav Nayar to establish NYC office.

Exhibit 3: Reference Checks

Meketa Investment Group conducts a large amount of due diligence before we evaluate references for the partnership's General Partners. Prior to this stage, we have already met numerous times with the key professionals at the partnership, and have evaluated fully the partnership's investment strategy.

The function of the reference check is twofold. First, reference checks provide insight into the personal integrity and character of the General Partners. A lack of integrity that is hidden during a series of formal meetings can sometimes be uncovered by discussions with references. Second, reference checks provide deeper insight into the partners' investment experience and reputation.

SCOPE OF REFERENCE CHECKS

As part of Meketa Investment Group's due diligence of Grain Communications Opportunity Fund III, LP., we requested that Grain Management, LLC provide us with personal references for each of the firm's managing partners.

We discussed with each of the references the nature of their relationship with Grain Management, LLC, and the reference's perception of the company's integrity, work ethic, character, and professional acumen. We asked further for the reference to discuss the specific individuals within Grain Management, LLC, to gain a better assessment of the firm's depth.

OUTCOME OF REFERENCE CALLS

Meketa Investment Group has contacted various references provided by Grain Management, LLC, as well as other references. The feedback was consistent with Meketa's opinions on both the strengths and considerations of Grain and GCOF III. Overall, the discussions focused on the expanded investment team, Grain's competitive advantages over other managers focusing on communications infrastructure, and the Firm's overall reputation within the marketplace.

Considerations brought up during calls were the changes to the key person provision, increased limit to international exposure, and Grain's rapid growth in assets under management and investment professionals.

GRAIN COMMUNICATIONS OPPORTUNITY FUND III

PRESENTATION TO STATE OF CONNECTICUT

JANUARY 13, 2021

Disclosure

This presentation (the "Presentation") has been prepared by Grain Management, LLC (together with its affiliates, "Grain" or the "Firm") for discussion and informational purposes only, and is being furnished to parties ("Recipients") who wish to learn more about Grain's strategy, funds or vehicles (the "Strategy," "Funds," "Vehicles," "Grain Investment Vehicles," or individually, "Fund," "Vehicle," or "Grain Investment Vehicle").

The information contained herein is provided for informational and discussion purposes only and is not, and may not be relied on in any manner as, legal, tax or investment advice or as an offer to sell or a solicitation of an offer to buy an interest in the Fund. A private offering of interests in the Fund will only be made pursuant to a confidential private placement memorandum (the "Offering Memorandum") and the Fund's subscription documents, which will be furnished to qualified investors on a confidential basis at their request for their consideration in connection with such offering. The information contained herein will be qualified in its entirety by reference to the Offering Memorandum, which contains additional information about the investment objective, terms and conditions of an investment in the Fund and also contains tax information and risk disclosures that are important to any investment decision regarding the Fund. No person has been authorized to make any statement concerning the Fund other than as set forth in the Offering Memorandum and any such statements, if made, may not be relied upon. The information contained herein must be kept strictly confidential and may not be reproduced or redistributed in any format without the approval of the Fund.

Notwithstanding the foregoing, each investor and prospective investor (and each employee, representative, or other agent thereof) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the Fund and its investments and all materials of any kind (including opinions or other tax analyses) that are provided to such investor or prospective investor relating to such tax treatment and tax structure, provided, however, that such disclosure shall not include the name (or other identifying information not relevant to the tax structure or tax treatment) of any person and shall not include information for which nondisclosure is reasonably necessary in order to comply with applicable securities laws. An investment in the Fund will involve significant risks, including loss of the entire investment. The interests in the Fund will be illiquid, as there is no secondary market for interests in the Fund and none is expected to develop. There will be restrictions on transferring interests in the Fund, investments may be leveraged and the investment performance may be volatile. Before deciding to invest in the Fund, prospective investors should read the offering memorandum and pay particular attention to the risk factors contained in the Offering Memorandum. The fees and expenses charged in connection with an investment in the Fund may be higher than the fees and expenses of other investment alternatives and may offset profits. Investors should have the financial ability and willingness to accept the risk characteristics of the Fund's investments. Potential conflicts of interest may arise from the relationship between Credit Suisse Securities (USA) LLC and its affiliates ("Credit Suisse"), which is acting as the Fund's placement agent. Credit Suisse is not acting and will not act as a municipal advisor within the meaning of Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the rules and regulations promulgated thereunder ("Municipal Advisor Rule"). Any services, material, or information that Credit Suisse provides to a municipal entity or obligated person as defined by the Municipal Advisor Rule ("Covered Party") are provided on an arm's length basis and not as an advisor or fiduciary to the Covered Party. Covered Parties should consult with their own internal and external advisors before taking action with respect to any services, material, or information provided to them by Credit Suisse. Credit Suisse also will not solicit a Covered Party for direct or indirect compensation on behalf of an unaffiliated investment adviser for the purpose of obtaining or retaining an engagement for that investment adviser by the Covered Party to provide investment advisory services to or on behalf of the Covered Party.

In considering any performance data contained herein, you should bear in mind that past or targeted performance is not indicative of future results, and there can be no assurance that the Fund will achieve comparable results or that target returns will be met. You should also bear in mind that past or targeted portfolio characteristics are not indicative of future portfolio characteristics and there can be no assurance that a Fund will have comparable portfolio characteristics or that target portfolio characteristics will be achieved. In addition, there can be no assurance that unrealized investments will be realized at the valuations shown as actual realized returns will depend on, among other factors, future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs, and the timing and manner of sale, all of which may differ from the assumptions on which the valuations contained herein are based.

The IRRs presented on a "Gross" basis do not reflect any management fees, carried interest, taxes and allocable expenses borne by investors, which in the aggregate may be substantial. Net IRRs are after management fees, carried interest, taxes and allocable expenses. All IRRs presented are annualized and calculated based on the investment inflows and outflows on the actual dates they occurred. Nothing contained herein should be deemed to be a prediction or projection of future performance of the Fund. Prospective investors should make their own investigations and evaluations of the information contained herein. Each prospective investor should consult its own attorney, business adviser and tax adviser as to legal, business, tax and related matters concerning the information contained herein and such offering. Each Prospective Investor's tax treatment of the information contained herein depends on its individual circumstances and may be subject to change in the future. Except where otherwise indicated herein, the information provided herein is based on matters as they exist as of the date of preparation and not as of any future date, and will not be updated or otherwise revised to reflect information that subsequently becomes available, or circumstances existing or changes occurring after the date hereof.

Disclosure (cont'd)

Certain information contained in this presentation constitutes "forward-looking statements," which can be identified by the use of forward-looking terminology such as "may," "will," "should," "expect," "anticipate," "target," "project," "estimate," "intend," "continue" or "believe," or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events or results or the actual performance of the Fund may differ materially from those reflected or contemplated in such forward-looking statements. Such statements are made based upon Grain's views as they exist as of the date of publication of this Presentation. There is no assurance that such views are correct or will prove, with the passage of time, to be correct. Prospective investors in the Fund should not rely on these forward-looking statements in deciding whether to invest in such Fund. The information contained in this presentation has been obtained from sources outside of Credit Suisse. While such information is believed to be reliable for the purposes used herein, neither Credit Suisse, nor any of its affiliates or partners, members or employees, assume any responsibility for the accuracy of such information.

Unless otherwise noted, all of the information in this Presentation is as of the date hereof.

The information contained herein is not intended to be complete and does not include all information a Recipient may desire or need to fully evaluate Grain. No representation or warranty is made by Grain as to the accuracy, reliability or completeness of any information contained herein or as to the non-occurrence of any change in the affairs of Grain since the dates as of which information is provided herein.

The tax treatment depends on the individual circumstances of each client and may be subject to change in the future.

Grain Firm Overview

GRAIN MANAGEMENT

COMMUNICATIONS SPECIALISTS

- Team of tenured communications investors with an extensive industry network

2007
Founded

43
Dedicated Professionals

SECTOR FOCUS

- Sector specialist focused on the global communications industry

Fiber

Spectrum

Towers

STRONG INVESTMENT PERFORMANCE SINCE INCEPTION(i)

8
Grain Investment Vehicles

25.2% / 1.6x
Net IRR(iii) Net ROI(iv)

0%
Loss Ratio(ii)

Note: Past performance is not indicative of future results, and there can be no assurance that any Grain Investment Vehicle will be able to implement its investment strategy or approach, achieve comparable results, meet its target results or be able to avoid losses. Nothing contained herein should be deemed to be a prediction or projection of the future performance of any Grain Investment Vehicle. The information set forth is provided as of September 30, 2020 on an aggregate basis, consisting of GIF, GIF II, GCOF, GCOF II, GCOF III, GSH III and two proprietary investment vehicles: GSH and GSH II. All performance information presented herein should be read in conjunction with the "Notes to Investment Performance" on page 9.

Differentiated Investment Platform

Grain's sector focus and expansive industry knowledge provides differentiated insight to uncover value

COMMUNICATIONS SPECIALISTS WITH OPERATING EXPERTISE

Seasoned industry veterans with extensive sourcing networks

Industry knowledge delivers differentiated insight and strategic vision to guide advantaged investment decision-making

Complementary expertise as former operators, regulators and bankers drives ability to add value post-investment

DISCIPLINED & OPPORTUNISTIC INVESTMENT STRATEGY

Target hard assets and companies with inflation-protected revenue streams and sustainable cash flows, uncorrelated to market cycles

- 3D perspective with a principal focus on fiber, spectrum and towers
- High ratio of bilateral negotiation yields "partner over price" brand recognition
- Algorithmic, computational investment process drives transactional agility and confident, decisive execution

VALUE CREATION

Enhance business processes with a management-centric approach

Focus on driving operational efficiencies to support revenue growth

Deep quantitative and analytical proficiency coupled with regulatory expertise elevates decision-making and return potential

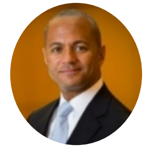
Dedicated, advantaged team and sector momentum drives accelerated scale

Grain Team

INVESTMENT TEAM


DAVID GRAIN
FOUNDER & CEO


CHAD CRANK
MANAGING DIRECTOR


MICHAEL MCKENZIE
MANAGING DIRECTOR


RAGHAV NAYAR
PRINCIPAL


RICARDO RODRIGUEZ
PRINCIPAL


NIKOLA TRKULJA
PRINCIPAL


JENNY ZHANG
VICE PRESIDENT


JEFF ZHOU
VICE PRESIDENT


DIYA BERGER
SR. ASSOCIATE


WILL CHEN
SR. ASSOCIATE


HALEY GRANT
SR. ASSOCIATE


HIND HASSAN
SR. ASSOCIATE


ABSHIR ESSE
ASSOCIATE


TANNER GOODE
ASSOCIATE


TRACE GRAIN
ASSOCIATE


SIDA HE
ASSOCIATE


JOHN KELLY
ASSOCIATE


BRIAN LASH
ASSOCIATE


MAX RAY
ASSOCIATE


MICHAEL RHINE
ASSOCIATE


HAMZA WASIM
ASSOCIATE


KEVIN XU
ASSOCIATE

FINANCE & OPERATIONS


PAUL LICURSI
MANAGING DIRECTOR
CHIEF OPERATING OFFICER


MERCHE DEL VALLE
MANAGING DIRECTOR
CHIEF TALENT OFFICER


KATHLIKA FONTES
DIRECTOR
INVESTOR RELATIONS


JEANNIE JONES
CHIEF FINANCIAL OFFICER


LETTI DE LITTLE
CHIEF COMPLIANCE OFFICER

16 OPERATIONAL & ADMINISTRATIVE PROFESSIONALS

SENIOR ADVISORS 7

Thematic and Targeted Investment Strategy

Grain believes that having extensive sector knowledge and experience across the communications industry is instrumental when sourcing and evaluating investment opportunities

TARGETED APPROACH TO CAPITAL DEPLOYMENT	Focus on the global communications industry Control equity investments, with the potential for additional equity co-investment opportunities

KEY INVESTMENT CHARACTERISTICS

- Reliable revenue streams and sustainable cash flows
- Strong market positions & high barriers to entry
- Mission-critical services and infrastructure
- Relatively low correlation to market cycles

THEMATIC INVESTMENT PROCESS

- Insights driven by existing portfolio assets
- Intelligence developed from expansive industry network
- Data-driven analysis, differentiated econometric and geospatial modeling

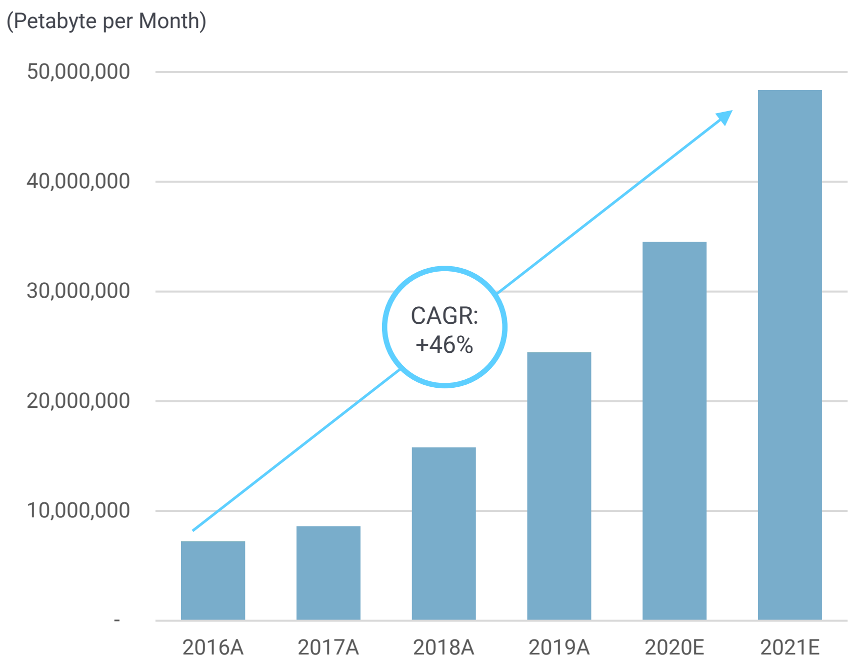
Robust Secular Tailwinds

Sector fundamentals remain strong; 5G, tech-driven industry disruptions and shifting priorities are creating opportunities

THE CASE FOR CONNECTIVITY

- Today's bandwidth needs are only a fraction of what will be needed for next-generation applications providing significant investment opportunity across broadband infrastructure
- 5G connectivity is emerging from nascency to a strong contender for mobile connectivity driven by the global economy's unwavering demand for wireless connectivity:
    - 5G devices and connections are expected to be >10% of global mobile devices by 2023[1]
    - 5G connections are expected to generate nearly 3x more traffic than a 4G connection[1]
    - 5G and IoT will open new opportunities to tap diverse enterprise demands across the global economy[2]
- The changing mix and growth of wireless devices accessing mobile networks is the primary contributor to global mobile traffic growth[1]

GLOBAL MOBILE DATA TRAFFIC GROWTH[3]



Grain believes the Firm will see exponential growth in consumption across high-bandwidth content and applications as broadband-speed improvements are made[2]

Sources: (1) Cisco Annual Internet Report (2018 – 2023). (2) GSMA, The Mobile Economy 2019. (3) Cisco Visual Networking Index: Forecast and Trends (2017-2022).

Exponential Mobile Data Traffic Growth

GRAIN MANAGEMENT

U.S. mobile data traffic is expected to increase ~8x over the next decade, driven by a considerable increase in mobile streaming video and in the longer-term by emerging 5G use cases

5G

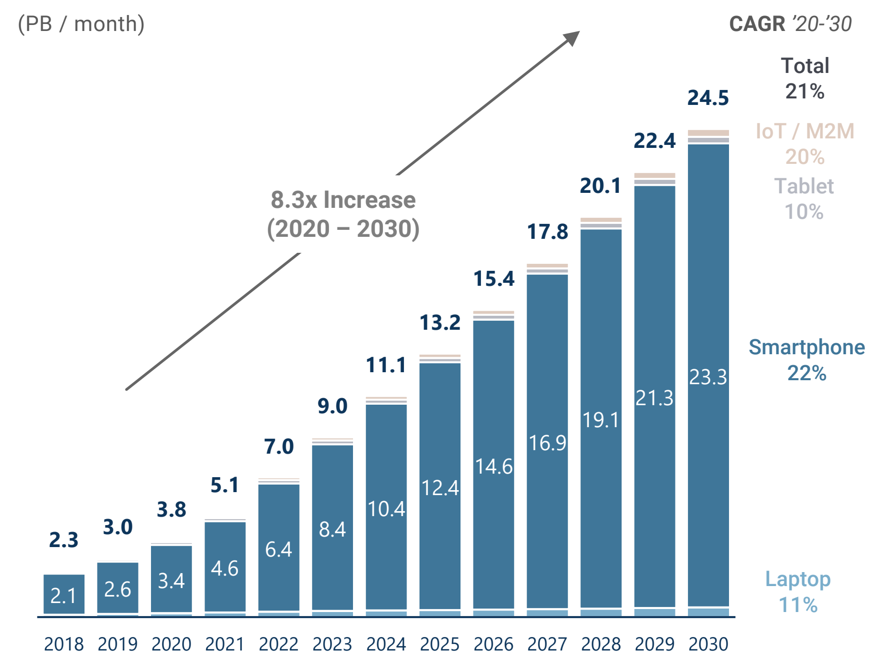
While population growth, mobile penetration, and devices per person are marginal contributors to mobile data demand, **projected mobile data traffic growth is primarily attributable to increasing usage per device**:

- Increased smartphone screen time per user
- Vastly increased mobile video streaming
- Mobile access to Cloud applications
- Growing mobile 5G adoption

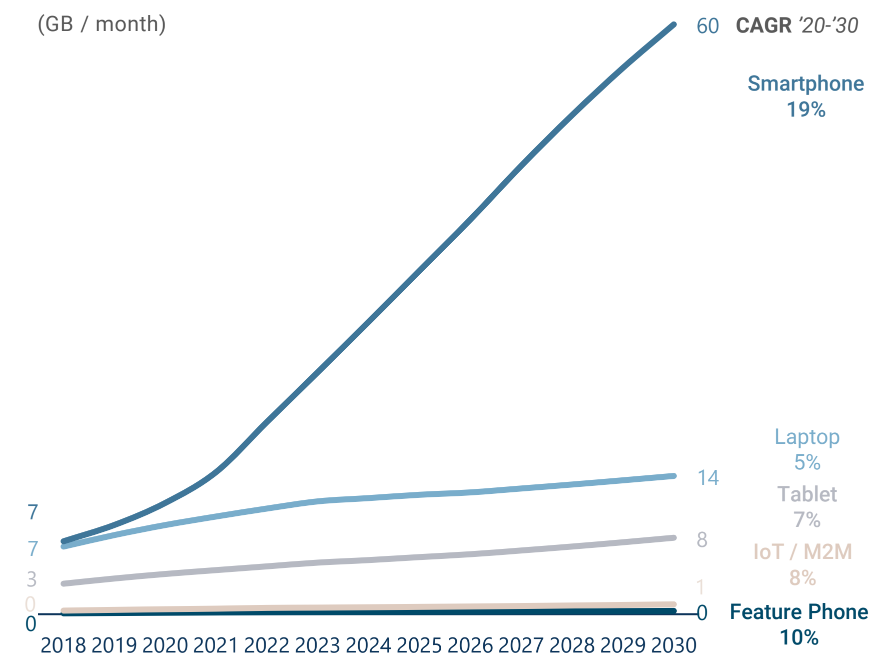
Additional new / emerging use cases:

- Smart cities/grids
- Industrial IoT use cases
- Autonomous vehicles
- Virtual/augmented reality
- Artificial intelligence / machine learning

U.S. MOBILE DATA TRAFFIC BY DEVICE TYPE



U.S. MOBILE DATA USAGE PER CONNECTION



Sources: Cisco Mobile Visual Networking Index (Feb. 2020), Altman Solon (Mar. 2020). Note: Machine to Machine ("M2M"), Petabyte ("PB"), Gigabyte ("GB").

Notes to Investment Performance

In considering the prior performance information of Grain contained herein, prospective investors should bear in mind that past performance is not indicative of future results, and there can be no assurance that any Grain Investment Vehicle will be able to implement its investment strategy or approach, achieve comparable results, meet its target results or be able to avoid losses. Nothing contained herein should be deemed to be a prediction or projection of the future performance of any Grain Investment Vehicle. Investment-level Net IRR and Net ROI is deemed not determinable and therefore not presented due to the fact that certain fund-level items (e.g., management fees, carried interest and certain other fees and expenses) are not specifically identifiable to any particular investment.

i. Grain's aggregate Net IRR and Net ROI since inception is calculated based on the cash flows as described in notes (iii) and (iv), whether or not the Net IRR or Net ROI for an individual Grain Investment Vehicle can be calculated. Grain's aggregate investment performance across all Grain Investment Vehicles includes "Adjustments for Duplicative Investments" made to avoid double-counting with respect to (a) the investment by GIF II of $7.3 million in Cincinnati Bell Wireless via GSH II and (b) the investment by GIF II of $18.3 million in NewLevel, LLC.

ii. "Loss Ratio" refers to the percentage of capital in investments realized below cost, net of any recovered proceeds, divided by total invested capital, and assumes that GIF and GIF II wireless towers are treated as a single investment.

iii. "Net IRR" for a Grain Investment Vehicle represents the annual, compounded net internal rate of return calculated based on the actual dates and amounts of cash contributions (including contributions invested in portfolio investments and to fund fees and expenses) from, and distributions to, the limited partners of the relevant Grain Investment Vehicle, as well as expected distributions to, the limited partners of the relevant Grain Investment Vehicle assuming disposition of unrealized investments on September 30, 2020 at the Unrealized Value shown, after the allocation of management fees, carried interest and other fund-level expenses. The calculation of Net IRR takes into account an estimate of any fund-level fees and expenses and carried interest that may be allocable to the investors with respect to any unrealized investments. To the extent that a Grain Investment Vehicle uses its 90-day credit facility to fund investments or expenses in advance of calling capital from limited partners, Net IRR for the Grain Investment Vehicle would be higher than what it would have been had such credit facility not been used. Net IRR at the fund level will differ from that at the individual investor level as a result of, among other factors, timing of investor-level inflows and outflows. Net IRR does not represent the return to any fund investor.

iv. "Net ROI" is, (a) with respect to the relevant Grain Primary Fund, the Gross ROI for such Grain Primary Fund net of management fees, carried interest and other fund-level expenses to be borne by investors in the relevant Grain Primary Fund, (b) with respect to GSH and GSH II, the Gross ROI for GSH and GSH II net of expenses borne by GSH and GSH II. GSH and GSH II are proprietary investment vehicles of Grain and do not charge any management fees or carried interest. To the extent that a Grain Investment Vehicle uses its 90-day credit facility to fund investments or expenses in advance of calling capital from limited partners, Net ROI for the Grain Investment Vehicle would be higher than what it would have been had such credit facility not been used. Net ROI does not represent the return to any investor.

State of Connecticut
Office of the Treasurer

Shawn T. Wooden
Treasurer

January 8, 2021

Members of the Investment Advisory Council ("IAC")

Re: **Consideration of Insight Partners Opportunities Fund I, L.P.**

Dear Fellow IAC Member:

At the January 13, 2021 meeting of the IAC, I will present for your consideration a private equity opportunity for the Private Investment Fund ("PIF") in the Connecticut Retirement Plans and Trust Funds (the "CRPTF"): Insight Partners Opportunities Fund I, L.P. ("Insight Opportunities I" or the "Fund"). Insight Opportunities I has a targeted size of $875 million and is being raised by Insight Partners ("Insight"), based in New York, NY.

I am considering an investment of $100 million in Insight Opportunities Fund I, which will make structured equity and debt investments in software companies primarily located in North America and select international markets. Over the last 25 years, Insight's team, sector expertise, and market presence have allowed the firm to deliver industry leading returns on more than $20 billion of capital invested in growth equity and buyout transactions. Insight is raising the Fund to invest in a growing market opportunity for structured equity and credit transactions in the software sector, which are expected to provide attractive risk adjusted returns through a combination of downside protection and upside potential. A commitment to the Fund would provide the CRPTF with exposure to a differentiated strategy executed by one of the top performing managers focused in the software sector.

Attached for your review is the recommendation from Laurie Martin, Chief Investment Officer, and the due diligence report prepared by StepStone. I look forward to our discussion of these materials at next week's meeting.

Sincerely,

Shawn T. Wooden
State Treasurer

OFFICE OF THE STATE TREASURER

MEMORANDUM

DECISION

TO: **Shawn T. Wooden, Treasurer**

FROM: **Laurie Martin, Chief Investment Officer**

CC: **Darrell V. Hill, Deputy Treasurer**
Raynald D. Leveque, Deputy Chief Investment Officer
Kevin Cullinan, Chief Risk Officer
Mark E. Evans, Principal Investment Officer

DATE: **December 22, 2020**

SUBJECT: **Insight Partners Opportunities Fund I, L.P. – Final Due Diligence**

Summary

The purpose of this memorandum is to recommend that the Connecticut Retirement Plans and Trust Funds ("CRPTF") consider a commitment of up to $100 million to Insight Partners Opportunities Fund I, L.P. ("Insight Opportunities I", or the "Fund"). Insight Opportunities I will focus on making structured minority equity and debt investments in software companies primarily located in North America and select international markets.

The Fund's general partner, Insight Associates Opportunities I, L.P. (the "GP"), is targeting an $875 million Fund size with a $1.5 billion hard cap. As of the date herein, the GP had closed on approximately $1.2 billion of limited partner capital commitments and is targeting a final close during the first quarter of 2021. The GP is an affiliate of Insight Partners ("Insight" or the "Firm"), a New York, NY based private equity firm founded in 1995 and that now has more than $30 billion of assets under management.

Strategic Allocation within the Private Investment Fund

The Fund's mezzanine financing strategy falls under the Corporate Finance allocation of the Private Investment Fund ("PIF"). The Investment Policy Statement ("IPS") establishes target allocation ranges of 70% to 100% to Corporate Finance investments within the PIF portfolio as measured by a percentage of total exposure, defined as market value plus unfunded commitments. The PIF's total exposure to Corporate Finance strategies was approximately 84%, as of September 30, 2020.

Insight Opportunities I will primarily invest in debt and structured equity securities consistent with the mezzanine capital sub-strategy. The PIF's total exposure to mezzanine funds was under 7% as of as of September 30, 2020. A commitment to the Fund would support the PIF's strategic pacing plan objective of targeting long-term exposure to mezzanine strategies of 8%. The recommended Insight Opportunities I commitment would represent the CRPTF's first investment with Insight. Pension Funds Management ("PFM") investment professionals believe a Fund commitment would provide the CRPTF with exposure to a differentiated strategy executed by one of the most successful private equity firms focused on software and related technologies.

Investment Strategy and Market Opportunities

The Insight Opportunities I strategy will focus on making structured minority equity and credit investments in software, software-enabled services and Internet businesses, with a particular emphasis on software as a service ("SaaS") and subscription-based business models. While this is Insight's first Opportunities fund, the Firm is seeking to leverage the same team, platform and expertise that have allowed Insight to successfully invest more than $20 billion of capital across its Insight Fund series (the "Flagship Funds"). The Flagship Funds execute a flexible mandate through which the Firm seeks to take minority and control equity positions in a range of opportunities from late-stage venture growth financings to buyout and take-private transactions.

The Fund will target investments in similar high growth software and related services companies, but, unlike the Flagship Funds, will target non-control, structured financings to provide downside protections while retaining upside retain potential. Insight expects the Fund's focus on structured equity and similar securities will provide the opportunity to generate baseline, gross return multiples of approximately 1.5x capital through contractual terms, with the potential to deliver gross return multiples and internal rates of return ("IRR") greater than 2.0x and 20%, respectively, through upside participation via equity conversion rights.

Insight believes the market potential for the Fund strategy is supported by the long-term favorable trends of the software sector, which has fueled the explosive growth of private equity investment activity in the sector and contributed to significantly higher valuations for many software companies. According to industry data, the number and value of private equity transactions in the software industry increased by more than four and eight times, respectively, between 2010 and 2019. Simultaneously, software valuations have increased significantly for both private and public companies.

The confluence of these factors has led to private equity and other owners of software companies needing to invest significantly more equity as a percentage of total capitalization as compared to a buyout of a non-software company. For example, a software transaction completed in the current environment at a total enterprise valuation of 20x EBITDA might be capitalized with debt and equity multiples of 7x and 13x of EBITDA, respectively. If all of the company's equity capital is in the same form or structure, there is no distinction between the risk-reward ratio across the entire equity base. However, on a fundamental level, equity capital invested at an 8x multiple of EBITDA is less risky than the equity invested at a 20x multiple of EBITDA. Insight will utilize the Fund to target these risk-reward imbalances by offering structured equity and other flexible solutions that will generally be ranked junior to the traditional debt and senior to other equity in the company's capital structure. The Fund's structured financings will provide downside protections and upside potential, while also providing the majority shareholders of these companies with access to capital that is less expensive and not as dilutive as traditional, common equity.

Insight expects the Fund's investment activities will be mainly with privately held software companies owned by private equity and venture capital firms as well as founders. In addition to helping these owners fill a financing gap as outlined above, Insight sees a significant opportunity for the Fund to provide less dilutive capital that will allow a company's current owners to (i) hold high growth companies longer to allow time for additional value creation, (ii) seek partial liquidity in advance of a full exit, and/or (iii) make accretive acquisitions. Insight believes the Fund's market opportunity will be expanded by the impacts of COVID-19, including uncertainties with traditional debt and capital markets financing options as well as an inconsistent M&A and valuation environment. The Firm believes these factors are likely to lead to an increase in the number of software companies, including a universe of more than 3,000 sponsored by private equity firms, that may seek a non-dilutive financing partner while postponing a full exit.

Insight Opportunities I will target companies with the same criteria as those targeted by the Flagship funds, including market leading software companies that have high-quality recurring revenues, strong margins, and significant potential growth in enterprise value. Insight will execute the Fund's strategy utilizing the same approach and resources that are key differentiators to the Firm's successful Flagship Funds as outlined below.

- ***Deep Domain Expertise*** – Insight has 25 years of experience investing in the software sector, where it has invested more than $20 billion in over 400 transactions. The Firm leverages its expertise and long-standing presence as a competitive advantage versus peers to both identify and close attractive investment opportunities.
- ***Advantaged Scaled Platform*** – Insight has made, and continues to make, significant investments in the Firm's data-centric, scalable resources to effectively cover and invest in the dynamically growing software sector. Insight believes that its significant proprietary data resources, including a database that tracks more than 130,000 companies, allows the Firm to have best-in-class investment selection capabilities based on its information advantages and abilities to identify key performance drivers of successful software companies.
- ***Sophisticated and Proprietary Deal Sourcing*** – To provide the Firm with enhanced information and access to deal flow, Insight developed a dedicated, large scale outbound deal origination strategy more than 15 years ago. Today, the Insight origination team of more than 30 professionals contacts and gathers information on more than 25,000 companies per year in the Firm's target markets. Insight developed its own technology, the GO Platform, to capture and manage data more efficiently and improve the effectiveness of Insight's sourcing efforts.
- ***Insight Onsite*** – The Firm established its portfolio operations team, Insight Onsite, in 2000 to provide its portfolio companies with the resources and expertise needed to support continued high growth. Insight Onsite is organized like a software company with more than 50 software operating experts in functional areas such as talent, product and technology, marketing, sales, business development, customer success and strategy, and M&A. The Onsite professionals are also an integral part of the investment process from due diligence to engagement with the management teams of target companies, where Onsite professionals are able to best position the Firm in competitive processes by demonstrating how Insight's operational software expertise will support the company's growth objectives.

Insight seeks to identify the best software investment opportunities available globally, although the Firm's investment activities are generally focused on companies located in the United States, Canada, Europe, Israel and Australia; approximately two-thirds of Insight's most recent Flagship investments were in North American companies. The GP expects to construct a Fund portfolio of 10 to 14 structured preferred equity investments, although it will retain the flexibility to consider other transaction types with similar risk-reward characteristics, including certain debt securities, convertible bonds, etc. Insight expects the Fund will invest between $50 million and $200 million per company, with total transaction sizes as large as $500 million effected through co-investors.

Firm and Management Team

Insight was founded in 1995 by Jeffrey Horing and Jerry Murdock. Murdock retired in 2011 but continues to serve as a Special Advisor the Firm. Today, Horing is one of six senior Managing Directors along with Deven Parekh, Jeffrey Lieberman, Michael Triplett, Richard Wells, and Ryan

Hinkle that lead the Firm's investment activities. The Firm is wholly owned by five of the senior Managing Directors.

Insight will use the same Investment Committee for both the Flagship and Opportunities funds. The Investment Committee is comprised of Horing, who serves as Chair, as well as fellow Managing Directors Parekh, Lieberman, Triplett, Hinkle, Wells, and Ian Sandler. Sandler is the Firm's Chief Operating Officer. The Insight Investment Committee is responsible for overseeing investment qualification, approval of new and follow-on investments, reviewing the performance of each investment, and approving all realization transactions. Investment Committee decisions are based on majority approval.

Insight's entire organization of more than 65 investment professionals as well as 65 Onsite employees will be utilized to manage both the Flagship Funds and Insight Opportunities I. While the Fund will not have a dedicated investment team, a team of four Managing Directors, including Deven Parekh and Ryan Hinkle, will be primarily responsible for the day-to-day oversight of the Fund. The senior members of the Insight investment and operating teams include more than 19 Managing Directors who are supported by an additional 15 professionals at the Principal and Vice President level. The Insight Onsite team is led by Hilary Gosher, a Managing Director that has been with the Firm for 20 years. The Firm is further supported by a Chief Technology Officer, an investor relations and capital markets team, and a full operations and administrative team. The majority of Insight's employees are based out of the Firm's New York City headquarter, while Insight maintains offices in Israel, Luxembourg and London

Track Record

Insight Opportunities I is the first fund that Insight is raising to exclusively focus on structured equity and credit investments. Therefore, PFM investment professionals reviewed the track record of Insight's Flagship Funds series to assess the Firm's investment experience and skills. More specifically, PFM staff focused on the Insight Flagship Funds raised over the last 20 years, which had invested $18.5 billion in 367 investments as of June 30, 2020. Insight IV through XI had generated a gross IRR of 25% and a gross total value multiple ("TVM") of 2.3x as of the same date. Through the Insight IV through XI funds as well as co-investment vehicles managed by Insight, the Firm had invested a total of $21.6 billion in these companies, which generated a combined gross IRR of 26% and gross TVM of 2.4x as of June 30, 2020.

These Insight Flagship Funds had realized 182 investments, which generated a gross IRR of 24% and total value of $15.6 billion, or 2.8x invested capital as of June 30, 2020. Insight IV through XI generated a net TVM of 2.0x and a net IRR of 19% through June 30, 2020 as outlined in the following table.

($US in millions, as of June 30, 2020)

Insight Partners
Investment Performance Summary

Fund	Vintage Year	Fund Size	# Deals	Invested Capital	Realized Value	Unrealized Value	Total Value	Gross / Net TVM	Gross / Net IRR	Gross / Net DPI	Quartile Rank TVM	Quartile Rank IRR	Quartile Rank DPI
Fund IV	2000	$740	46	$659	$1,427	$0	$1,427	2.2x / 1.7x	16% /10%	2.2x / 1.7x	2nd	2nd	2nd
Fund V	2005	$551	25	$519	$1,847	$0	$1,847	3.6x / 2.8x	29% / 21%	3.6x / 2.8x	1st	1st	1st
Fund VI	2007	$1,284	38	$1,377	$4,241	$10	$4,251	3.1x / 2.6x	26% / 20%	3.1x / 2.6x	1st	1st	1st
Fund VII	2011	$1,569	43	$1,804	$4,386	$1,667	$6,053	3.4x / 3.0x	29% / 23%	2.4x / 2.1x	1st	1st	1st
Fund VIII	2013	$2,570	42	$2,678	$4,603	$3,607	$8,210	3.1x / 2.6x	26% / 21%	1.7x / 1.4x	1st	2nd	1st
Fund IX	2015	$3,446	70	$3,640	$1,590	$8,247	$9,837	2.7x / 2.3x	35% / 27%	0.4x / 0.2x	1st	1st	2nd
Fund X	2017	$6,300	76	$5,455	$21	$7,604	$7,625	1.4x / 1.3x	29% / 22%	0.0x / 0.0x	1st	1st	2nd
Fund XI	2020	$9,542	27	$2,349	$0	$2,693	$2,693	1.1x / 1.1x	76% / 52%	0.0x / 0.0x	n/a	n/a	n/a
Total		**$26,002**	**367**	**$18,481**	**$18,115**	**$23,828**	**$41,943**	**2.3x / 2.0x**	**25% / 19%**	**1.0x / 0.8x**			

Source: Insight, StepStone, Burgiss Private iQ All Private Equity (Global) Benchmarks. Quartile Rank based on net returns.

The consistency of Insight's investment performance is evidenced by the first and second quartile ranking of Insight IV through X in the Burgiss iQ All Private Equity (Global) benchmarks. While Insight's more recent funds IX through XI are still developing, the Firm has continued to generate impressive return profiles even as the size of its Flagship Funds have scaled significantly. In addition, Insight's loss ratio has improved from 22% across its fully realized funds IV through VI to 8% across its unrealized funds raised in 2011 and later.

Key Strengths

1. **High Performing, Sector Focused Organization.** Insight has been investing in software and related technology markets for more than 25 years, having invested more than $21 billion of capital in over 400 companies during this time. The Firm's in-depth sector knowledge and perspective, scale and sophistication of its data driven sourcing and selection processes, and Onsite operating expertise combine to create sustainable competitive advantages for the Firm and the Fund. The effectiveness of Insight's execution of its sector focused strategy is evidenced by the consistent and strong absolute and relative returns generated across various market conditions and cycles.

2. **Flexible Opportunistic Strategy.** Insight identified the market opportunity for a flexible, structured capital strategy based on its active participation in the software sector. The Firm has sought such solutions for certain of its portfolio companies and has observed a growing interest in structured equity financings from many of the venture capital and private equity firms with which Insight has partnered or transacted over the last 25 years. The Fund strategy should allow the Firm to leverage its existing sourcing and information resources, strong industry relationships, and excellent brand name in its targeted markets to identify and close investments with attractive risk-reward profiles.

3. **Fee Structure.** The Fund's proposed fee structure includes a management fee of 1% on committed capital for 18 months, which then adjusts to 1.5% on invested capital thereafter. PFM investment professionals believe the Fund's fee structure is favorable to standard market terms and would provide the CRPTF with the opportunity to gain exposure to investments in high growth software companies through a fee efficient strategy.

Major Risks and Mitigants

1. **New Fund Strategy.** The Fund represents a new investment strategy for Insight, which raises the risk that the Firm may not have the expertise to successfully execute the strategy. PFM investment professionals believe these risks are substantially mitigated by the Firm's sector expertise as well as its proven investment acumen, including significant experience structuring minority equity investments. The Insight team has a deep understanding of key performance indicators and valuations in the software sector that are fundamental to the disciplined investment underwriting practices utilized for its Flagship Funds. These same practices and principles are equally important to the Fund's structured capital focus, where Insight's proven expertise assessing performance, growth, and enterprise valuations will be critical to execution of the strategy. Insight will also leverage the Firm's significant experience with minority equity investments to establish appropriate governance for the Fund's investments, including expected board representation and customary minority protection rights.

2. **Lack of Dedicated Opportunities Fund Team.** Insight is going to utilize the same team to manage both its Flagship Funds and Insight Opportunities I. With no dedicated team focused

on the Fund and the large existing portfolio of Flagship Fund companies, concerns could arise that Insight may not have the capacity to effectively invest the Fund. These concerns are largely allayed because the Fund will leverage the entire Insight organization and, due to the significant overlap in target company profiles, is expected to require the limited incremental capacity to manage. In addition, while the Fund will not have a dedicated investment team, the day-to-day oversight of the Fund will be the responsibility of four Managing Directors, including senior Managing Directors Deven Parekh and Ryan Hinkle. Lastly, Insight expects to hire an additional investment professional with relevant experience to support the Fund's investment activities.

3. **<u>Potential Conflicts of Interest.</u>** Insight's Flagship Funds and the Fund will be targeting companies operating in the same sectors and largely sourced through Insight's origination team and relationships. Both the Flagship Funds and the Fund will potentially invest in minority equity transactions, which could create a conflict of interest between the funds. PFM investment professionals gained comfort that these conflicts will be limited based on the governance structure established to address the significantly different targeted return profiles of the Flagship Funds and the Fund. Specifically, the Flagships Funds are targeting gross return potential of 2.5x or more on invested capital and a minimum gross IRR of 25%. If a minority equity investment opportunity would otherwise be appropriate for both a Flagship and Opportunities fund, Insight would allocate the opportunity to a Flagship Fund if the expected return met or exceeded the Flagship Funds' return objectives. To avoid other conflicts of interest that may arise from managers executing more than one strategy, Insight will not invest the Fund and a Flagship Fund in different securities of the same company.

<u>Legal and Regulatory Disclosure (provided by Legal)</u>

In its disclosure to the Office of the Treasurer, Insight Venture Management, LLC ("Insight") disclosed lawsuits and claims that have been made in the course of business during the last 20 years, most of which were settled or dismissed. Only two matters remain open and are pending, one of which involves a defamation claim against a portfolio company and the other is a state securities law claim related to a tender offer. None of these claims or lawsuits are considered materials. Respondent's disclosure is considered confidential. Insight is unaware of any material non-routine regulatory investigations.

Insight states that it has had no material claims under its fidelity, fiduciary or E&O insurance policies, and no ongoing internal investigations to report.

Insight states that no material changes in ownership have occurred in the past two years.

Insight states that it has adequate internal investigation policies procedures. The firm has in place a Chief Compliance Officer and a Compliance Committee and has adopted a Compliance Manual, which includes a Code of Ethics. The firm's Compliance Committee has primary responsibility for overseeing compliance with this manual.

<u>Compliance Review</u>

The Chief Compliance Officer's Workforce Diversity & Corporate Citizenship review is attached.

<u>Environment, Social & Governance Analysis ("ESG")</u>

The Assistant Treasurer for Corporate Governance & Sustainable Investment's Evaluation and Implementation of Sustainable Principles review is attached.

COMPLIANCE REVIEW FOR PRIVATE INVESTMENT FUND

SUMMARY OF LEGAL AND POLICY[1] ATTACHMENTS

SUBMITTED BY

INSIGHT PARTNERS

I. Review of Required Legal and Policy Attachments

INSIGHT PARTNERS ("Insight") a New York-based company, completed all required legal and policy attachments. It disclosed no impermissible third party fees, campaign contributions, known conflicts, or gifts. Its disclosure of legal/regulatory proceedings is being reviewed by the Legal Unit.

II. Workforce Diversity (See Also 3 year Workforce Diversity Snapshot Page Attached)

As of October 2020 Insight employed 201, 60 more than the 141 employed in December 2018. Three women and 5 minorities are Executive/Senior Level Officials and Managers. Between 2018 -2020, 42 women and 28 minorities were promoted within the ranks of professionals and mangers.

Commitment and Plans to Further Enhance Diversity

Insight recognizes that the industry it is in needs to reflect the society (by being representative of all people) and provide equality and equal opportunity. The firm is committed to making lasting change to realize this goal. Insight has established a Diversity, Equity and inclusion Council to measure progress and ensure accountability. With regard to recruiting, the firm has taken action to ensure candidate searches include those from diverse backgrounds, experiences and perspectives with a view to improve and diversify leadership. A diverse slate is required for all executive searches, and focus is placed on supporting and creating internship opportunities for underrepresented groups in software. Some internal firm wide actions taken so far are: 1) matching of employee donations to Black social justice charities, 2) worldwide holiday to vote, recognizing that voting is a privilege and a civic duty, and 3) purchasing supplies from Black and minority led or owned vendors.

Workforce Statistics

For Executive/Senior Level Officials and Managers:

- Women held 9% (3 of 32) of these positions in 2020, down from 17% in both 2019 (5 of 30), and (5 of 29) in 2018.
- Minorities held 15.6% (12.5% Asian, and 3.1% Hispanic) or (5 of 32) of these positions in 2020, up from 10% (6.7% Asian, and 3.3% Hispanic) or (3 of 30) of these positions held in 2019, and 10.3% (6.9% Asian, and 3.4% Hispanic) or (3 of 29) held in 2018.

At the Management Level overall:

- Women held 29% (22 of 77) of these positions in 2020, down from 34% (27 of 79) held in 2019, and 33% (19 of 58) in 2018.
- Minorities held 22% (15.6% Asian, 2.6% Hispanic, 1.3% Black, and 2.6%Two or More Races) or (17 of 77) of these positions in 2020, up slightly from 21.5% (13.9% Asian, 3.8% Hispanic, 1.3% Black, and 2.5% Two or More Races) or (17 of 79) in

[1] The Treasury Unit responsible for reviewing Insight's ESG submission will prepare a separate report.

2019, but down slightly from 22.4% (13 of 58) (13.8% Asian, 3.4% Hispanic, 1.7% Black, and 3.4% Two or More Races) held in 2018.

At the Professional Level:

- Women held 42% (42 of 100) of these positions in 2020, down slightly from 43% (31 of 73) held in 2019, but up from 36% (24 of 66) held in 2018.
- Minorities held 32% (21% Asian, 7% Hispanic, 3% Black, and 1% Two or More Races) or (32 of 100) of these positions in 2020, up from 30.1% (17.8% Asian, 8.2% Hispanic, 2.7% Black, and 1.4% Two or More Races) or (22 of 73) held in 2019, but down from 36.4% (22.7% Asian, 7.6% Hispanic, 3% Black, and 3% Two or More Races) or (24 of 66) held in 2018.

Company-wide:

- Women held 64% (128 of 201) of these positions in 2020, up slightly from 63% (109 of 174) held in 2019, and 60% (84 of 141) held in 2018.
- Minorities held 26.9% (16.9% Asian, 5% Hispanic, 2.5% Black, and 2.5% Two or More Races) or (54 of 201) of these positions in 2020, up from 25.3% (14.4% Asian, 5.7% Hispanic, 2.3% Black, and 2.9% Two or More Races) or (44 of 174) held in 2019, but down from 29.8% (17% Asian, 5.7% Hispanic, 2.8% Black, and 4.3% Two or More Races) or (42 of 141) held in 2018.

III. Corporate Citizenship

***Charitable Giving**:*

The firm's social responsibility arm, Insight Impact, was created in 2017 at the impetus of junior team members, and has sponsored charitable events and social initiatives. Most recently the Insight team built a data-driven framework for giving by researching reputable organizations addressing the covid-19 crisis. Employees have also contributed time to support the elderly and underserved. Insight has implemented a matching program for all employee donations in support of social justice organizations.

Internships/Scholarships:

Insight continues to expand its programs to ensure a diverse candidate pipeline for undergrad recruiting. The firm hires more than a dozen interns every year, and many receive full time offers after their internship ends. Internship programs include Sophomore Diversity Program, a program for under-represented minorities, Sponsors for Educational Opportunity, Girls Who Invest, and Out for Undergrad, which recruits from the LGBTQA+ community. Insight does not offer any scholarships at this time.

Procurement:

Insight did not address whether the firm has a written procurement policy or program to foster relationships with women/minority/ and/or emerging-owned businesses. However, it reported that it is requesting all current and future vendors to submit information on diversity, equity and inclusion practices via a formal survey.

Evaluation and Implementation of Sustainable Principles (provided by Assistant Treasurer of Corporate Governance and Sustainable Investing Policy)

	Criteria	Responses
1	Firm has an ESG policy	Yes
1a	If yes, firm described its ESG policy	Yes
2	If yes, firm provided examples of ESG factors considered in the decision-making process, explained the financial impact of these ESG factors	Yes
3	Designated staff responsible for sustainability policies and research	Yes (a third party consultant)
4	Firm provides training/resources on sustainability issues, explained sources of ESG-related data	Yes
5	Signatory/member of sustainability-related initiatives or groups	No
6	Policy for evaluating current or prospective relationships with manufacturers or retailers of civilian firearms	No
7	Policy that requires safe and responsible use, ownership or production of guns	No
8	Enhanced screening of manufacturers or retailers of civilian firearms	No
9	Enhanced screening of any industry/sector subject to increased regulatory oversight, potential adverse social and/or environmental impacts	Yes
10	Merchant credit relationships with retailers of civilian firearms and accessories	No
10a	If yes, firm confirms compliance with laws governing firearms sales	N/A
11	Overall assessment of responses (e.g., depth of approach to ESG and integration)	The firm's disclosure reflects good integration of ESG into its decision making process. They use a third party consultant for ESG due diligence for all potential investments, and its investment team collaborate on monitoring compliance. Insight has adopted guidelines for responsible investment prescribed by the American Investment Council (AIC) that address an array of ESG factors. The firm does not have a policy specific to civilian firearms because they do not do business with manufacturers or retailers. They conduct enhanced screening of software companies.
	SCORE: **Excellent - 1** Detailed description of ESG philosophy and integration; ongoing ESG assessment; established framework; member of sustainability-oriented organizations; enhanced screening of firearms and/or higher-risk sectors **Very Good - 2** Detailed description of ESG philosophy and integration; ongoing ESG assessment; established framework; member of sustainability-oriented+B3 organizations **Satisfactory - 3** General description of ESG philosophy and integration; some evidence of framework for ongoing ESG assessment; member of sustainability-oriented organizations **Needs Improvement - 4** Generic and/or vague description of ESG philosophy and integration; no ongoing ESG assessment; no dedicated ESG staff or resources **Poor - 5** Incomplete or non-responsive	**2**

State of Connecticut
Retirement Plans and Trust Funds

Recommendation Report

Insight Opportunities Fund

December 21, 2020

Table of Contents

Executive Summary

Fund	Insight Partners Opportunities Fund I, L.P. (“Insight Opportunities Fund,” the “Opportunities Fund” or the “Fund”)
General Partner	Insight Partners (“Insight” or the “Firm”)
Report Date	Data as of June 30, 2020
Fundraising	The Fund held a first close in August 2020 on US$650 million of aggregate capital commitments, and will hold a second close in mid-October bringing total capitalization to US$1.1 billion of capital commitments (per Insight estimate). Based on demand communicated by LPs, Insight expects to close the Fund at its hard cap in December 2020.
Source	Connecticut Retirement Plans and Trust Funds (“CRPTF”) sourced the investment opportunity directly for evaluation for the Private Investment Fund (“PIF”).
Key Terms	Management Fee: Fees will be 1% on committed capital for the first 18 months, and then 1.5% on cost-basis of remaining assets thereafter. Carried Interest: The Carried Interest allocation will be 20% after an 8% Preferred Return for Limited Partners (with 100% GP catch-up), subject to clawback. Termination Provisions: For cause termination of the Fund upon a vote of a Combined 70% in Interest upon the occurrence of a Termination Event. No fault termination of the Fund upon the Combined 75% in Interest vote at any time. Key Person: Key Person Event occurs at any of the following: (i) Jeffrey Horing ceases to be an Active Participant due to reasons other than death or Disability, (ii) (a) Jeffrey Horing ceases to be an Active Participant due to death or Disability and (b) 2 of the other Key Persons cease to be Active Participants, or (iii) (a) any 2 of Deven Parekh, Jeffrey Lieberman and Michael Triplett cease to be Active Participants and (b) either of Ryan Hinkle or Richard Wells ceases to be an Active Participant, provided that, with respect to clauses (ii) and (iii) above, a Key Person Event shall not occur if, within 90 days of such event, a substitute for one of the Named Key Persons who has ceased to be an Active Participant is appointed by the General Partner with the approval of the Advisory Committee. GP Commitment: Insight will commit at least 3% of the aggregate capital commitments to the Fund. All commitments will be made with cash; the Firm does not use management fee offsets to fund the GP commitment.
Investment Strategy	Through its Flagship Funds, Insight targets companies with established momentum and potential for significant growth in either revenue, operating profits, or both. The Firm seeks to be a flexible source of capital for growth

stage technology companies and will execute both minority and majority investments, including take-private transactions and leveraged buyouts. Insight utilizes an outbound calling deal-sourcing program to drive proprietary and non-competitive opportunities. Once an investment has been made, the Firm seeks to be a value-added partner and devotes significant internal resources to help improve the strategy and execution of its portfolio companies. Although the Firm is primarily focused on U.S. growth equity investments, Insight employs a flexible strategy that allows the Firm to capture a full range of opportunities from late stage venture capital to leveraged buyouts, and pursues this approach on a global basis. Insight's core strategy consists of making a combination of bootstrapped and competitive minority growth equity, venture buyout, and traditional leveraged buyout investments in high-growth software companies. This experience over the last 25 years has enabled Insight to build a leading software investment platform. In contrast to the Firm's Flagship Funds strategy mentioned above, the Opportunities Fund will pursue a first-time investment strategy for Insight, focused on making US-based, non-control structured capital investments in predominantly preferred equity and convertible preferred securities. While Insight's target company profile for the Opportunities Fund will remain consistent with that of its flagship funds, the Fund is targeting a materially different risk-return profile given the desired investment structuring and preferred securities focused on downside protection with opportunity for additional equity upside.

Management Team

Insight's investment efforts are led by one of the largest teams in software investing comprising 68 professionals, including 19 Managing Directors. Six of these Managing Directors sit on the Investment Committee: Jeff Horing, Deven Parekh, Jeff Lieberman, Michael Triplett, Richard Wells, and Ryan Hinkle. Portfolio companies benefit from the Firm's in-house consulting practice, which includes 55 professionals as of Q3 2020, Insight Onsite ("Onsite"). StepStone views Onsite as one of the strongest operating teams in the software/growth equity space.

Track Record

Since its formation in 1995, Insight has invested US$21.6 billion across 504 transactions across 11 investment funds and four co-investment vehicles. As of June 30, 2020, these investments were valued at US$51.1 billion, or a gross TVM/IRR of 2.4x/26% (31% gross IRR on a time-zero basis). On a net basis, Insight has generated a TVM of 2.1x, an IRR of 20%, and a DPI of 0.9x since inception. While StepStone notes that the Firm's entire attributable track record to date is not directly relevant to the Opportunities Fund as it is entirely comprised of growth equity and growth buyout investments rather than structured capital investments, StepStone believes the performance in the below table is still pertinent as it demonstrates Insight's consistent and superior investment success across the software industry. The below table provides a summary of the GP's performance across Fund IV-XI (not including co-investment vehicles), which are considered the more recent funds. These funds represent US$18.5 billion of invested capital across 367 transactions that have generated a gross TVM/IRR of 2.3x/25% and a net TVM/IRR 2.0x/19%, as well as a DPI of 0.8x as of June 30, 2020.

(US$ in millions, as of June 30, 2020)

Insight Partners Investment Performance													
Fund	Vintage Year	Fund Size	# of Deals	Invested Capital	Realized Value	Unrealized Value	Total Value	Gross TVM	Gross IRR	Loss Ratio	Net TVM	Net IRR	DPI
IV	2000	$740	46	$659	$1,427	-	$1,427	2.2x	16%	33%	1.7x	10%	1.7x
V	2005	551	25	519	1,847	-	1,847	3.6x	29%	7%	2.8x	21%	2.8x
VI	2007	1,284	38	1,377	4,241	10	4,251	3.1x	26%	18%	2.6x	20%	2.6x
Realized Funds		**$2,575**	**109**	**$2,554**	**$7,515**	**$10**	**$7,525**	**2.9x**	**22%**	**20%**			
VII	2011	$1,569	43	$1,804	$4,386	$1,667	$6,053	3.4x	29%	11%	3.0x	23%	2.1x
VIII	2013	2,570	42	2,678	4,603	3,607	8,210	3.1x	26%	13%	2.6x	21%	1.4x
IX	2015	3,446	70	3,640	1,590	8,247	9,836	2.7x	35%	8%	2.3x	27%	0.2x
X	2017	6,300	76	5,455	21	7,604	7,625	1.4x	29%	6%	1.3x	22%	0.0x
XI	2020	9,542	27	2,349	0	2,693	2,693	1.1x	76%	1%	1.1x	52%	0.0x
Unrealized Funds		**$23,427**	**258**	**$15,926**	**$10,600**	**$23,817**	**$34,417**	**2.2x**	**29%**	**8%**			
Total Realized Investments			**182**	**5,499**	**15,563**	**14**	**15,578**	**2.8x**	**24%**	**16%**			
Total Unrealized Investments			**185**	**12,981**	**2,552**	**23,813**	**26,365**	**2.0x**	**29%**	**6%**			
Total		**$26,002**	**367**	**$18,480**	**$18,116**	**$23,827**	**$41,943**	**2.3x**	**25%**	**9%**	**2.0x**	**19%**	**0.8x**

Note: Figures do not include Funds I-III nor the GP's co-investment vehicles. Inclusive of these vehicles, Insight has invested US$21.6B that is valued at US$51.1B or a gross TVM/IRR of 2.4x/26% and a net TVM/IRR of 2.1x/20% and a 0.9x DPI.

Investment Evaluation

(+) Highly Experienced Technology and Software Investors: Insight is one of the leading private equity firms focused exclusively on software, software-enabled services and Internet business. The Firm has completed approximately 500 investments in 400 unique companies operating across these sectors since Insight's formation in 1995. The Managing Directors, led by co-Founder Jeff Horing, have experience investing in the software industry, and many have backgrounds in engineering or technology-related fields. The Firm's industry expertise, sector focus and historical success have combined to create a strong brand for the Firm with entrepreneurs, executives, co-investors and strategic acquirers.

(+) Growth and Development of Insight Onsite: The investment team is supported by Insight Onsite, an in-house group of experienced consultants and technology operators who are exclusive to the Firm. Onsite, which is led by Hilary Gosher, has grown from 23 professionals in 2017 to 55 today, and is expected to continue to grow throughout the life of the Opportunities Fund. In 2017, Onsite's structure was reorganized from an as-needed consulting group into "Centers of Excellence" to provide function-based capabilities to portfolio companies across the following areas: Talent, Product & Technology, Marketing, Sales, Business Development, Customer Success, Strategy & M&A. In addition to assisting investment team members in the pre-term sheet stage with identifying operational areas where an entrepreneur needs the most advice to successfully grow his or her business, Onsite works with portfolio companies post-close to implement strategic and operational initiatives, such as strategic planning, financial benchmarking, online lead generation, customer relationship development, and exit optimization. This platform is a key differentiator for the Firm relative to other technology-focused investors and helps Insight source and win deals.

(+) Strong and Ambitious Culture with "Winning" Attitude: Driven by Jeff Horing, Insight has cultivated a culture of ambition and success, with an almost obsessive desire to source and win investment opportunities on a global basis. This temperament spreads throughout all levels of the organization, from Analysts to Managing Directors. The Firm preserves its strong culture by maintaining one office in New York, NY, and from a history of promoting from within. The Firm has completed only four lateral hires at the Managing Director-level since inception out of a total current pool of 19 Managing Directors. StepStone has witnessed this attitude first-hand during update meetings, onsite visits and annual meetings. References also confirmed the competitive nature of the Firm and its unique culture.

(+) Flexible Investment Approach With Downside Protection: The Opportunities Fund will target a variety of both structured equity and non-control debt securities to deploy capital at attractive risk-adjusted rates of return while emphasizing downside protection through creative capital structures. The Firm anticipates deploying 80%+ of the Fund's capital into preferred equity-like securities based on the current pipeline and market environment, and little to none of the Fund's capital into pure debt securities (even with warrants attached). A typical structured equity deal would be senior to the common equity and carry a 1.5x liquidation preference, and Insight will target underwriting investments to a net TVM of 1.8-2.0x with upside over the liquidation preference achieved through conversion into common equity. StepStone views this as a highly attractive way to access attractive assets with upside potential in a high-priced software market.

(+) Platform Generated Deal Flow: While the Opportunities Fund will not invest in Flagship portfolio companies, the Fund will leverage the knowledge, intellectual capital, and sourcing capabilities of the broader Insight platform, benefiting from industry expertise, relationships and access to proprietary information. The Fund will capitalize on situations where Insight has developed a point of view on a business owned by another financial sponsor or where an existing Flagship Funds relationship creates an opportunity to source a deal on a proprietary basis.

(+) Consistent, Superior Relative and Absolute Flagship Funds Returns: Excluding the Firm's most recent Fund, Fund XI, all of Insight's funds since 2005 have generated first quartile returns for investors on a net TVM and net IRR basis. Additionally, across the 21 data points spanning net IRR, net TVM, and DPI metrics from the Firm's core funds, Fund IV to Fund X, 16 of them are first quartile marks, with only Fund IV (second quartile), Fund IX's DPI (second quartile), and Fund X's DPI (second quartile) ranking lower. No mature fund since Fund V has generated a net IRR less than 20% or a net TVM less than 2.3x. In aggregate since inception, despite investing across multiple market cycles, Insight has generated a gross TVM/IRR of 2.4x/26% and a net TVM/IRR of 2.1x/20% across more than 500 transactions, spanning more than 400 unique investments.

(+) Low Loss Ratios: Since the Firm's inception in 1995, Insight has generated a below-market loss ratio of 10%, which compares slightly favorably to the technology private equity average of 12%, and considerably favorably to the growth equity and venture capital average of 21%, over the same time period per StepStone's SPI database. Further, Insight's loss ratio has improved in recent history; Funds I-VI generated an aggregate 23% loss ratio, whereas Funds VII-XI have generated a loss ratio of 8%. StepStone believes this translates favorably to the Opportunities Fund's strategy, which is characterized by increased downside protection through structured investments.

(+) Attractive Fees: For the Opportunities Fund, fees will be 1% on committed capital for the first 18 months, and then 1.5% on cost-basis of remaining assets thereafter. StepStone believes that this fee structure provides an attractive way to gain access to structured technology securities.

(-) No Dedicated Opportunities Fund Team / Capacity of Senior Team: Insight will not create a dedicated Opportunities Fund team, and will instead rely on the existing investment team that is also charged with deploying Insight XI, Insight's most recent US$9.5 billion flagship fund. In addition to having a shared investment team, Insight already manages a large portfolio of over 200 active investments as of June 30, 2020. The Firm's six senior Managing Directors currently manage an average of 15 investments. This time commitment, especially given the Firm's active investment pace and growing fund sizes for the Flagship Funds, could impact the effectiveness of their efforts in deploying the Opportunities Fund. The Firm's junior investment professionals have primary sourcing responsibility for opportunities, of which the most interesting are pushed up to the Managing Directors. These resources allow the Managing Directors to focus their time only on the most interesting opportunities along with the existing portfolio. Insight has invested time and capital into expanding the sourcing team and improving the quality of the deal funnel. Since 2015, Insight has grown the sourcing team from 21 professionals to 38, as of Q3 2020. Insight Opportunities Fund's sourcing funnel comes through the same sourcing effort employed by the Flagship Funds. The Opportunities Fund pipeline is derived from buyout investments that are attractive to the flagship program, but require a structured equity solution, most often due to high valuation or a controlling shareholders' desire to remain in control. Based on the expected portfolio construction for the Fund, Insight only needs to execute 2-4 structured transactions per year. Insight anticipates hiring dedicated structured equity investment professionals in the near term to help support the Opportunities Fund. Insight currently has a search firm helping the Firm to secure its first dedicated mid-level hire.

(-) Turnover: Since 2015, Insight has had two Managing Directors depart the Firm. The most recent departure from the investment team, Brad Twohig, had been at Insight for 12 years and was a valuable team member before leaving to lead Lightspeed Venture Partners' growth equity efforts. Additionally, there has been material mid-level turnover over the last fund cycle, including three Principals and one VP that have left to found or co-found their own firms. StepStone views these individuals has high caliber investors, and a loss for the Firm. However, turnover is expected at a Firm like Insight, where there is a deep bench of talented investors, and limited amount of Managing Director roles. Since 2015, Insight's investment deal team plus Onsite has grown from 34 professionals (including seven Managing Directors) to 81 professionals (including 13 deal-focused Managing Directors). The Firm has completed only four lateral hires at the Managing Director-level since inception. While not all of the recent departures were mutually agreed upon, all were highly complimentary of the Firm's platform. The departed professionals spoke highly of Insight's position in the market, its ability to succeed going forward, and the quality of the talent around the partnership.

(-) Thinner Return Profile: While the Opportunities Fund investment strategy is characterized by more downside protection than traditional private equity investments, it is also characterized by a lower return profile, targeting net returns of less than 2.0x TVM and ~15% IRR. These returns are below what typical private equity sponsors target, and the Fund's overall returns will be significantly impacted if one investment in the portfolio underperforms. Though the Fund's stated return profile falls below traditional private equity returns, the Opportunities Fund strategy does leave room for outperformance given the anticipated investment structuring including convertible securities. Moreover, the downside protection of the Fund's contractual core returns results in what StepStone believes to be an attractive risk-adjusted return profile that compares favorably to other tech buyout strategies.

(-) Increasingly Competitive Market Environment: Multiple Middle/Large market investors, including Clearlake and Harvest have raised structured capital products in recent years. Additionally, since COVID-19, additional private equity and credit firms like KKR and Ares have launched new vehicles focused on investing in structured equity to take advantage of market dislocation, creating additional competition in the space. While the aforementioned private equity players are able to leverage their broad, well-established platforms to benefit its sourcing and diligence efforts, none of them are software-only specialists, and thus are unable to benefit from the same level of sector expertise, domain knowledge, and equity pricing ability that Insight can. Additionally, many of these firms' structured capital strategies have a greater percentage of contractual returns and a lower return profile, as they seek to invest in slightly different areas of the capital structure.

(-) Potential Conflicts of Interest with Flagship Funds: The Opportunities Fund will be targeting investments in software companies of a similar profile to those targeted by the Firm's flagship funds. As such, StepStone believes that there is potential for conflicts to arise between the platforms as opportunities are identified via the same sourcing channel. While both of Insight's strategies are targeting investments in high-growth software companies, the Opportunities Fund and Insight's flagship funds have different target return profiles, which help guide allocation decisions between the strategies. The flagship fund will target opportunities with an expected return of 25% or greater. If an opportunity is not expected to be able to return an IRR of at least 25%, it then becomes an actionable opportunity for the Opportunities Fund and its lower return profile. Additionally, opportunities where a seller is unwilling to sell control or wants too high of a price for an unstructured deal will be considered unactionable for the flagship funds, but instead can be pursued by the Opportunities Fund. Insight will not invest in preferred equity from the Opportunities Fund while also investing in common equity out of its Flagship funds.

(-) Lack of Formal Structured Capital Track Record: StepStone notes that the Opportunities Fund represents a first-time strategy for Insight, and that the Firm has no attributable track record of making structured capital investments within a fund structure. StepStone notes that the Firm has sold a number of portfolio companies to structured equity investors, including Clearlake and TPG, in transactions in which Insight rolled significant capital.

These investments have performed well since the closings of the transactions, with the companies' valuation having increased by an average of 61% as of June 30, 2020. The Firm has completed approximately 500 investments in 400 unique companies operating across the software sector since Insight's formation in 1995. Over this time period, the Firm has demonstrated a superior ability to price software companies' equity, evidenced by the Firm's consistently strong absolute and relative returns.

Recommendation

In StepStone's view, a commitment to the Fund represents a compelling opportunity for LPs looking to partner with a leading software-specialist investor targeting attractive risk-adjusted returns. Insight is one of the leading private equity firms focused exclusively on software, software-enabled services and Internet business. Excluding the Firm's most recent Fund, Fund XI, all of Insight's funds since 2005 have generated first quartile returns for investors on a net TVM and net IRR basis. While the Opportunities Fund will not invest in Flagship portfolio companies, the Fund will leverage the knowledge, intellectual capital, and sourcing capabilities of the broader Insight platform, benefiting from industry expertise, relationships and access to proprietary information. StepStone believes the Fund's strategy of targeting a variety of both structured equity and non-control debt securities as an attractive approach to generating risk-adjusted rates of return while emphasizing downside protection through creative capital structures.

Investment Strategy

Through its Flagship Funds, Insight targets companies with established momentum and potential for significant growth in either revenue, operating profits, or both. The Firm seeks to be a flexible source of capital for growth stage technology companies and will execute both minority and majority investments, including take-private transactions and leveraged buyouts. Insight utilizes an outbound calling deal-sourcing program to drive proprietary and non-competitive opportunities. Once an investment has been made, the Firm seeks to be a value-added partner and devotes significant internal resources, including Onsite and the Operating Managing Directors, to help improve the strategy and execution of its portfolio companies. Although the Firm is primarily focused on U.S. growth equity investments, Insight employs a flexible strategy that allows the Firm to capture a full range of opportunities from late stage venture capital to leveraged buyouts, and pursues this approach on a global basis. Insight's core strategy consists of making a combination of bootstrapped and competitive minority growth equity, venture buyout, and traditional leveraged buyout investments in high-growth software companies. This experience over the last 25 years has enabled Insight to build a leading software investment platform.

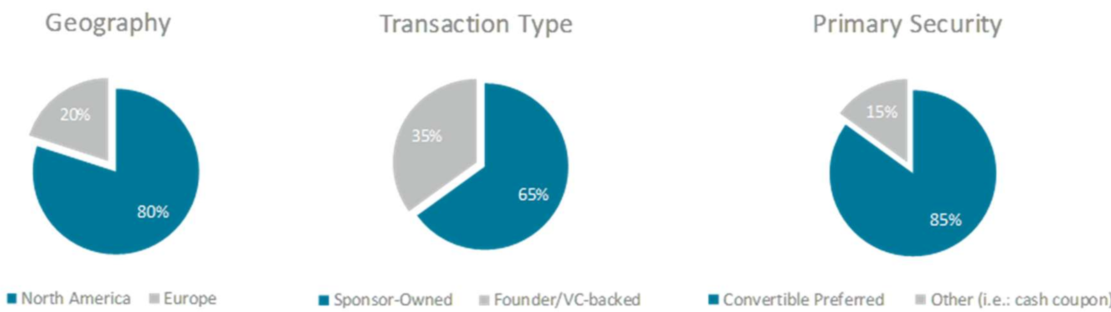
In contrast to the Firm's Flagship Funds strategy mentioned above, the Opportunities Fund will pursue a first-time investment strategy for Insight, focused on making US-based, non-control structured capital investments in predominantly preferred equity and convertible preferred securities. While Insight's target company profile for the Opportunities Fund will remain consistent with that of its flagship funds, the Fund is targeting a materially different risk-return profile given the desired investment structuring and preferred securities focused on downside protection with opportunity for additional equity upside.

The significant inflows of capital into the software market has resulted in higher entry valuations across the sector, making generating attractive returns on leveraged buyouts increasingly more difficult. Insight's Opportunities Fund strategy of making structured preferred equity investments presents what StepStone believes to be an attractive private equity alternative with potential to offer superior risk-adjusted returns by combining a contractual core gross return with the ability to convert securities into common equity. The Fund will target structured equity positions in sponsor-backed, venture capital-backed, and founder-owned software companies, in particular enterprise SaaS companies, benefiting from highly recurring revenues, strong margins, and exhibiting high growth potential.

Risk-Return Profile: Insight is targeting net returns of 1.8-2.0x and ~15% on a net basis. The Firm believes the Fund can achieve these returns if 60%+ of the Opportunities Funds convertible preferred investments achieve conversion, generating 20%+ returns each, while the remaining deals will generate the contractual 10-12% and 1.5x return. While convertible preferred securities are expected to be the most common transaction structure across the Opportunities Fund portfolio, the Firm will consider other investment structuring options as well, including investments in profitable businesses with no leverage where Insight accepts a lower contractual return in exchange for an ~8% cash coupon. The Firm is currently considering this option for one opportunity in its pipeline. Overall, the Fund will target a less risky portion of the capital structure for its investments relative to those made by the Flagship Funds. While software purchase prices have skyrocketed, Insight anticipates that their investments will attach at approximately 6x LTM EBITDA behind any debt on the balance sheet, providing an opportunity for the Fund to generate its target returns even with meaningful multiple contraction in the space.

Portfolio Construction: The Fund will represent a much more concentrated portfolio than Insight has historically constructed for its Flagship Funds, with ~10 companies, each requiring approximately US$125 million of equity. Moreover, given private equity firms' appetite for IRR-oriented returns, StepStone and Insight expect a majority (60-70%) of the Fund's investments to be sponsor-owned deals, which are likely to be higher-priced than founder-backed deals, which will comprise the rest of the portfolio. The currently identified pipeline of approximately 25 investment opportunities suggests an even heavier weight towards sponsor-backed transactions; such deals comprise 24 of the 25 pipeline opportunities. As previously mentioned, Insight will focus on partnering with sponsors where the Firm has a strong existing relationship and conviction in the other sponsors' investment acumen. While these deals may be more expensive than founder-led deals, given Insight's expected role as a minority investor in Opportunities Fund deals the involvement of a high quality, known sponsor that can control key personnel and strategic decisions provides some incremental benefit.

Opportunities Fund Anticipated Portfolio Construction



Competitive Landscape

There are a limited number of participants executing structured preferred equity investments in the software space. While both the software market and the structured capital space have become increasingly crowded in recent years, StepStone believes that the field of participants who will directly compete with Insight's Opportunities Fund remains narrow. StepStone believes that there are two broad groups with whom the Firm may compete with for investment opportunities, though views Insight as being substantially differentiated from both groups of players:

- **Multi-Strategy Private Equity Platforms:** StepStone anticipates Insight to compete for deals with other well-established private equity platforms that have raised structured capital-focused vehicles recently, similar to Insight, due to the strategy's compelling market opportunity, particularly during a market dislocation. Firms who have done so in recent years include Clearlake, Harvest Partners, Silver Lake and Owl Rock. While all of these private equity players are able to leverage their broad, well-established platforms to benefit its sourcing and diligence efforts, none of them are software-only specialists, and thus are unable to benefit from the same level of sector expertise, domain knowledge, and equity pricing ability that Insight can. Additionally, many of these firm's structured capital strategies, including Harvest's, have a greater percentage of contractual returns and a lower return profile, as they seek to invest in slightly different areas of the capital structure. Finally, rather than directly compete with other high quality managers for investment opportunities, Insight may find itself investing alongside firms like Clearlake, as the Firm has sold multiple portfolio companies to Clearlake in structured capital transactions historically, and rolled a portion of the proceeds into the deals. Insight is currently working through diligence on a deal in the Opportunities Fund pipeline in which Clearlake is the majority sponsor.
- **Alternative Credit Firms:** Insight is likely to compete with alternative credit platforms and lenders investing in PIK-accruing securities, including firms like Ares, Oaktree, and Apollo. However, StepStone notes that when these players lend to software companies, many of them typically originate only junior and senior loans, and thus are unlikely to significantly impair Insight's ability to acquire an asset. Additionally, while these firms are experienced at limiting capital impairment and investing with a downside protection-oriented mindset, they are less skilled at pricing companies' equity. In contrast, as outlined in the Performance section of this memorandum, Insight has demonstrated its superior ability to price software companies' equity. Given the Opportunities Fund's stated strategy, a significant portion of the Fund's returns are expected to come from investments' equity upside. Insight's ability to value companies' equity a key differentiator from credit investors in the space. StepStone believes Insight's sourcing capabilities due to its long tenure and established brand in the software space differentiates the Opportunities Fund from alternative credit platforms, as many of these firms source deals solely by partnering with sponsors to provide support financing for change of control transactions.

Evaluation of the Strategy

Merits

- ▲ **Flexible Investment Approach With Downside Protection:** The Opportunities Fund will target a variety of both structured equity and non-control debt securities to deploy capital at attractive risk-adjusted rates of return while emphasizing downside protection through creative capital structures. The Firm anticipates deploying 80%+ of the Fund's capital into preferred equity-like securities based on the current pipeline and market environment, and little to none of the Fund's capital into pure debt securities (even with warrants attached). A typical structured equity deal would be senior to the common equity and carry a 1.5x liquidation preference, and Insight will target underwriting investments to a net TVM of 1.8-2.0x with upside over the liquidation preference achieved through conversion into common equity. StepStone views this as a highly attractive way to access attractive assets with upside potential in a high-priced software market.
- ▲ **Platform Generated Deal Flow:** While the Opportunities Fund will not invest in Flagship portfolio companies, the Fund will leverage the knowledge, intellectual capital, and sourcing capabilities of the broader Insight platform, benefiting from industry expertise, relationships and access to proprietary information. The Fund will capitalize on situations where Insight has developed a point of view on a business owned by another financial sponsor or where an existing Flagship Funds relationship creates an opportunity to source a deal on a proprietary basis.
- ▲ **Concentrated Portfolio Approach:** Insight plans to construct a relatively concentrated portfolio of 8-12 companies, standing in contrast to the Flagship funds, which construct highly diversified portfolios of 70+ investments. This concentration adds a layer of risk whereby any underperforming investment can have a meaningful impact on overall fund performance. However, StepStone notes that the Fund's strategy involves contractual returns, which should serve to mute downside potential relative to common equity investments.

Risks

- ▼ **Thinner Return Profile:** While the Opportunities Fund investment strategy is characterized by more downside protection than traditional private equity investments, it is also characterized by a lower return profile, targeting net returns of less than 2.0x TVM and ~15% IRR. These returns are below what typical private equity sponsors target, and the Fund's overall returns will be significantly impacted if one investment in the portfolio underperforms. Though the Fund's stated return profile falls below traditional private equity returns, the Opportunities Fund strategy does leave room for outperformance given the anticipated investment structuring including convertible securities. Moreover, the downside protection of the Fund's contractual core returns results in what StepStone believes to be an attractive risk-adjusted return profile that compares favorably to other tech buyout strategies.
- ▼ **Increasingly Competitive Market Environment:** Multiple Middle/Large market investors, including Clearlake and Harvest have raised structured capital products in recent years. Additionally, since COVID-19, additional private equity and credit firms like KKR and Ares have launched new vehicles focused on investing in structured equity to take advantage of market dislocation, creating additional competition in the space. While the aforementioned private equity players are able to leverage their broad, well-established platforms to benefit its sourcing and diligence efforts, none of them are software-only specialists, and thus are unable to benefit from the same level of sector expertise, domain knowledge, and equity pricing ability that Insight can. Additionally, many of these firm's structured capital strategies, including Harvest's, have a greater percentage of contractual returns and a lower return profile, as they seek to invest in slightly different areas of the capital structure.
- ▼ **Potential Conflicts of Interest with Flagship Funds:** The Opportunities Fund will be targeting investments in software companies of a similar profile to those targeted by the Firm's flagship funds. As such, StepStone believes that there is potential for conflicts to arise between the platforms as opportunities are identified via the same sourcing channel. While both of Insight's strategies are targeting investments in high-growth software companies, the Opportunities Fund and Insight's flagship funds have different target return profiles, which help guide allocation decisions between the strategies. The flagship fund will target opportunities with an expected return of 25% or greater. If an opportunity

is not expected to be able to return an IRR of at least 25%, it then becomes an actionable opportunity for the Opportunities Fund and its lower return profile. Additionally, opportunities where a seller is unwilling to sell control or wants too high of a price for an unstructured deal will be considered unactionable for the flagship funds, but instead can be pursued by the Opportunities Fund. Insight will not invest in preferred equity from the Opportunities Fund while also investing in common equity out of its Flagship funds.

Management Team

Insight's investment team is led by 19 Managing Directors, six of whom sit on the Investment Committee: Jeff Horing, Deven Parekh, Jeff Lieberman, Michael Triplett, Richard Wells, and Ryan Hinkle. The team is comprised of 13 Investment Managing Directors and 6 Operating Managing Directors. The 13 Investment Managing Directors, who lead deals for the Firm, have an average tenure of 16 years at Insight.

Professionals

The Opportunities Fund will be deployed by the existing Insight investment team that is currently deploying Insight XI, but the buyout-focused Managing Directors, Deven Parekh, Ryan Hinkle, Anka Agarwal, and Ross Devor, will be tasked with running the day-to-day management of the Fund.

While Insight does not have imminent plans to hire a dedicated team exclusively focused on the Opportunities Fund platform, the Firm expects to hire a mid-level professional who will be dedicated to the vehicle within the next 12-18 months. Despite having one of the deepest teams of any software-focused firm, StepStone believes it would be beneficial to hire a dedicated professional with experience investing in structured equity transactions.

Insight Senior Team

Investment Managing Directors			
Professional	Insight Tenure	Age	Previous Experience
Jeff Horing	25	56	Warburg Pincus, Goldman Sachs
Deven Parekh	20	50	Brenson Minella, Blackstone
Jeff Lieberman	22	46	McKinsey, K-Line Trucking
Michael Triplett	22	47	Summit, Morgan Stanley
Richard Wells	15	42	TCV, Veritas Software, Mercer
Ryan Hinkle	16	39	Morgan Stanley, PPL
Anika Agarwal	6	39	Vista, Mayfield, Goldman Sachs
Ross Devor	7	35	Thoma Bravo, Morgan Stanley
Matthew Gato	10	33	Verizon, Deutsche Bank Asia, Merrill Lynch
Nikitas Koutoupes	19	47	Ctspace, McKinsey
Nikhil Sachdev	<1	34	Altimeter, Bain, Providence, Goldman Sachs
Peter Sobiloff	22	63	i2 Technologies, Think Systems, Datalogix
Teddie Wardi	2	35	Atomico, Dawn Capital, Nervogrid
Total/Average	**186/16**	**44**	

Operating Managing Directors			
Professional	Insight Tenure	Age	Previous Experience
Adam Berger	2	56	Digital Room, Spark, P&G
Drew Harman	<1	56	Shasta Ventures, InterWest Partners
Lonne Jaffe	3	42	Syncsort, CA Technologies, IBM
Stu Phillips	4	62	Bay Partners, Ridgelift, US Venture Partners
Peter Segall	4	59	HealthcareSource, Blackboard, WebCT
Thilo Semmelbauer	1	54	Shutterstock, WeightWatchers, BCG
Total/Average	**14/3**	**55**	

Indicates Managing Directors in charge of running day-to-day operations of the Fund. While they will manage the fund, the entire investment team is stacked with sourcing and evaluating opportunities.
Source: Insight. StepStone analysis.

The Investment Managing Directors' long tenure of working together, the Firm's predominantly single office location in New York, NY and Insight's practice of rewarding successful professionals by promoting from within has enabled the Firm to maintain its collaborative and competitive culture. Insight has maintained this culture despite growth in AUM and the size of the investment team. In StepStone's view, the Managing Directors, led by Mr. Horing, have cultivated a culture of ambition and success, with an almost obsessive desire to source and win investment opportunities on a global basis. This temperament spreads throughout all levels of the organization, from Analysts to Managing Directors. StepStone has witnessed this attitude first-hand during update meetings, onsite visits and annual meetings.

Insight's Managing Directors are classified as "hunters" or "gatherers". Hunters are focused on finding deal flow and leading transactions. These professionals are not formally tied to one sector or deal type, but have areas of focus. Insight classifies six of the 13 Investment MDs as hunters: Jeff Horing, Deven Parekh, Jeff Lieberman, Mike Triplett, Richard Wells and Ryan Hinkle. StepStone is comfortable with four Managing Directors in charge of day-to-day operations for the fund, with two of them, Messers. Parekh and Hinkle, being Investment Committee members and two of the most senior professionals at Insight. Additionally, Messers. Agarwal and Devor have helped to broaden the Firm's leverage buyout practice having been hired from Vista Equity and Thoma Bravo, respectively, where they focused on large software LBOs.

The 13 Investment Managing Directors oversee a team of one Principal, 12 Vice Presidents, and 36 Senior Associates/Associates/Analysts (collectively, the "Investment Team"). The Analysts and Associates are responsible for Insight's deal origination, and spend their efforts calling on companies and performing diligence on prospective investments. Insight has built out its junior sourcing team over the last two fund cycles, increasing from 23 professionals in 2016 to 36 in 2020.

Insight's Operating Managing Partners serve as liaisons between Insight Onsite, the Investment Team and portfolio companies. They all come from operating roles in the technology space. Four of the Operating Managing Directors (Messrs. Lonne Jaffe, Peter Segall, Adam Berger and Thilo Semmelbauer) were CEOs/Presidents of Insight portfolio companies before joining in their current roles. Insight has built out its bench of Operating MDs over the last three years, and although they only have an average of three years at Insight, all but one has worked with Insight before. Additionally, these are seasoned operators that have an average of 30+ years of industry experience.

Insight employs a dedicated in-house consulting team (Insight Onsite) that it leverages to diligence prospective investments and add value to its portfolio companies post-close. Formed in 2000 with the hiring of Hilary Gosher, Onsite consists of 50 professionals operating across seven "Centers of Excellence" ("CoE"): Talent, Product & Technology, Marketing, Sales, Business Development, Customer Success, and Strategy & M&A. The majority of the Onsite team comes from consulting backgrounds, but over the last fund cycle, Insight has built out the team to include operating professionals as well. Onsite's five Operating Partners and Chief Technology Officer have industry expertise from leading technology companies including Amazon, AppNexus, Avaya, eBay, DocuSign, Google, HP, Syncsort and TravelClick. The group is exclusive to the Firm, only serving Insight and its portfolio companies.

StepStone believes that the Onsite team is one of the strongest software operating teams in private equity. Insight has built out the team thoughtfully and continues to develop new capabilities to better help portfolio companies. The team is a differentiator with respect to the value proposition that Insight brings to portfolio companies and helps the team to win deals in a competitive market.

Capacity

The StepStone diligence team has analyzed Insight's capacity to deploy the Fund in addition to the Firm's flagship Fund XI, which held a final close in early 2020. While the entire Insight investment team will be tasked with deploying the Opportunities Fund, the day to day activities will be managed by the four buyout-focused Managing Directors; Messrs. Parekh, Hinkle, Devor, and Ms. Argawal. Given the profile of deals in the Opportunities Fund pipeline, StepStone believes this is fitting, given these four MDs will be deploying most of the Fund's capital.

Investment MDs have an average of 8 board seats, while Operating MDs have an average of 6, as of June 2020. All Investment Committee members (Messrs. Horing, Parekh, Lieberman, Triplett, Wells and Hinkle) have 6+ board seats, with an average of 9. In aggregate, the MDs are responsible for lead board seats at 106 unique active investments.

The Opportunities Fund pipeline comes through the same sourcing funnel as the Flagship funds, so should not create materially more work for the team on the sourcing side. Insight expects to deploy approximately 15-20% of its Flagship funds into leveraged growth buyouts, across 10-15 investments. Insight expects to construct a portfolio of approximately 10 investments for the Opportunities Fund. Factoring in the buyout-focused Managing Directors responsibilities in both the Flagship and Opportunities funds, StepStone expects the MDs to complete 4 to 7 investments each over the next 3 to 4 years, or approximately 1.5 per year. Given the continued involvement of Insight's broader platform, including resources from both the Investment and Onsite teams, StepStone believes Insight has ample capacity to deploy the Fund.

Overall, StepStone would prefer a lower board load across the management team. While StepStone believes it has become increasingly difficult to manage the highly diversified Flagship Funds, Insight is well positioned to deploy and manage the Fund given the concentrated portfolio approach and capacity of the buyout-focused professionals that will likely deploy the majority of the Opportunities Fund. Additionally, StepStone believes Insight's capacity has been expanded significantly over the last two fund cycles. The Firm has more than doubled its mid-level investment team from five in 2017 to 13 today, and nearly doubled the Onsite team from 23 in 2016 to 55. Onsite and the Firm's mid-level professionals provide some additional leverage to Managing Directors.

Capacity Analysis

Insight Board Responsibilities			
Professional	Lead Board Roles	Secondary Board Seat	Total Board Seats
Investment Managing Directors			
Jeff Horing	11	1	12
Deven Parekh	13	1	14
Jeff Lieberman	7	0	7
Mike Triplett	6	1	7
Richard Wells	6	0	6
Ryan Hinkle	5	5	10
Anika Agarwal	1	5	6
Ross Devor	2	3	5
Matt Gatto	0	3	3
Nikitas Koutoupes	8	1	9
Peter Sobiloff	11	0	11
Teddie Wardi	7	2	9
Nikhil Sachdev	2	0	2
Investment MD Average	**6**	**2**	**8**
Operating Managing Directors			
Adam Berger	2	6	8
Lonne Jaffe	6	2	8
Stu Phillips	4	1	5
Peter Segall	6	2	8
Thilo Semmelbauer	7	0	7
Drew Harman	2	0	2
Operating MD Average	**5**	**2**	**6**

Source: Insight; as of June 30, 2020.

Turnover

Since 2015, Insight has had two Managing Directors depart the Firm. StepStone believes the turnover is organic and has not been detrimental to the Firm's culture and ability to deploy capital. Over the last five years, there have been multiple mid-level professional departures as well. These individuals have all left to found or co-found their own funds. While StepStone acknowledges that the Firm has experienced mid-level turnover recently, Insight has a deep team that is able to withstand these departures. Turnover at a Firm the size of Insight is expected, and the high number of professionals that are continuously promoted internally speaks to the cohesion of the team and existence of a culture that people want to be a part of. Additionally, the ability for mid-level professionals from Insight to raise their own funds despite not having an extensive track record speaks to the strength of the Insight training program and talent that the Firm is able to hire.

GP Commit

Insight will commit at least 3% of the aggregate capital commitments to the Fund. All commitments will be made with cash; the Firm does not use management fee offsets to fund the GP commitment. This commitment is above market and creates a strong alignment of interest with LPs.

Investment Committee

The Opportunities Fund Investment Committee will be unchanged from the Flagship vehicles, and includes Messrs. Horing, Parekh, Lieberman, Triplett, Hinkle, Wells, and Ian Sandler (the Firm's COO). During due diligence, the deal team writes a full, standardized investment review.

Each investment in due diligence will have an IC Managing Director sponsoring it, an additional MD and/or a mid-level Investment professional, the Analyst or Associate who sourced the opportunity, and a member of Onsite on the deal team. Over the course of due diligence, which generally takes about a month, the deal team gives a weekly update on the deal at the Monday morning meeting. If serious objections are raised based on the work and findings of the deal team, the investment opportunity is terminated. To Insight, an investment had never made it through this process only to be voted down at the last minute by a member of the Investment Committee due to the regular (weekly) nature of the conversations the deal team has with the broader firm.

Evaluation of the Management Team

Merits

▲ **Highly Experienced Technology and Software Investors**: Insight is one of the leading private equity firms focused exclusively on software, software-enabled services and Internet business. The Firm has completed approximately 500 investments in 400 unique companies operating across these sectors since Insight's formation in 1995. The Managing Directors, led by co-Founder Jeff Horing, have experience investing in the software industry, and many have backgrounds in engineering or technology-related fields. The Firm's industry expertise, sector focus and historical success have combined to create a strong brand for the Firm with entrepreneurs, executives, co-investors and strategic acquirers.

▲ **Growth and Development of Insight Onsite:** The investment team is supported by Insight Onsite, an in-house group of experienced consultants and technology operators who are exclusive to the Firm. Onsite, which is led by Hilary Gosher, has grown from 23 professionals in 2017 to 55 today, and is expected to continue to grow throughout the life of the Opportunities Fund. In 2017, Onsite's structure was reorganized from an as-needed consulting group into "Centers of Excellence" to provide function-based capabilities to portfolio companies across the following areas: Talent, Product & Technology, Marketing, Sales, Business Development, Customer Success, Strategy & M&A. In addition to assisting investment team members in the pre-term sheet stage with identifying operational areas where an entrepreneur needs the most advice to successfully grow his or her business, Onsite works with portfolio companies post-close to implement strategic and operational initiatives, such as strategic planning, financial benchmarking, online lead generation, customer relationship development, and exit optimization. This platform is a key differentiator for the Firm relative to other technology-focused investors and helps Insight source and win deals.

▲ **Strong and Ambitious Culture with "Winning" Attitude**: Driven by Jeff Horing, Insight has cultivated a culture of ambition and success, with an almost obsessive desire to source and win investment opportunities on a global basis. This temperament spreads throughout all levels of the organization, from Analysts to Managing Directors. The Firm preserves its strong culture by maintaining one office in New York, NY, and from a history of promoting from within. The Firm has completed only four lateral hires at the Managing Director-level since inception out of a total current pool of 19 Managing Directors. StepStone has witnessed this attitude first-hand during update meetings, onsite visits and annual meetings. References also confirmed the competitive nature of the Firm and its unique culture.

Risks

▼ **No Dedicated Opportunities Fund Team / Capacity of Senior Team:** Insight will not create a dedicated Opportunities Fund team, and will instead rely on the existing investment team that is also charged with deploying Insight XI, Insight's most recent US$9.5 billion flagship fund. In addition to having a shared investment team, Insight already manages a large portfolio of over 200 active investments as of June 30, 2020. The Firm's six senior Managing Directors currently manage an average of 15 investments. This time commitment, especially given the Firm's active investment pace and growing fund sizes for the Flagship Funds, could impact the effectiveness of their efforts in deploying the Opportunities Fund. The Firm's junior investment professionals have primary sourcing responsibility for opportunities, of which the most interesting are pushed up to the Managing Directors. These resources allow the Managing Directors to focus their time only on the most interesting opportunities along with the existing portfolio. Insight has invested time and capital into expanding the sourcing team and improving the quality of the deal funnel. Since 2015, Insight has grown the sourcing team from 21 professionals to 38, as of Q3 2020. Insight Opportunities Fund's sourcing funnel comes through the same sourcing effort employed by the Flagship Funds. The Opportunities Fund pipeline is derived from buyout investments that are attractive to the flagship program, but require a structured equity solution, most often due to high valuation or a controlling shareholders' desire to remain in control. Based on the expected portfolio construction for the Fund, Insight only needs to execute 2-4 structured transactions per year. Insight anticipates hiring dedicated structured equity investment professionals in the near term to help support the Opportunities Fund. Insight currently has a search firm helping the Firm to secure its first dedicated mid-level hire.

- **Turnover:** Since 2015, Insight has had two Managing Directors depart the Firm. The most recent departure from the investment team, Brad Twohig, had been at Insight for 12 years and was a valuable team member before leaving to lead Lightspeed Venture Partners' growth equity efforts. Additionally, there has been material mid-level turnover over the last fund cycle, including three Principals and one VP that have left to found or co-found their own firms. StepStone views these individuals has high caliber investors, and a loss for the Firm. However, turnover is expected at a Firm like Insight, where there is a deep bench of talented investors, and limited amount of Managing Director roles. Since 2015, Insight's investment deal team plus Onsite has grown from 34 professionals (including seven Managing Directors) to 81 professionals (including 13 deal-focused Managing Directors). The Firm has completed only four lateral hires at the Managing Director-level since inception. While not all of the recent departures were mutually agreed upon, all were highly complimentary of the Firm's platform. The departed professionals spoke highly of Insight's position in the market, its ability to succeed going forward, and the quality of the talent around the partnership.

Track Record

Since its formation in 1995, Insight has invested US$21.6 billion across 504 transactions across 11 investment funds and four co-investment vehicles. As of June 30, 2020, these investments were valued at US$51.1 billion, or a gross TVM/IRR of 2.4x/26% (31% gross IRR on a time-zero basis). On a net basis, Insight has generated a TVM of 2.1x, an IRR of 20%, and a DPI of 0.9x since inception.

While StepStone notes that the Firm's entire attributable track record to date is not directly relevant to the Opportunities Fund as it is entirely comprised of growth equity and growth buyout investments rather than structured capital investments, StepStone believes the performance in the below table is still pertinent as it demonstrates Insight's consistent and superior investment success across the software industry. The below table provides a summary of the GP's performance across Fund IV-XI (not including co-investment vehicles), which are considered the more recent funds. These funds represent US$18.5 billion of invested capital across 367 transactions that have generated a gross TVM/IRR of 2.3x/25% and a net TVM/IRR 2.0x/19%, as well as a DPI of 0.8x as of June 30, 2020.

Insight Performance Summary

(US$ in millions, as of June 30, 2020)

Insight Partners Investment Performance													
Fund	Vintage Year	Fund Size	# of Deals	Invested Capital	Realized Value	Unrealized Value	Total Value	Gross TVM	Gross IRR	Loss Ratio	Net TVM	Net IRR	DPI
IV	2000	$740	46	$659	$1,427	-	$1,427	2.2x	16%	33%	1.7x	10%	1.7x
V	2005	551	25	519	1,847	-	1,847	3.6x	29%	7%	2.8x	21%	2.8x
VI	2007	1,284	38	1,377	4,241	10	4,251	3.1x	26%	18%	2.6x	20%	2.6x
Realized Funds		**$2,575**	**109**	**$2,554**	**$7,515**	**$10**	**$7,525**	**2.9x**	**22%**	**20%**			
VII	2011	$1,569	43	$1,804	$4,386	$1,667	$6,053	3.4x	29%	11%	3.0x	23%	2.1x
VIII	2013	2,570	42	2,678	4,603	3,607	8,210	3.1x	26%	13%	2.6x	21%	1.4x
IX	2015	3,446	70	3,640	1,590	8,247	9,836	2.7x	35%	8%	2.3x	27%	0.2x
X	2017	6,300	76	5,455	21	7,604	7,625	1.4x	29%	6%	1.3x	22%	0.0x
XI	2020	9,542	27	2,349	0	2,693	2,693	1.1x	76%	1%	1.1x	52%	0.0x
Unrealized Funds		**$23,427**	**258**	**$15,926**	**$10,600**	**$23,817**	**$34,417**	**2.2x**	**29%**	**8%**			
Total Realized Investments			**182**	**5,499**	**15,563**	**14**	**15,578**	**2.8x**	**24%**	**16%**			
Total Unrealized Investments			**185**	**12,981**	**2,552**	**23,813**	**26,365**	**2.0x**	**29%**	**6%**			
Total		**$26,002**	**367**	**$18,480**	**$18,116**	**$23,827**	**$41,943**	**2.3x**	**25%**	**9%**	**2.0x**	**19%**	**0.8x**

Note: Figures do not include Funds I-III nor the GP's co-investment vehicles. Inclusive of these vehicles, Insight has invested US$21.6B that is valued at US$51.1B or a gross TVM/IRR of 2.4x/26% and a net TVM/IRR of 2.1x/20% and a 0.9x DPI.

Relative Performance

Since inception, Insight has consistently generated first and second quartile returns across all flagship funds when compared to Global private equity funds. Since the initial deployment of Fund IV in 2000, six of Insight's seven flagship funds are top quartile on a net TVM and net IRR basis, and four are top quartile on a net DPI basis. When compared to U.S. private equity funds, Insight's funds fare similarly, all ranking in the first or second quartiles with the exception of Fund X's third quartile DPI. Notably, all seven of these funds have generated first quartile net TVMs relative to US-based private equity funds, with five having generated first quartile net IRR and DPI to date.

Insight's weakest fund to date is Fund III, raised in 1999, which was a difficult vintage for technology-focused venture and growth funds. Considering that Fund III was invested very quickly (99% of capital invested over a 14-month period from 1999-2000), the fact that it did not lose money is noteworthy. StepStone believes that Insight's consistently strong relative to performance across multiple market cycles demonstrates the Firm's deep understanding of the technology and software industries and its ability to identify and acquire attractive and differentiated businesses.

Insight Relative Performance Summary

(US$ in millions, as of June 30, 2020)

Insight Partners Net Relative Performance						Private iQ						Private iQ					
						All Geographies			Insight Partners			United States			Insight Partners		
			Insight Partners			First Quartile			Quartile Rank			First Quartile			Quartile Rank		
Fund	Vintage	Fund Size	Net TVM	Net IRR	DPI	Net TVM	Net IRR	DPI	Net TVM	Net IRR	DPI	Net TVM	Net IRR	DPI	Net TVM	Net IRR	DPI
Fund IV	2000	$740	1.7x	10%	1.7x	1.7x	13%	1.7x	Second	Second	Second	1.7x	12%	1.7x	First	Second	First
Fund V	2005	551	2.8x	21%	2.8x	1.8x	12%	1.8x	First	First	First	1.8x	11%	1.7x	First	First	First
Fund VI	2007	1,284	2.6x	20%	2.6x	2.0x	14%	1.7x	First	First	First	2.1x	16%	1.9x	First	First	First
Fund VII	2011	1,569	3.0x	23%	2.1x	2.2x	20%	1.4x	First	First	First	2.3x	22%	1.5x	First	First	First
Fund VIII	2013	2,570	2.6x	21%	1.4x	1.8x	19%	1.0x	First	First	First	1.9x	21%	1.1x	First	Second	First
Fund IX	2015	3,446	2.3x	27%	0.2x	1.6x	19%	0.4x	First	First	Second	1.6x	21%	0.4x	First	First	Second
Fund X	2017	6,300	1.3x	22%	0.0x	1.3x	19%	0.1x	First	First	Second	1.3x	20%	0.1x	First	First	Third
Total		**$16,460**	**2.1x**	**20%**	**0.9x**												

Source: Insight Partners; StepStone analysis; Burgiss Private iQ Private iQ benchmarks as of June 30, 2020.

Performance vs. Public Market Indices

The Kaplan & Scholar ("K&S") PME Analysis compares private equity fund performance to a hypothetical portfolio of similarly timed investments within a public equity index. This analysis discounts fund contributions and distributions based on realized public equity index returns during the same time period, with the ratio representing the sum of discounted distributions and market value divided by the sum of discounted contributions. A PME value greater than 1.0 indicates that the investor benefitted from investing in the private equity fund rather than the public equity index.

Insight's earlier funds have performed well versus public market benchmarks, with Funds IV-VII all outperforming the S&P 500 Information Technology index, with PME values ranging from 1.2 for Fund VII to 1.8 for Fund V. Most of Insight's recent performance has outperformed the public market indices, as well, with only Fund VIII failing to outperform the Information Technology index to date. StepStone does not believe the performance of the most recent funds versus public markets is meaningful, especially given the immaturity of Fund X, as the assets in the portfolio have only been held for an average of a year and a half as of June 30, 2020. Overall, Insight has benefitted from strong markets in the last 10 years, including software tailwinds driven by increased market size and upward-trending valuations.

Insight has no attributable track record of making structured capital investments within a fund structure. However, StepStone notes that a number of deals across Insight's portfolio have sold to investors using structured equity investments, and rolled significant capital in the transactions.

Insight PME Analysis

(As of June 30, 2020)

Insight Partners Performance vs. Public Market Indices							
		vs. S&P 500 Information Technology		vs. S&P 500		vs. Russell 3000	
Fund	Vintage	PME	Direct Alpha	PME	Direct Alpha	PME	Direct Alpha
Fund IV	2000	1.3	6%	1.3	5%	1.2	4%
Fund V	2005	1.8	15%	2.1	17%	2.1	17%
Fund VI	2007	1.3	6%	1.4	7%	1.4	7%
Fund VII	2011	1.2	4%	1.5	8%	1.6	9%
Fund VIII	2013	1.0	0%	1.5	9%	1.6	9%
Fund IX	2015	1.1	2%	1.6	14%	1.6	15%
Fund X	2017	0.9	-6%	1.2	12%	1.2	13%
Total		**1.2**	**4%**	**1.4**	**10%**	**1.5**	**11%**

Based on Kaplan & Schoar PME Analysis

Previous Structured Capital Investment Analysis

As mentioned previously, the Firm's track record is composed entirely of growth equity and growth buyout investments in companies' equity, and thus Insight has no attributable track record of making structured capital investments within a fund structure.

However, StepStone notes that Insight has rolled significant capital across a number of deals in which the Firm has sold portfolio companies to investors using structured equity investments. These transactions include the Firm's partial exits of Appriss (Fund VIII and Fund IX), Diligent (Fund IX), and Kaseya (Fund VI-VIII). All of these investments have performed well and experienced significant value appreciation since Insight's execution of the transactions, experiencing an average increase in TEV of 61% as of June 30, 2020.

Evaluation of the Track Record

Merits

▲ **Consistent, Superior Relative and Absolute Flagship Funds Returns:** Excluding the Firm's most recent Fund, Fund XI, all of Insight's funds since 2005 have generated first quartile returns for investors on a net TVM and net IRR basis. Additionally, across the 21 data points spanning net IRR, net TVM, and DPI metrics from the Firm's core funds, Fund IV to Fund X, 16 of them are first quartile marks, with only Fund IV (second quartile), Fund IX's DPI (second quartile), and Fund X's DPI (second quartile) ranking lower. No mature fund since Fund V has generated a net IRR less than 20% or a net TVM less than 2.3x. In aggregate since inception, despite investing across multiple market cycles, Insight has generated a gross TVM/IRR of 2.4x/26% and a net TVM/IRR of 2.1x/20% across more than 500 transactions, spanning more than 400 unique investments.

▲ **Low Loss Ratios:** Since the Firm's inception in 1995, Insight has generated a below-market loss ratio of 10%, which compares slightly favorably to the technology private equity average of 12%, and considerably favorably to the growth equity and venture capital average of 21%, over the same time period per StepStone's SPI database. Further, Insight's loss ratio has improved in recent history; Funds I-VI generated an aggregate 23% loss ratio, whereas Funds VII-XI have generated a loss ratio of 8%. StepStone believes this translates favorably to the Opportunities Fund's strategy, which is characterized by increased downside protection through structured investments.

Risks

▼ **Lack of Formal Structured Capital Track Record:** StepStone notes that the Opportunities Fund represents a first-time strategy for Insight, and that the Firm has no attributable track record of making structured capital investments within a fund structure. StepStone notes that the Firm has sold a number of portfolio companies to structured equity investors, including Clearlake and TPG, in transactions in which Insight rolled significant capital. These investments have performed well since the closings of the transactions, with the companies' valuation having increased by an average of 61% as of June 30, 2020. The Firm has completed approximately 500 investments in 400 unique companies operating across the software sector since Insight's formation in 1995. Over this time period, the Firm has demonstrated a superior ability to price software companies' equity, evidenced by the Firm's consistently strong absolute and relative returns.

Fundraising

The Fund held a first close in August 2020 on US$650 million of aggregate capital commitments, and will hold a second close in mid-October bringing total capitalization to US$1.1 billion of capital commitments (per Insight estimate). Based on demand communicated by LPs, Insight expects to close the Fund at its hard cap in December 2020.

Portfolio Fit

The Fund meets the investment criteria and guidelines set forth in CRPTF's Investment Policy Statement. The Fund would be considered a fiscal year 2021 commitment to the Mezzanine portfolio within the Private Investment Fund. As of June 30, 2020, Connecticut's investments in Mezzanine funds represented 7% of aggregate PIF exposure and has generated a net IRR of 12%. Inclusive of PIF investments approved after June 30, 2020, a $100 million commitment to the Fund would increase PIF's Mezzanine exposure to 8%.

Exposure Analysis	CRPTF Current Exposure	IRR	CRPTF Pro Forma Exposure
Strategy			
Mezzanine	7%	12%	8%

Note: Table reflects active investments only, liquidated funds excluded.

Environmental, Social & Governance

ESG Policy Status: Insight has had a formally adopted and implemented ESG policy since 2015, and has conducted internal ESG diligence reviews of all target investments since that time. Additionally, in 2017, the Firm retained Malk Sustainability Partners as its ESG consultant to conduct enhanced ESG due diligence on all of its target investments and monitor ESG-related issues during Insight's ownership as necessary. The GP adopted the AIC's Guidelines for Responsible Investing in 2015, and also takes into account the UN Global Compact Principles, as guiding principles for responsible investment that addresses environmental, public health, safety, labor, social, and governance concerns. However, Insight is not a signatory of the UN PRI or the TCFD.

ESG Implementation The Firm's ESG policies and practices are implemented by the tandem of Malk Partners and the Firm's ESG Committee. Malk Sustainability Partners conducts enhanced ESG due diligence on Insight's target investments and monitors ESG-related issues during Insight's ownership, as well as provides ESG training for all of Insight's investment professionals regularly. The Firm's most recent formal ESG training session was conducted in September 2020. Insight's ESG Committee oversees and enhances the Firm's ESG policy, and reviews material ESG matters identified at prospective and current portfolio companies. The ESG Committee consists of three Managing Directors (including Insight's COO and General Counsel), Insight's CCO, and one Vice President. The committee's Chairman, Insight's CCO, is primarily responsible for the administration of the Firm's ESG policy.

As primarily software investors, Insight believes that most, if not all, of their investments have limited environmental impact. However, Malk and the Firm are intently focused on data privacy and security, as well as diversity, across the entire portfolio, in addition to other material ESG considerations including energy management. Over the course of its ESG due diligence, the team reviews prospective companies' data privacy and security documents, cyber insurance policies, internal and external ethics and compliance program audits, copies of completed affirmative action plans, and voluntary turnover statistics. Moreover, Malk submits a detailed questionnaire to companies with questions that detail companies' practices around data privacy, ethics and compliance, anti-corruption, social and labor conditions, and diversity and equal employment opportunity.

Following this review, Malk produces an ESG Report that is included in Insight's investments memos. Post-closing, Malk and Insight conduct a diligence readout with the portfolio company's management team to help the company take ownership of the areas that need improvement. Both Malk and Insight conduct ongoing monitoring to track the implementation of their recommendations and identify improvements or new KPIs. Insight conducts periodic ESG portfolio reviews starting 6 months after the initial investment closes. In these reviews Insight and Malk request evidence that the original recommendations have been adhered to, in addition to additional updates regarding any new potential violations.

ESG Reporting: Insight provides updates to limited partners on material ESG matters at the fund level on an annual basis via an annual report to investors. While the management of ESG-related factors is not included on the agenda of Insight's LPACs or annual general meetings, the Firm is considering adding it in the future. To date, there have been no material ESG incidents in the Insight portfolio.

ESG Conclusion: StepStone believes that the Firm integrates ESG considerations throughout the investment process, and demonstrates a high degree of commitment to social and governance-related improvements across its portfolio, particularly with respect to portfolio company diversity and data privacy. StepStone views both the Firm's dedicated internal ESG Committee and its retainment of an external ESG consultant as demonstrative of the Firm's commitment to carefully diligencing ESG considerations and constantly monitoring and improving its ESG footprint. While the Opportunities Fund will make solely non-control investments, limiting the Firm's ability to influence many business decisions, Insight will seek to control at least one board seat with all investments, and the Firm has adopted the Guidelines for Responsible Investment set forth by the AIC as guiding principles for responsible investment for professionals holding portfolio company board seats.

Additionally, Insight has made substantial efforts to increase diversity at both the Firm and portfolio company levels. Beginning in 2020, Insight has begun including diversity clauses in term sheets for its minority deals, and has recruited a CEO Diversity Council to draft a ScaleUp Diversity Pledge which will track diversity metrics and the Rooney Rule for C-level recruiting. The Firm partakes in various Diversity and Inclusion recruiting and mentoring initiatives, including a Sophomore Diversity Internship program, SEO, O4U, and Girls Who Invest. Insight also hosts an annual Women's Tech Leadership Summit. Of Insight's 208 employees, 91 (44%) are female, and females comprise 25% of the Firm's investment team. The Firm also employs 54 professionals (26%) of racial minorities.

Recommendation

In StepStone's view, a commitment to the Fund represents a compelling opportunity for LPs looking to partner with a leading software-specialist investor targeting attractive risk-adjusted returns. Insight is one of the leading private equity firms focused exclusively on software, software-enabled services and Internet business. Excluding the Firm's most recent Fund, Fund XI, all of Insight's funds since 2005 have generated first quartile returns for investors on a net TVM and net IRR basis. While the Opportunities Fund will not invest in Flagship portfolio companies, the Fund will leverage the knowledge, intellectual capital, and sourcing capabilities of the broader Insight platform, benefiting from industry expertise, relationships and access to proprietary information. StepStone believes the Fund's strategy of targeting a variety of both structured equity and non-control debt securities as an attractive approach to generating risk-adjusted rates of return while emphasizing downside protection through creative capital structures.

Appendix I
Summary of Due Diligence Performed

In our review of the offering, we conducted the following additional due diligence:

- October 2020
  - Prepared and completed an investment memorandum

Appendix II
Investment Team Member Biographies

Senior Deal Team

Managing Directors

JEFFREY HORING co-founded Insight in 1995. From 1990 to 1994, he was a member of the technology investing group at E.M. Warburg, Pincus & Co., prior to which, he worked in the capital markets group at Goldman, Sachs & Co. Mr. Horing received an MBA from the M.I.T. Sloan School of Management and received dual undergraduate degrees from the University of Pennsylvania's Moore School of Engineering and the Wharton School, graduating with high honors and Phi Beta Kappa.

DEVEN PAREKH joined Insight in 2000. From 1992 to 1999 he was at Berenson Minella & Company, a New York-based merchant banking firm where he was a Principal and served on the firm's M&A committee. Prior to Berenson Minella, he was with The Blackstone Group, where he was involved in both M&A advisory and principal activities. Mr. Parekh is a Henry Crown Fellow of the Aspen Institute. Mr. Parekh received a BS in Economics from the Wharton School at the University of Pennsylvania.

PETER SOBILOFF joined Insight in 1998. From 1997 to 1998 he was Vice President of Business Development at i2 Technologies. Mr. Sobiloff was previously President of Think Systems, an Insight portfolio company that was sold to i2 Technologies. Prior to this, Mr. Sobiloff spent five years at Datalogix, where he was President, and prior to that he was Executive Vice President of Operations at Ross Systems. Mr. Sobiloff guided Datalogix and Ross Systems through their IPOs and assisted in the sale of Datalogix to Oracle Corporation. Mr. Sobiloff graduated from Baruch College with a BA in Business Management.

JEFFREY LIEBERMAN joined Insight in 1998. Prior to joining Insight, Mr. Lieberman was a management consultant at McKinsey & Company, where he focused on strategic and operating issues in the financial services, technology and consumer products industries. Mr. Lieberman received dual undergraduate degrees from the University of Pennsylvania's Moore School of Engineering and the Wharton School, where he graduated with honors.

MICHAEL TRIPLETT joined Insight in 1998. From 1994 to 1997 Mr. Triplett was as an investment professional at Summit Partners, where he focused on sourcing investments in software companies. Prior to this, Mr. Triplett worked as a financial analyst at Morgan Stanley & Co. and at Midland Data Systems. Mr. Triplett graduated from Dartmouth College with a BA in Economics, cum laude.

RYAN HINKLE joined Insight in 2003. Prior to joining Insight, Mr. Hinkle held roles in technology and application development with Morgan Stanley and developed real-time electricity trading applications with PPL, Inc. Mr. Hinkle holds a BS in Engineering from the School of Engineering and Applied Science of the University of Pennsylvania and a BS from the Wharton School, summa cum laude.

NIKITAS KOUTOUPES joined Insight in 2001. Prior to joining Insight, Mr. Koutoupes co-founded and was the Chief Financial Officer of CTspace, an on-demand software company which became part of Insight's portfolio and was subsequently acquired by the Sword Group. He was previously an Associate with McKinsey & Company, where he worked on strategy, turnaround, M&A and corporate finance engagements across a variety of industries. Mr. Koutoupes received an MBA with high distinction (Baker Scholar) from Harvard Business School and a BA from Princeton University's Woodrow Wilson School of Public and International Affairs, graduating summa cum laude and Phi Beta Kappa.

TEDDIE WARDI joined Insight in 2017. Mr. Wardi focuses on high-growth software and internet companies. Prior to joining Insight, Mr. Wardi was a Partner at Atomico, one of the largest European venture funds, based in London. Previously, he worked at Dawn Capital and was the co-founder and CTEO of Nervogrid. Mr. Wardi holds an MBA from Harvard Business School and a BSc from Aalto University in Helsinki, where he focused on Finance and Computer Science.

RICHARD WELLS joined Insight in 2005. Prior to joining Insight, Mr. Wells served as an investment team member at Technology Crossover Ventures, where his interests included software and online media and commerce. He worked in product management for enterprise data protection products at Veritas Software (now a subsidiary of Symantec), and in field sales for Paciolan Systems (now part of Ticketmaster). Previously, Mr. Wells worked as a management consultant with Mercer Management Consulting, where he advised global technology companies on their marketing and business strategies. Mr. Wells received a BS from the University of Pennsylvania (Phi Beta Kappa, summa cum laude) and an MBA from the Harvard Business School.

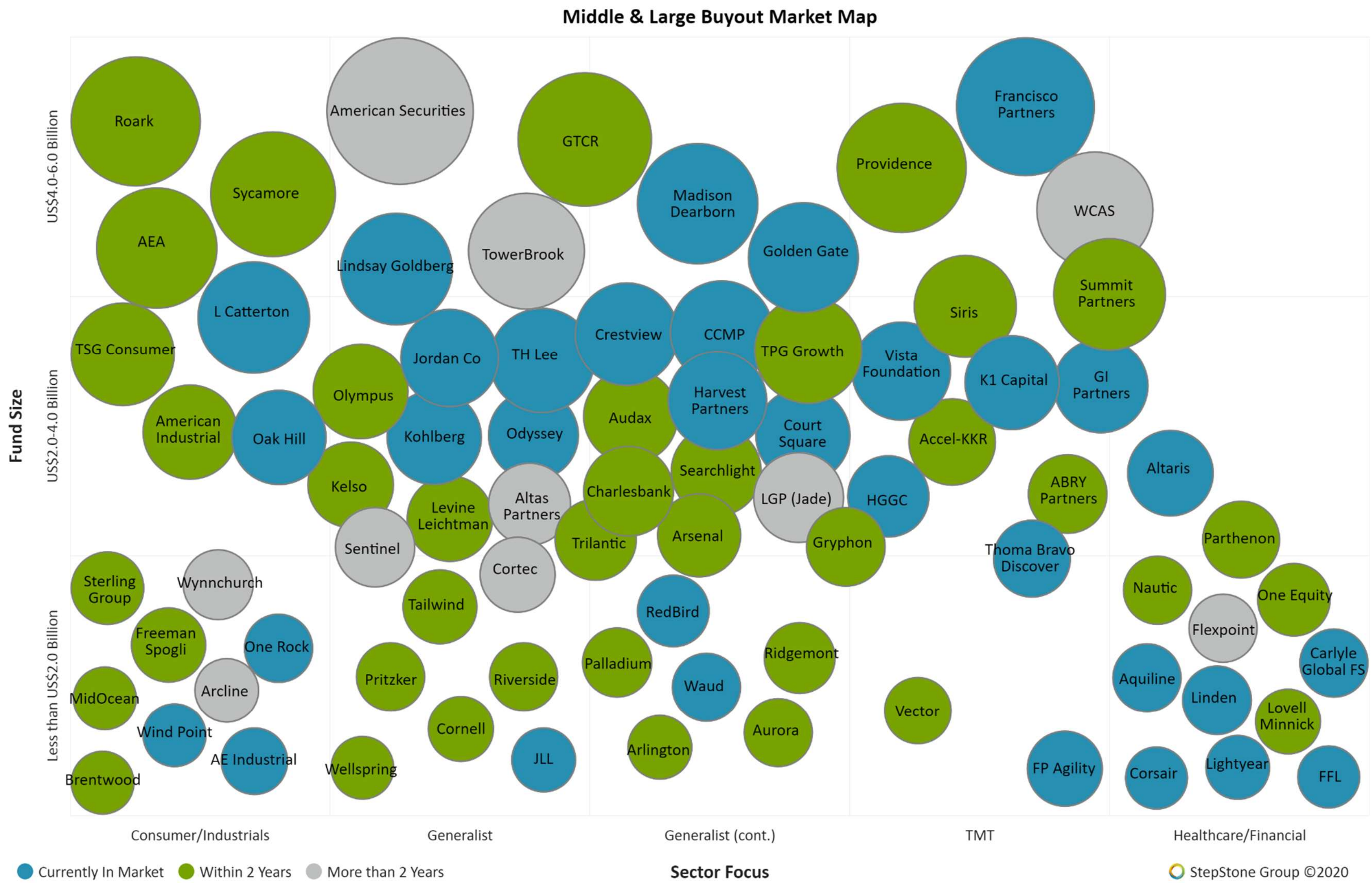
ANIKA AGARWAL joined Insight in 2014. Ms. Agarwal focuses on leveraged buyouts and majority recapitalizations of application and infrastructure software companies. She helps lead investments in both high growth and mature software businesses and works with several portfolio companies. Prior to joining Insight, Ms. Agarwal was a member of the investment team at Vista Equity Partners. Previously Ms. Agarwal was an investment professional at the Mayfield Fund, where she focused on investments in consumer internet companies. Earlier in her career, she worked in the Principal Investment Area at Goldman Sachs and the Technology Investment Banking group at Lehman Brothers. Ms. Agarwal holds an MBA from the Stanford Graduate School of Business and a BS in Computer Science from Stanford University.

ROSS DEVOR joined Insight in 2013. Mr. Devor focuses primarily on leveraged buyouts and majority recapitalizations in both high-growth and mature software businesses. He works with several Insight portfolio companies and helps lead new investments across application and infrastructure software. Prior to joining Insight, Mr. Devor was a member of the investment team at Thoma Bravo. Previously Mr. Devor worked in the Corporate Finance/ Mergers & Acquisitions group at Morgan Stanley. Mr. Devor graduated from Northwestern University with a BA in Economics.

MATTHEW GATTO joined Insight in 2010. Mr. Gatto focuses on high-growth software and SaaS businesses across infrastructure, healthcare and enterprise applications, and also has experience with leveraged buyouts. Prior to Insight, Mr. Gatto worked in online advertising optimization at Verizon Information Services, debt restructuring and issuance at Deutsche Bank Asia, and electronic communications risk management at Merrill Lynch. Mr. Gatto graduated with high honors from the University of Pennsylvania with a BS in Engineering from the School of Engineering and Applied Science and a BS in Economics from the Wharton School.

NIKHIL SACHDEV joined Insight in 2020. Prior to joining Insight, Mr. Sachdev was a Partner at Altimeter Capital, a long/short equity hedge fund investing in public and private companies in the software and Internet sectors. He previously worked in private equity at Bain Capital Partners and Providence Equity. Before moving into investing, Mr. Sachdev was an investment banker at Goldman Sachs focused on technology clients. Mr. Sachdev holds an MBA from Harvard Business School and a BA with Honors from Stanford University.

Appendix III
Market Map



Glossary

Term	Definition
Balanced Stage Venture Capital	A Venture Capital fund focused on both Early Stage and Late Stage companies
Bridge Financing	Temporary funding that will eventually be replaced by permanent capital from equity investors or debt lenders
Buyout	Fund whose strategy is to acquire controlling interests in companies
Carried Interest	The general partner's share of the profits. The carried interest, rather than the management fee, is designed to be the general partner's chief incentive to strong performance.
Co/Direct Investment	Investment made directly into a company, rather than indirectly through a fund
Committed Capital	Total dollar amount of capital pledged to a fund
Contributed Capital	Total capital contributed to a fund for investments, fees and expenses, including late closing interest paid, less returns of excess capital called and bridge financing
Cost Basis	Remaining amount of invested capital
Debt	Security type that signifies a repayment obligation by a company (e.g. senior debt, subordinated debt, bridge loan etc.)
Distressed	A company's final Stage of development. Company is generally experiencing operational or financial distress
Distressed / Turnaround	Fund whose strategy it is to acquire the Equity or Debt of companies experiencing operational or financial distress
Distributed Capital	Capital distributed to the limited partners, including late closing interest earned
Dow Jones US Total Stock Market Total Return Index	The Dow Jones US Total Stock Market Total Return Index measures all U.S. equity securities with readily available prices. It is a free float-adjusted market capitalization weighted index and is calculated with dividend reinvestment
DPI (Distributions to Paid In / The Realization Multiple)	Total gross distributions divided by total gross contributions
Early Stage	A company's first Stage of development. Company is generally generating modest or no revenues
Equity	Security type that signifies ownership of a company (e.g. common stock, preferred stock, warrants, etc.)
Expansion Stage	A company's third Stage of development. Company is generally experiencing high growth and nearing profitability
Exposure	Sum of Remaining Value plus Unfunded Commitment
Fund-of-Funds	Fund whose strategy is to make investments in other funds
Fund Stage	A fund progresses through three stages over its life: investment (investment period), distribution (post-investment period), and liquidation
Geographic Region	Market location of a company: North America, Western Europe, Africa/Middle East, Latin America, Asia/Pacific Rim
Growth Equity	Fund whose strategy is to invest in companies to expand or restructure operations, enter new markets or finance an acquisition without a change of control of the business
Infrastructure	Fund whose strategy is to acquire interests in physical structures and networks that provide the essential services for society's economic and social needs, e.g. roads, tunnels, communication networks, etc.
Internal Rate of Return (IRR)	The discount rate that results in a net present value of zero of a series of cash flows. The IRR considers both cash flow timing and amount and is the preferred performance measure for private market funds
Invested Capital	Capital invested by a fund in portfolio holdings
Investment Type	Classification of an investment vehicle: Primary Fund, Secondary Fund, Fund-of-Funds
J-Curve	Refers to the shape of the curve illustrating a fund’s performance over time. During the initial years of a fund's life, as a result of illiquidity, stagnant valuations, fees and expenses, a fund’s performance tends to be negative (the bottom of the “J”). Eventually, as portfolio companies are realized or increase in value and fees become a smaller percentage of overall contributions, performance improves and investors’ returns move up the “J” shaped curve
Large	Company with a Size greater than $1 billion
Late Stage	A company's second Stage of development. Company is generally generating high revenue growth and high losses

Term	Definition
Loss Ratio	The percentage of capital in deals with a total value below cost, over total invested capital
Lower-Mid	Company with a Size greater than $100 million, but less than $250 million
Lower Quartile	The point at which 75% of all returns in a group are greater and 25% are lower.
Mature	A company's fourth Stage of development. Company is generally generating modest to no growth and operating profitably
Mega Buyout	Fund whose strategy is to acquire or recapitalize Large businesses, Fund size over $6 billion
Mezzanine	Fund whose strategy is to acquire subordinated debentures issued by companies
Middle-Market Buyout	Fund whose strategy is to acquire or recapitalize middle-market businesses, Fund size between $1-$3 billion
MSCI ACWI Index - Total Return	The MSCI ACWI Total Return is a reflection of the performance of the MSCI ACWI Index, including dividend reinvestment, as calculated by Bloomberg. The MSCI ACWI Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. The MSCI ACWI consists of 45 country indices comprising 24 developed and 21 emerging market country indices
Multi-Strategy	A Fund that invests across multiple strategies
Natural Resources	Fund whose strategy is to acquire interests in naturally occurring, economically valuable raw materials and all physical facilities and capabilities required for the extraction, refinement, and delivery to end users, e.g. oil and gas properties, timberland, etc.
Net Asset Value ("NAV")	In the context of this report, represents the fair value of an investment, as defined within each limited partnership agreement, yet in compliance with the governmental regulation, generally prepared on a GAAP basis
Net IRR	Annualized effective compound rate of return using daily contributions, distributions and Remaining Value as of the Report Date, net of all fees and expenses, including late closing interest
Percent Interest	Represents an investor's economic interest in a fund based upon the investor's commitment divided by total fund commitments
Primary Investment	An interest in a private equity fund acquired directly from the fund manager during the fundraising period
Public Market Equivalent (PME)	A private equity benchmark that represents the performance of a public market index expressed in terms of an IRR, using the same cash flows and timing as the investor's investment activity in private equity. The PME serves as a proxy for the return the investor could have achieved by investing in the public market. The PME benchmark return assumes cash flows are invested at the end of each day
Publication Date	Refers to the date this report was created as reflected in the Executive Summary
Quartile	Segment of a sample representing a sequential quarter (25%) of the group.
Real Assets	Fund whose strategy is to invest in assets that are tangible or physical in nature such as land, machinery, and livestock
Real Estate	Fund whose strategy is to acquire interests in real estate property
Realized Capital	Capital distributed to a fund from portfolio holdings
Recallable / Recyclable Capital	Capital that has been previously distributed by a fund to investors but may be called again for investment purposes. It is generally associated with realizations that have occurred in the early years of a fund or refers to uninvested capital that has been temporarily returned (i.e. returns of excess capital)
Recapitalization	The reorganization of a company's capital structure
Remaining Value	Capital account balance as reported by the General Partner, generally on a fair value basis
Report Date	Refers to the end date of the reporting period as reflected on the cover page
Return on Investment (ROI)	Ratio of Realized Capital plus Unrealized Value to Invested Capital

Term	Definition
Russell 1000® Total Return Index	The Russell 1000® Total Return Index measures the performance, including dividend reinvestment, of the large-cap segment of the U.S. equity universe. It is a subset of the Russell 3000® Index and includes approximately 1000 of the largest securities based on a combination of their market cap and current index membership. The Russell 1000 represents approximately 92% of the U.S. market.
Russell 3000® Total Return Index	The Russell 3000® Total Return Index measures the performance, including dividend reinvestment, of the largest 3000 U.S. companies representing approximately 98% of the investable U.S. equity market.
RVPI (Residual Value to Paid In)	The current value of all remaining investments within a fund divided by total gross contributions
S&P 500 Price Index	The S&P 500 Price Index is a capitalization-weighted index of 500 stocks. The index is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.
S&P 500 Total Return Index	The S&P 500 Total Return Index is a reflection of the performance of the S&P 500 Index, including dividend reinvestment. All regular cash dividends are assumed to be reinvested in the S&P 500 Index on the ex-date. Special cash dividends trigger a price adjustment in the price return index.
Secondary Investment	Investments that involve the purchase of private equity fund interests or portfolios of direct investments in privately held companies from existing institutional Investors
Sector	Industry in which the company operates: technology, telecommunications, healthcare, financial services, diversified, industrial, consumer, energy, etc.
Size	Capitalization size of a company: Large, Upper-Mid, Lower-Mid, Small
Small	Company with a Size of less than $100 million
Small Business Investment Company (SBIC)	Lending and investment firms that are licensed and regulated by the Small Business Administration (SBA). The licensing enables them to borrow from the federal government to supplement the private funds of their Investors
Small Buyout	Fund whose strategy is to acquire or recapitalize Small businesses
Stage	The course of development through which a company passes from its inception to its termination: Early, Late, Expansion, Mature, Distressed
Sub-Asset Class	Private equity investments are generally classified as Buyout, Venture Capital, Mezzanine, Distressed/Turnaround, and Fund-of-Funds
Subordinated Debt	Debt with inferior liquidation privileges to senior debt in case of a bankruptcy and consequently, will carry higher interest rates than senior debt to compensate for the subordination.
Term Sheet	A summary of key terms between two or more parties. A non-binding outline of the principal points which definitive agreements will supercede and cover in detail.
TVM (Total Value Multiple) / TVPI (Total Value to Paid In)	Net asset value plus gross distributions divided by total gross contributions
Unfunded Commitment	Amount of capital that remains to be contributed to a fund as defined in a fund's limited partnership agreement
Unrealized Value	Holding value of a portfolio company assigned by the General Partner, which generally represents fair value
Upper-Mid	Company with a Size greater than $250 million but less than $1 billion
Upper Quartile	The point at which 25% of all returns in a group are greater and 75% are lower.
Venture Capital	Fund whose strategy is to make investments in Early Stage and/or Late Stage companies
Vintage Year	The calendar year in which an investor first contributes capital to a fund
Vintage Year	The calendar year in which an investor first contributes capital to a fund
Write-Down	A reduction in the value of an investment.
Write-Off	The write-down of a portfolio company's holdings to a valuation of zero and the venture capital investors receive no proceeds from their investment.
Write-Up	An increase in the value of an investment.

IMPORTANT INFORMATION

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All valuations are based on current values provided by the general partners of the Underlying Funds and may include both realized and unrealized investments. Due to the inherent uncertainty of valuation, the stated value may differ significantly from the value that would have been used had a ready market existed for all of the portfolio investments, and the difference could be material. The long-term value of these investments may be lesser or greater than the valuations provided.

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An investment involves a number of risks and there are conflicts of interest. Please refer to the risks and conflicts disclosed herein.

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PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. ACTUAL PERFORMANCE MAY VARY.

INSIGHT PARTNERS

Opportunities Fund I

State of Connecticut Retirement Plans and Trust Funds
January 2021

Data as of 9.30.2020 unless otherwise noted — Confidential and Proprietary

Important Legal Information

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All securities investments risk the loss of capital. No guarantee or representation is made that a partnership will achieve its investment objective. An investment in a partnership is speculative and involves certain risk factors which potential investors should consider before investing. Potential investors should be able to afford a complete loss of all capital invested in a partnership.

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The illustrative examples included in this Presentation are for illustrative purposes only. There is no guarantee that future Insight funds will have access to similar investment opportunities or that such investment opportunities will be profitable or as profitable.

Insight Partners

Insight Partners | Summary

INSIGHT PARTNERS

Focus

- Leader in growth software investing, focusing on this sector for 25 years
- Small-to-mid cap company investor, focusing on the most compelling minority and control deals in software

Scale

- Scaled operations with over $22B invested in >400 companies
  - High volume sourcing
  - Scaled value creation team and platform
  - Significant investment in data and technology
- Experienced leadership team working together for at least 15 years
- Winning process, people and culture with broad industry impact

Note: Data as of 9/30/2020 unless otherwise noted. Capital invested includes applicable co-investment funds. Investments in securities involve risk and the value of investments and income derived from such investments may fluctuate. Insight Partners Opportunities Fund I (the "Fund") has no operating history.

Insight Partners | Scaled Team with Long History of Investing Together

INSIGHT PARTNERS

Cian Cotter
17 years at Insight

Ryan Hinkle
17 years at Insight

Jeff Horing
26 years at Insight

Jeff Lieberman
22 years at Insight

Deven Parekh
21 years at Insight

Mike Triplett
22 years at Insight

Richard Wells
15 years at Insight

Hilary Gosher
20 years at Insight

Rachel Geller
13 years at Insight

Sourcing Team

44

Pipelines Aligned to Each Investment Committee MD

Senior Investment Team

35

Buyout, Growth, Capital Markets and M&A Expertise

Onsite Portfolio Team

65

Software-focused Operating and Diligence Expertise

Note: As of 1/4/2021. For illustrative purposes only.

Opportunities Fund I

Overview | Opportunities Fund I

INSIGHT PARTNERS

Opportunity

- The private software market has scaled considerably, with greater participation by sponsors
- High valuations for attractive software businesses are sustainable long-term
- There is demand for alternative transaction types that extend past traditional debt but cost less than common equity

Strategy

- Minority investments in high quality software companies
- Preferred equity investments with contractual core returns

Target Returns

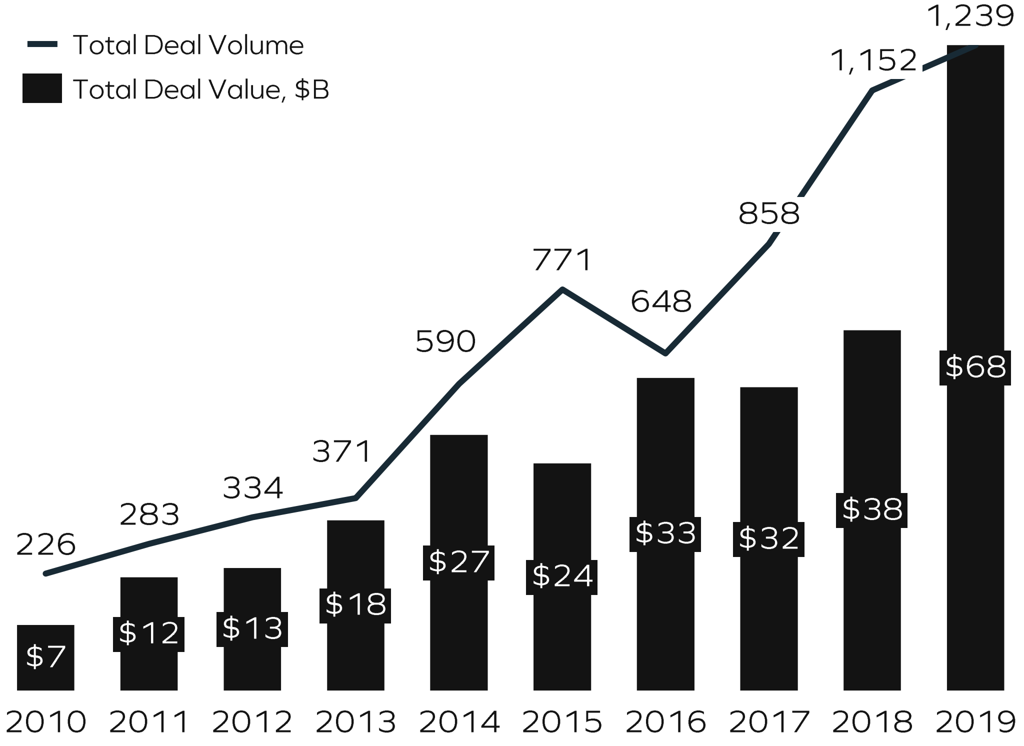
- Differentiated returns with strong downside protection while retaining opportunity to participate in attractive upside equity returns

The private software market is growing steadily, and we have seen increased software acquisitions by sponsors

INSIGHT PARTNERS

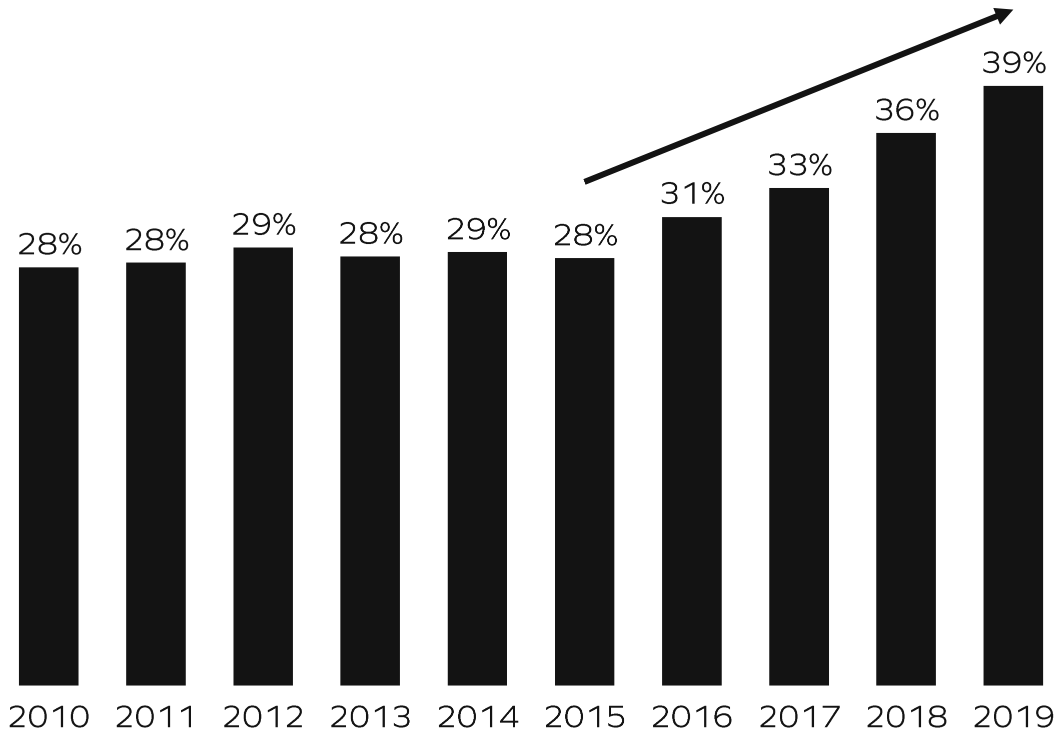
The private software market has grown dramatically over the last decade…

2010-2019 Annual Deal Value and Volume, USD Billions[1]



…and the percent of software acquisitions by sponsors has grown steadily in the past 4-5 years

Share of Software Acquisitions by PE Sponsors[2]



[1] Source: Evercore analysis, "Private Equity M&A Activity in Software." Data as of 4/28/2020.
[2] Source: Pitchbook North American M&A Report, Q2 2019 (https://files.pitchbook.com/website/files/pdf/PitchBook_2Q_2019_North_American_MA_Report.pdf).
Note: For illustrative purposes only.

Strong fundamentals and the popularity of software in PE have expanded private valuations and equity checks

INSIGHT PARTNERS

Software, in particular Enterprise SaaS, has strong business fundamentals…

High Growth

36% Median Revenue Growth of SaaS Companies[1]

High Margin

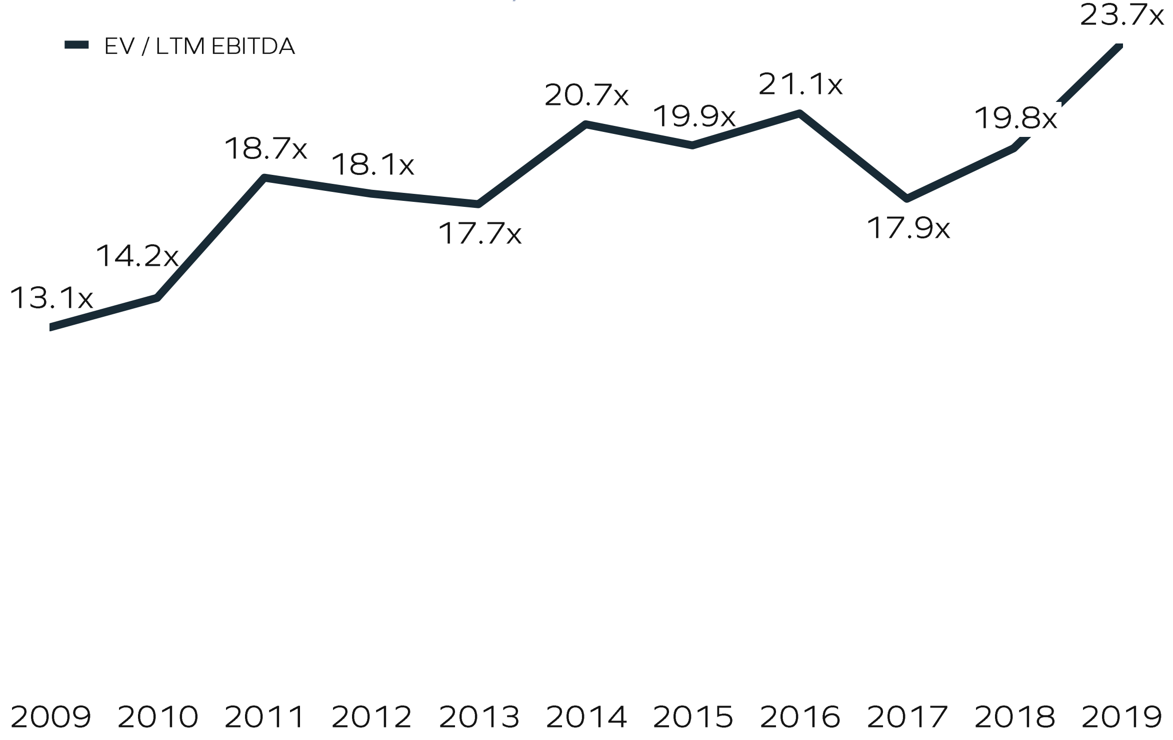
78% Median Gross Margin of SaaS Companies[1]

Highly Retentive

117% Median Net Retention of Public SaaS companies at IPO[2]

…leading to significant expansion of entry valuations and equity checks

Software LBO EBITDA Multiples[3]



[1] Source: KeyBanc Capital Markets 2019 SaaS Survey Results (https://www.key.com/kco/images/2019_KBCM_saas_survey_102319.pdf). Median ARR growth for 2018 of 36% is based on a subset of private SaaS companies with at least $5M in 2018 ending ARR and excludes growth from M&A. Median gross margin for 2018 of 78% is based on a subset of private SaaS companies and with at least $5M in 2018 ending ARR, and represents the gross profit margin on subscription SaaS revenues.

[2] Source: https://medium.com/@alexfclayton/saas-ipo-net-dollar-retention-benchmarks-b0444b532632. Median net retention of 117% is based on the net dollar retention percentage disclosed at IPO quarter for a subset of high growth SaaS IPOs.

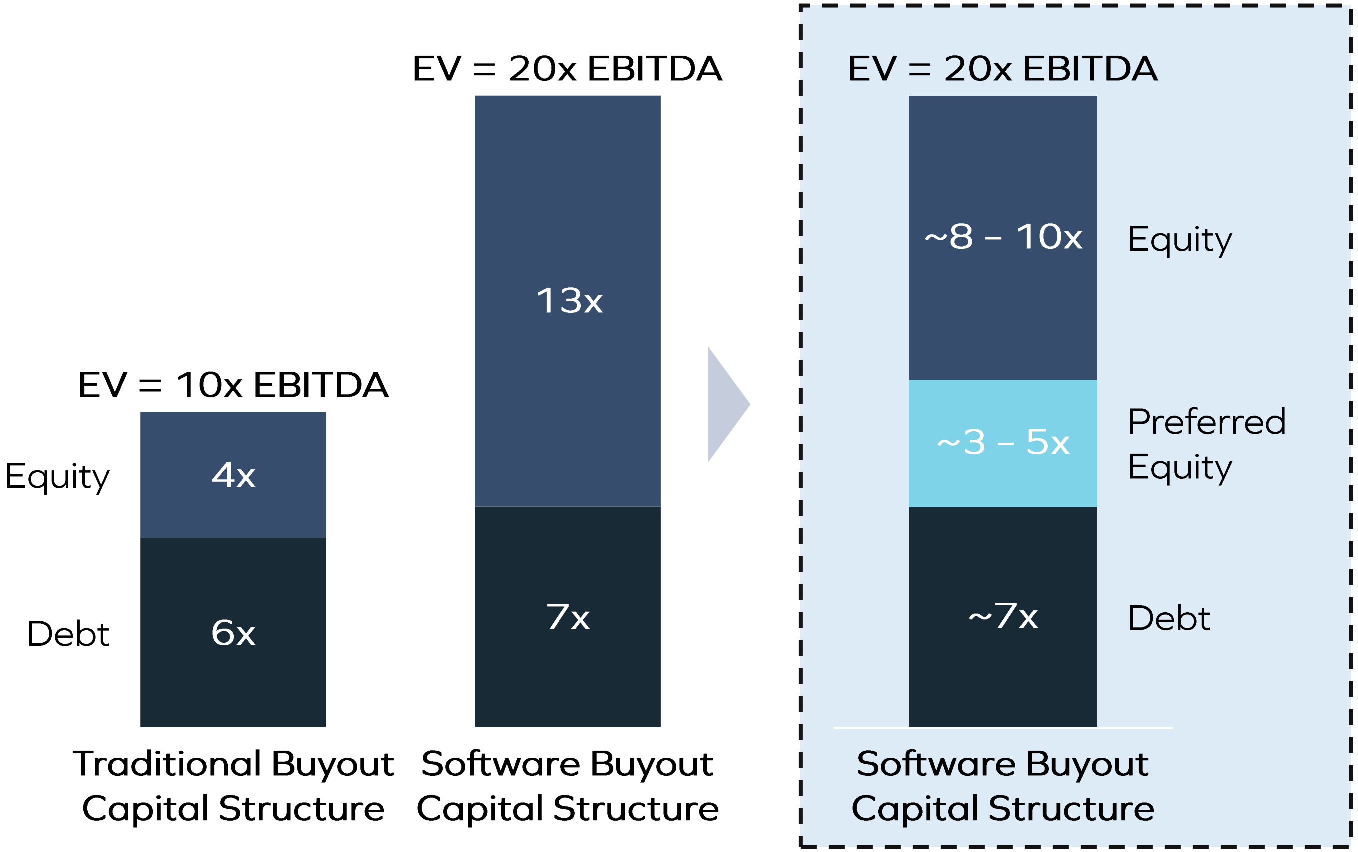
[3] For data from 2009-2017, Source: RBC Capital Markets analysis, "Summary of Historical Leveraged Buyouts in the Software Sector Over the Last 10 Years." Data as of 10/18/2018. For data from 2018-2019, Source: Jefferies analysis, "Software M&A Deals." Data as of 9/14/2020. Analyses excludes deals under $100 million and deals with EV / LTM EBITDA greater than 50.0x.

Note: For illustrative purposes only.

Traditional products and pricing have not evolved with the market

INSIGHT PARTNERS

THERE IS A NEED FOR A SOLUTION THAT EXTENDS PAST TRADITIONAL DEBT BUT COSTS LESS THAN COMMON EQUITY



- **Debt available to fund buyouts generally remains flat** at 6 – 7x, even for very high quality software buyouts[1]
- As a result, **debt has shrunk dramatically** as a percentage of Enterprise Value in these buyouts, from ~60% to ~35%[1]
- Large tranches of **equity are all priced homogenously**
- There is a need for a **capital solution that extends beyond the traditional lender spectrum** but does not cost as much as traditional equity
- Convertible, preferred equity more accurately **prices downside risk without limiting upside** potential

Note: For illustrative purposes only. Please refer to the Important Legal Information at the beginning of this Presentation regarding forward-looking statements.
[1] Ranges reflect Insight's views and experience within the software market which may not be accurate.

Target Asset Profile[1] | We continue to look for top quality software companies

INSIGHT PARTNERS

Strong Software Fundamentals	**Same diligence criteria for high growth, retentive software companies** • *Strong product market fit within a large addressable market* • *Best-in-class customer satisfaction, efficiency and retention* • *Functional and operational excellence*
Flexible Ownership Structure	**Various ownership structures (sponsor, founder-backed) can fit the strategy** • *Sponsors who are ~2-4 years into a hold period may have appetite to do a partial liquidity event in order to realize capital gains* • *May be in a buyout process where the owner could not find a clean deal at target returns or may be separately catalyzed*
High Conversion Probability	**High probability of upside events that will drive conversion of preferred equity** • *Target is for a majority of deals (>50%) to convert into common equity[1]* • *Upside opportunities may include strong organic growth, strategic exit / IPO, M&A execution, etc.*

[1] Targets included herein are merely targets that are indicative of the intended portfolio and are an estimate by Insight, which may or may not be achieved. The Fund's portfolio could differ materially; in particular, the Fund's portfolio will be driven by external factors such as market conditions and opportunities at the time. No representation is made that these targets are or will be attainable by the Fund or that the Fund will be able to implement its investment strategy, achieve its investment objectives or avoid substantial losses. Please refer to the Important Legal Information at the beginning of this Presentation regarding forward-looking statements and targets.

Sellers have an incentive to accept a preferred equity offer where they have a strong belief in future upside

INSIGHT PARTNERS

Why a seller would consider a preferred equity transaction:

1 Realize high capital gains and **improve fund distributions**

2 Maintain **exposure to growth upside** for top quality assets

3 Secure **funding for M&A transactions** for the asset

What a seller has to believe to accept a preferred equity transaction:

1 **The asset is high performing and will continue to grow** – seller downside returns are worse in a structured deal in order to provide downside protection to buyer

2 **A clean deal price point underprices asset growth prospects** – may be due to timing, macro-environment, or other factors

This creates a *positive selection bias* that skews the opportunity set for potential structured equity transactions toward high-quality, high-growth software companies where the seller has confidence in asset performance over the long term

Note: For illustrative purposes only. Please refer to the Important Legal Information at the beginning of this Presentation regarding forward-looking statements.

Insight's platform is uniquely positioned to execute this strategy

INSIGHT PARTNERS

Software Deal Sourcing	• Opportunities Fund will leverage Insight's existing dealflow and sourcing network • Comprehensive view of all software assets • 44 active outbound sourcing FTEs, with 25,000+ companies contacted annually[1] • Ability to drive M&A dealflow to Opportunities Fund portfolio companies
Software Deal Execution Experience	• Thousands of software due diligences completed over 25 years • Over $22B invested in >400 companies – $10B+ invested in companies of similar profile to Opportunities Fund target companies • Insight's historical deal flexibility across a variety of alternative software transaction types, including minority and majority situations, places the firm in a strong position to execute
Software Value-Add Capabilities	• Partnership with management and board on business improvement and growth initiatives • Extensive M&A experience – 80+ add-on transactions executed by Insight portfolio in 2019 • Deep capital markets and M&A expertise for optimal deal structuring and financing

[1] As of 1/4/2021.
Note: As of 9/30/2020 unless otherwise noted. For illustrative purposes only. Please refer to the Important Legal Information at the beginning of this Presentation regarding forward-looking statements and targets.

Favorable Competitive Dynamics | Insight believes there are few firms focused on this opportunity within software

		Competitive Overlap	Software Expertise: Sector Focus	Software Expertise: Sourcing Ability	Software Expertise: Value-Add / Owner-Operator Capabilities	Structure / Approach: Ability to Set Equity Price	Structure / Approach: Focus on Upside Potential / Conversion	Structure / Approach: Equity Mindset
Convertible Preferred Equity	INSIGHT PARTNERS		●	●	●	●	●	●
Convertible Preferred Equity	CLEARLAKE CAPITAL	◕	◑	◔	◑	●	●	●
Convertible Preferred Equity	SILVERLAKE	◑	◔	◔	◑	●	●	●
Traditional Structured Equity	OWL ROCK CAPITAL CORPORATION; HP HARVEST PARTNERS STRUCTURED CAPITAL	◔	◔	○	◔	◔	◔	◔
Alternative Credit Platforms	ARES CAPITAL CORPORATION; FORTRESS; OAKTREE; APOLLO	◔	◔	○	◔	◔	◔	◔

Typically partnering with sponsors to provide stretch financing in support of a change of control transaction

Note: For illustrative purposes only and reflects Insight's opinion which may not be accurate.

Insight's Diversity, Equity & Inclusion Programs

Significant emphasis on diversity, equity & inclusion programs at Insight, within our Portfolio, and the tech ecosystem

INSIGHT PARTNERS

Initiatives Prior to 2020

Internal: Recruiting & Mentoring

- Sophomore Diversity Program: Internship program for under-represented minorities
- Sponsors for Educational Opportunity (SEO): Attract under-represented minorities
- Out for Undergrad (O4U): Recruit LGBTQA+
- Expanded University Recruiting Pool: Attract students with socio-economic diversity
- Girls Who Invest: Sponsor diverse interns to increase the number of women
- Unconscious Bias Training: Trained Insight's interviewers in better recruiting practices
- Women's leadership: Inaugural member of Declare, an organization co-founded by Hilary Gosher, Insight MD, to advance women in tech & PE/ VC

Portfolio

- Women's Tech Leadership Summit: Annual event for 100+ female portfolio leaders and 150+ technology leaders in the industry
- Faces of Change Executive Leadership Academy: Scholarship for 6 female executives to program of coaching, and tools in of support public board readiness and advancement

+

Expanded Initiatives

Internal: Recruiting & Workplace Practices

- MD Hiring: Initiative to hire MD with diverse experience, background for next open investment MD position
- Lateral Hiring: Expanded focus to ensure diverse candidate pools for non-campus hiring
- Annual Firm-Wide Holidays for Juneteenth & voting days
- Social Justice Match: 2:1 match of employee donations
- DE&I Council to review and support new programs
- Support for Diverse-Led Businesses: Ensure firm spending supports companies with diverse leaders

Portfolio

- Diversity clause included in term sheets for minority deals
- Build relationships with under-represented GPs and founders to expand sourcing pipeline
- Recruited CEO Diversity Council to draft ScaleUp Diversity Pledge which will include tracking diversity metrics and Rooney Rule for C-level recruiting
- Creating portfolio internships for Black/ minority graduates

Ecosystem

- Industry-wide initiative to ensure Black & minority independent Board members for PE-backed companies
- Launched fund with partner's money to invest in emerging under-represented GPs (LPAC permission granted)
- Launched three different Content Series (details on next page)

Ecosystem Education: Content Series to create awareness of social and tech challenges to build better ScaleUp software community

INSIGHT PARTNERS

Launched 3 different Content Series in 2020:

1. WITH INSIGHT: Perspectives from business, technology and philanthropic leaders
2. In Your Shoes: Experiences of CEOs who have led successful ScaleUp software companies
3. Faces of Change: Interviews with game changers and ceiling breakers. Leaders from diverse backgrounds.

Past Speakers

Wes Moore
CEO of Robinhood, social entrepreneur, author, veteran

Ritu Bhargava
SVP, Software Engineering at Salesforce

Betsy Atkins
Seasoned CEO, served on 30+ global public boards, author

Sir Robert Swan
Environmental leader and first person to walk to both Poles

Travis Montaque
Forbes 30 U 30 Entrepreneur and CEO at Holler. Entrepreneur Magazine's "Most Daring CEO" and advocate for Open-Sourced Diversity

Recent Public Statements on Diversity & Inclusion

INSIGHT PARTNERS

Insight's Commitment to ESG

Insight is deeply committed to ESG

INSIGHT PARTNERS

Insight's Approach to ESG

- Insight considers ESG issues throughout the investment life cycle:
  - ESG due diligence is conducted on all new investments, and any material ESG risks are included in the due diligence memorandum presented to the Investment Committee
  - Post-close, Insight monitors identified material ESG risks of Portfolio Companies, and will consider ESG issues when serving on the board of directors
- We leverage our partnership with Malk Sustainability Partners, a recognized ESG subject matter expert, to conduct due diligence, ongoing monitoring within the portfolio and reporting to Limited Partners
- Insight's ESG Committee oversees the ESG program, and the Chief Compliance Officer is responsible for day-to-day oversight and implementation
- Our ESG program adheres to the American Investment Council's Guidelines for Responsible Investment

ESG Committee

Ian Sandler
Managing Director & Chief Operating Officer

Blair Flicker
Managing Director & General Counsel

Andrew Prodromos
Chief Compliance Officer & Deputy General Counsel

Ross Devor
Managing Director

Caitlin DiPasquale
Vice President

Note: For illustrative purposes only. Based on Insight's Environmental, Social and Governance Policy that applies to investments in new Portfolio Companies made by a Fund on or after September 1, 2015.

SHAWN T. WOODEN
TREASURER

January 8, 2021

Members of the Investment Advisory Council ("IAC")

Re: **Consideration of One Rock Capital Partners III, LP**

Dear Fellow IAC Member:

At the January 13, 2021 meeting of the IAC, I will present for your consideration a private equity opportunity for the Private Investment Fund ("PIF") in the Connecticut Retirement Plans and Trust Funds (the "CRPTF"): One Rock Capital Partners III, LP ("One Rock III" or the "Fund"). The Fund has a target size of $1.5 billion and is being raised by One Rock Capital Partners ("One Rock"), based in New York, NY.

I am considering an investment of $125 million in One Rock III, a fund that will pursue control-oriented, private investments utilizing a value-oriented, operationally focused strategy focused on middle market, North American companies. One Rock seeks to drive value creation and attractive investment returns through the implementation of proven operational improvements and strategic repositioning practices. A commitment to the Fund would provide the CRPTF with exposure to a private equity manager with expertise and demonstrated success investing in complex, value-oriented transactions involving "old economy" industries.

Attached for your review is the recommendation from Laurie Martin, Chief Investment Officer, and the due diligence report prepared by StepStone. I look forward to our discussion of these materials at next week's meeting.

Sincerely,

Shawn T. Wooden
State Treasurer

OFFICE OF THE STATE TREASURER

MEMORANDUM

DECISION

TO: **Shawn T. Wooden, Treasurer**

FROM: **Laurie Martin, Chief Investment Officer**

CC: **Darrell V. Hill, Deputy Treasurer**
Raynald D. Leveque, Deputy Chief Investment Officer
Kevin Cullinan, Chief Risk Officer
Mark E. Evans, Principal Investment Officer

DATE: **December 21, 2020**

SUBJECT: **One Rock Capital Partners III, LP – Final Due Diligence**

Summary

The purpose of this memorandum is to recommend that the Connecticut Retirement Plans and Trust Funds ("CRPTF") consider a commitment of up to $125 million to One Rock Capital Partners III, LP ("One Rock III", or the "Fund"). One Rock III will pursue control-oriented, private investments utilizing a value-oriented, operationally focused strategy focused on middle market companies primarily in North America.

The Fund's general partner, One Rock Capital Partners III GP, LLC (the "GP"), is targeting a $1.5 billion Fund size with a $2.0 billion hard cap that is likely to be oversubscribed. The Fund's first closing was in April 2020, and the GP is targeting a final close during the first quarter of 2021. The GP is an affiliate of One Rock Capital Partners, LLC ("One Rock" or the "Firm"), a New York, NY based private equity firm formed in 2010 by Tony Lee and Scott Spielvogel.

Strategic Allocation within the Private Investment Fund

The Fund's buyout strategy falls under the Corporate Finance allocation of the Private Investment Fund ("PIF"). The Investment Policy Statement ("IPS") establishes target allocation ranges of 70% to 100% to Corporate Finance investments within the PIF portfolio as measured by a percentage of total exposure, defined as market value plus unfunded commitments. The PIF's total exposure to Corporate Finance strategies was approximately 84%, as of September 30, 2020.

The One Rock III sub-strategy is categorized further as a middle market buyout fund, which represented approximately 9% of the PIF's estimated total exposure as of September 30, 2020. A Fund commitment would align with the PIF's strategic pacing plan objective of increasing the portfolio's middle market exposure to 10% to 14%. The recommended commitment to One Rock III would represent the CRPTF's first investment with One Rock. Pension Funds Management ("PFM") investment professionals believe that One Rock's expertise and demonstrated success with complex, value-oriented transactions would be highly additive to the PIF's buyout portfolio.

Investment Strategy and Market Opportunities

One Rock III will follow the same investment strategy executed with prior One Rock funds as well as by the Firm's founders prior to starting One Rock. The Firm primarily focuses on middle market, North American companies operating in "old economy" sectors, where One Rock seeks to drive value creation through operational improvements and strategic repositioning versus relying solely on favorable industry or macroeconomic tailwinds. As described more fully below, a key differentiator of One Rock's strategy is its team of Operating Partners that support the Firm's ability to acquire companies and assets at favorable valuations, often because of the complexity involved in such opportunities. In addition, One Rock benefits from its strategic relationship with Mitsubishi Corporation ("Mitsubishi"), which the Firm can leverage for deal sourcing, due diligence, market insights, and post-acquisition resources.

Tony Lee and Scott Spielvogel (the "Founders") attended college together and later both worked at private equity firm Ripplewood Holdings ("Ripplewood") between 2005 and 2010. Lee, who joined Ripplewood in 1997, and Spielvogel executed a similar strategy while with Ripplewood, including a focus on value-oriented, complex, middle market transaction supported by operating partners and a strategic relationship with Mitsubishi. The consistency of the One Rock strategy is also evidenced through the current One Rock team, which includes an additional five former Ripplewood investment professionals and five former Ripplewood operating partners. In addition, Mitsubishi elected to continue its strategic relationship with the Founders at One Rock.

One Rock generally targets "old economy" sectors where the Firm's investment professionals and Operating Partners have significant experience, including specialty manufacturing, chemicals and processing industries, food manufacturing and distribution, business and environmental, and auto retail. Within these sectors, One Rock seeks to identify companies or assets involving some degree of complexity or operational challenges that allow the Firm to acquire these investments at attractive values due to reduced competition from other private equity firms or strategic acquirers that lack the skill or interest to take on such challenges. Historically, One Rock has been able to acquire its portfolio companies at valuation multiples approximately 30% below relevant comparables. One Rock generally identifies transaction complexity in the situations outlined below.

- ***Corporate Carveouts*** – These transactions may require the recruitment of new leadership, standing up of information technology and other corporate infrastructure, and/or the negotiation of key, on-going commercial agreements with the seller.
- ***Complicated, Misunderstood Companies or Industries*** – Often avoided by other private equity firms, these situations may involve companies with contingent liabilities, those without standalone or audited financials, or those operating in industries thought to be in secular decline or facing regulatory uncertainties.
- ***Under-optimized Companies*** – One Rock seeks to identify opportunities where it can unlock value due companies suffering from financial or operating challenges because of poor quality or disincentivized management teams, lack of investment by current ownership, or a focus on lifestyle preservation versus business optimization for some family-owned companies.

One Rock currently has a team of 17 Operating Partners, consisting of former senior level executives and functional experts that are actively involved in all facets of One Rock's strategy from sourcing through portfolio company value creation. The Operating Partners' expertise and networks are leveraged to provide the Firm with access to deal flow, information and insights that are critical to due diligence, and managerial talent likely be needed should One Rock acquire a target company or assets. Many of One Rock's industry focused Operating Partners are former senior executives with companies active in the Firm's targeted sectors, including International Paper, Diebold, Emerson Electric, Rheem, and Honeywell. One Rock believes having its Operating Partners engaged in meetings and discussions with a target's management team and shareholders enhances the Firm's standing and credibility as a potential buyer. This can be especially valuable to One Rock when pursuing a corporate carveout opportunity, where the seller may be motivated more by certainty and minimizing disruptions over value maximization.

Post-acquisition, the Operating Partners are instrumental in supporting the development of the value creation plan designed for each One Rock portfolio company, serve as board members, and may hold interim leadership roles. Value creation plans may include augmenting or replacing management, improving supply chain efficiencies, implementing lean manufacturing techniques, expanding sales and marketing resources and capabilities, and leading strategic growth and repositioning through add-on acquisitions. The Operating Partners are not full-time employees of One Rock but work exclusively with the Firm in private equity. The interest of the Fund and the Operating Partners are aligned as the Operating Partners generally participates in the stock option programs of, and co-invests in, the companies with which he or she is actively involved.

One Rock is also able to access the resources of its strategic partner, Mitsubishi Corporation, through all phases of the investment process. As one of the largest general trading companies in Japan, Mitsubishi has more than 180 offices in approximately 90 countries and is active in many industries, including natural gas, power, industrial materials, petroleum and chemicals, mineral resources, industrial infrastructure, automotive, food, consumer, and urban development. One Rock is able to leverage Mitsubishi for deal flow, market intelligence, and due diligence resources. In addition, One Rock can access Mitsubishi's vast trading network for the benefit of its portfolio companies, including improved sourcing and supply chain efficiencies and assistance in opening new customer relationships or markets. One Rock has generally had one or more secondees from Mitsubishi that serve on One Rock's investment team but also act as the liaison between One Rock and the relevant group within Mitsubishi as needed.

One Rock is expected to raise $2 billion of limited partner commitments for the Fund, which would be more than twice the size of One Rock Capital Partners II ("One Rock II"). The GP is targeting this larger pool of capital for several reasons. One Rock is seeking to build a less concentrated portfolio for the Fund with 8 to 12 investments as compared to the six companies in One Rock II. The GP believes the size of One Rock II was suboptimal for its strategy, but it had agreed to keep the fund's size below $1 billion as part of agreements reached with investors in its first fund, One Rock Capital Partners I ("One Rock I"). A larger Fund size will the allow the GP to continue to focus on companies and investments of the size consistent with Founders' experience at Ripplewood and One Rock II, while relying less on co-investment capital for certain investments.

Firm and Management Team

One Rock is led by its Founders, Tony Lee and Scott Spielvogel, who started the Firm in 2010 after having worked together at Ripplewood since 2005. Prior to founding One Rock, Lee spent 13 years at Ripplewood and was a Managing Director focused on investments in the chemicals and industrials sectors. Spielvogel was also a Managing Director at Ripplewood, where he had worked for five years prior to co-founding One Rock, and focused on investments in the telecommunications and business services sectors. The Founders own a majority of the One Rock management company with the balance held by Mitsubishi, its strategic partner. Mitsubishi's interest in the Firm is passive and it is not involved in the management of One Rock or its investments. While Mitsubishi was an anchor investor in One Rock I, the company continues to be a limited partner investor in One Rock's funds but at a less significant level as the Firm's investor base has grown.

The Founders sought to build One Rock with a core of both investment and operating professionals with whom they had significant prior working experience. In addition to the Founders, the current One Rock team is comprised of five senior investment professionals and five Operating Partners that previously worked with the Founders at Ripplewood. The Firm's two Managing Partners and four Partners comprise the One Rock Investment Committee, although all investment professionals are involved in the screening and approval process for all opportunities brought to the Investment Committee. Investment Committee decisions require the majority approval of its members, while each of the Founders can veto a transaction.

One Rock's 24 investment professionals are led by the Founders as well as four Partners, including two former Ripplewood investment professionals. The One Rock investment team is rounded out by four Principals, four Vice Presidents, three Senior Associates, and seven Associates. The current investment team includes two secondees from Mitsubishi. The Founders have continued to build the Firm's investment, Operating Partner, and management infrastructure to support One Rock's growth. The size of the One Rock team has grown by over 50% since the time One Rock II was raised and several investment professionals have been promoted over the last several years, including to the Principal and Partner level. The Founders have also focused on adding to One Rock's management resources, including the recruitment of the Firm's Chief Financial Officer/Chief Compliance Officer in 2018 and Director of Finance in 2020. The addition of these professionals along with a larger investor relations team have allowed the Founders to spend more of their time on the Firm's investment related activities.

One Rock currently has 17 Operating Partners, which has significantly expanded by both numbers and range of expertise since the Firm was started. Initially, the Founders sought to continue working with several former Ripplewood operating partners, who the Firm categorizes at industry focused due to their significant executive level experience in specific industry sectors. One Rock's nine industry focused Operating Partners are now complemented by eight Operating Partners with functional expertise in areas such as lean manufacturing, supply chain and procurement, IT and digital transformation, finance, human resources and organizational development, and sales and marketing. The functional expert Operating Partners allow One Rock to more efficiently address the recurring need to improve or add these functions within its portfolio companies.

Track Record

As of September 30, 2020, One Rock had invested $1.1 billion across 16 platform companies since inception. These investments had generated a gross internal rate of return ("IRR") of 49% and a gross total value multiple ("TVM") of 1.8x as of the same date. One Rock had realized four investments, which generated a gross IRR of 89% and total value of $586 million, or 4.0x invested capital as of September 30, 2020.

In addition to One Rock's track record, PFM investment professionals reviewed the Founders' investments while with prior firms, including Ripplewood. The Founders had responsibility for ten investments that generated a gross IRR and TVM of 2.4x and 20%, respectively, on $575 million of capital.

The One Rock track record assessed herein includes the Firm's investment in Dixie Electric ("Dixie"), completed by the Founders in 2011 before they had raised One Rock Capital I. While Dixie was raised outside of a traditional fund structure, the net returns shown below are pro forma of estimates using a standard 2% management fee and 20% carried interest structure. On a net basis, One Rock had generated a net TVM of 1.5x and a net IRR of 34% as outlined in the table below.

($US in millions, as of September 30, 2020)

One Rock Capital
Investment Performance Summary

Fund	Vintage Year	Fund Size	# Deals	Invested Capital	Realized Value	Unrealized Value	Total Value	Gross / Net TVM	Gross / Net IRR	Gross / Net DPI	Quartile Rank TVM	Quartile Rank IRR	Quartile Rank DPI
One Rock - Dixie	2011	$36	1	$36	$169	$0	$169	4.7x / 4.3x	113% /106%	4.7x / 4.3x	n/a	n/a	n/a
One Rock I	2012	$432	9	$295	$467	$305	$772	2.6x / 2.0x	36% / 26%	1.6x / 1.3x	1st	2nd	2nd
One Rock II	2017	$964	6	$795	$0	$1,076	$1,076	1.4x / 1.2x	19% / 13%	0.0x / 0.0x	2nd	3rd	4th
Total		**$1,432**	**16**	**$1,126**	**$636**	**$1,381**	**$2,017**	**1.8x / 1.5x**	**49% / 34%**	**1.5x / 0.5x**			

Source: One Rock, StepStone, Burgiss Private iQ US Buyout Benchmarks; June 2020 benchmarks are latest available. Quartile Rank based on net returns.

As of September 30, 2020, One Rock I ranked in the first and second quartiles when compared to the 2012 vintage year Burgiss iQ US Buyout benchmarks, with the fund's TVM in the first quartile and its IRR falling outside of the first quartile by 20 basis points. PFM staff notes that Burgiss had not released its benchmarks for September 30, 2020 as of the date herein, and, as a result, One Rock's September 30, 2020 performance is compared to the June 30, 2020 benchmarks. However, when comparing One Rock I's June 30, 2020 performance to the June 30, 2020 benchmarks, the fund ranked as a first quartile performer based on TVM and IRR. As of September 30, One Rock had fully or substantially realized four One Rock I portfolio companies at a combined TVM of 3.3x. All other One Rock I companies are marked at or above cost, and One Rock expects to explore exit opportunities for several of these companies over the next 12 to 24 months.

One Rock Capital II is still a relatively young portfolio with an average hold period of 1.7 years per company as of September 30, 2020. This factor combined with One Rock's operational improvement strategy, which generally is most intensive during the first 12 to 18 months of the firm's ownership, is largely responsible for the fund's ordinary absolute and relative performance as of September 30, 2020. While one portfolio company was held at 0.9x cost as of September 30, 2020, the overall One Rock II portfolio is performing to expectations and has not been significantly impacted by COVID-19. One Rock expects that all One Rock Capital II companies will meet or exceed underwriting cases, including one potential breakout return on the fund's FXI investment

Key Strengths

1. **Team Continuity & Experience.** One Rock's Founders have known each other for nearly 30 years and have been investing in private equity together for more than 15 years. The Founders have accomplished their goal of building One Rock around a core of investment and operating professionals, as well as a strategic partner, that the Founders worked with previously to successfully execute the One Rock strategy. From this core, which now includes 12 former Ripplewood investment and operating partners, the Founders have added to the size and depth of the Firm's professionals with a focus on hiring junior level investment professionals that gain the experience and skills most relevant to One Rock's strategy. The Firm has had no turnover since its inception other than traditional rotation of Associates, and several investment professionals have been promoted from within, including to the Partner and Principal level.

2. **Operationally Focused Strategy.** One Rock's investment strategy is focused on driving value creation through operational improvements and strategic repositioning versus relying on excessive leverage, favorable industry trends, or macroeconomic tailwinds. Further, One Rock seeks to identify investment opportunities that involve some level of complexity, which often leads to attractive entry valuations. To execute this strategy successfully, One Rock's investment team works in concert with the Firm's Operating Partners that are fully integrated

into the investment process from sourcing to diligence to post-acquisition value creation. The effectiveness of the One Rock strategy is evidenced by the Firm's below market acquisition multiples, attractive returns on realized investments, and a loss ratio that is significantly below industry peers.

Major Risks and Mitigants

1. **Team Capacity.** The Firm's need to manage the existing One Rock portfolio companies raises concerns that One Rock may not have sufficient capacity to effectively invest the Fund. PFM investment professionals gained comfort that One Rock has the resources to effectively deploy One Rock III for several reasons. As previously noted, the Founders have continued to build out the Firm's investment, operating, and management infrastructure resources, which have increased by more than 50% since One Rock II was raised. Most significantly, One Rock hired Rohan Narayan as a Partner in February 2020. Narayan previously worked with the Founders and several other One Rock professionals at Ripplewood and has significantly increased the Firm's senior level investment capacity. Prior to the onset of the COVID-19 pandemic, One Rock had been positioning several portfolio companies for sale. While those plans were postponed, the Firm expects to resume such activities in 2021, likely resulting in a reduction of active portfolio companies. Lastly, One Rock's operational transformation strategy is generally more time intensive for the One Rock team during the first 12 to 18 months of the firm's ownership. Therefore, the team's capacity is expected to continue to expand as a natural result of more companies having moved through this initial stage of transformation

2. **Focus on Cyclical Sectors.** One Rock's focus on "old economy" sectors such as chemicals, manufacturing, and distribution may expose the Fund to risks associated with unfavorable macroeconomic cycles. One Rock seeks to address these concerns in several ways. First, the Firm's strategy is focused on improving the operations and strategic positioning of its portfolio companies, which One Rock believes it can do regardless of industry or macro trends. To further provide protections against such unfavorable trends, One Rock seeks to acquire assets at below market multiple, which coupled with the Firm's prudent leverage practices, helps to reduce the financial stress that often impacts more cyclical businesses. Also, One Rock targets companies that offer products or services that may be less prone to cyclicality or where existing infrastructure can be used to develop new products or services with favorable long-term growth prospects.

Legal and Regulatory Disclosure (provided by Legal)

In its disclosure to the Office of the Treasurer, One Rock Capital Partners, LLC ("One Rock") states that there have been no material legal or non-routine regulatory matters in the past two years.

One Rock states there have been no material claims under its fidelity, fiduciary or E&O insurance policies, and no ongoing internal investigations to report.

One Rock states that there have been no material changes in its ownership occurred in the past two years.

One Rock states that it has adequate policies and procedures to undertake internal investigations of its employees, officers and directors, including annual employee trainings, a Compliance Manual and Code of Ethics, and partners with a compliance consultant.

Compliance Review

The Chief Compliance Officer's Workforce Diversity & Corporate Citizenship review is attached.

Environment, Social & Governance Analysis ("ESG")

The Assistant Treasurer for Corporate Governance & Sustainable Investment's Evaluation and Implementation of Sustainable Principles review is attached.

COMPLIANCE REVIEW FOR PRIVATE INVESTMENT FUND

SUMMARY OF LEGAL AND POLICY[1] ATTACHMENTS

SUBMITTED BY

ONE ROCK CAPITAL PARTNERS, LLC

I. Review of Required Legal and Policy Attachments

ONE ROCK CAPITAL PARTNERS, LLC ("One Rock") a New York-based minority[2] (Asian) owned company, completed all required legal and policy attachments. It disclosed no third party fees, campaign contributions, known conflicts, gifts or legal/regulatory proceedings.

II. Workforce Diversity (See Also 3 year Workforce Diversity Snapshot Page Attached)

As of September 2020 One Rock employed 34, 8 more than the 26 employed in September 2018. Two women and 5 minorities serve as Executive/Senior Level Officials and Managers. Over the 3 year period 2017-2020, 1 woman who is also a minority, was promoted within the ranks of professionals and mangers.

Commitment and Plans to Further Enhance Diversity

One Rock believes diversity of backgrounds and perspectives leads to a more thorough and robust investment process and as such, seeks to hire, retain and promote people with a wide range of personal experiences. One Rock's team consists of individuals of varied backgrounds, ages, races and gender, each bringing unique perspectives and experiences. Approximately 50% of the firm's professionals are minorities and/ or women. In addition, two thirds of the firm's Investment Committee currently consists of minorities and/ or women. The Managing Partners and Partners lead the firm's efforts in sustaining a culture that promotes diversity and inclusion. Also, team members participate in various industry groups and conferences intended to provide increased access for underrepresented groups, such as the Association of Asian American Investment managers, National Association of investment Companies and the Women's Private Equity Summit.

Workforce Statistics

For Executive/Senior Level Officials and Managers:

- Women held 38% (3 of 8) of these positions in 2020, down from 43% (3 of 7) held in both 2019 and 2018.
- Minorities held 62.5% (50% Asian and 12.5% Two or More Races) or (5 of 8) of these positions in 2020, down from 71.4% (57.1% Asian and 14.3% Two or More Races) or (5 of 7) held in 2019, but up from 57.1% (42.9% Asian and 14.3% Two or More Races) or (4 of 7) in 2018.

At the Management Level overall:

- Women held 24% (4 of 17) of these positions in 2020, up from 8% (1 of 13) in 2019, but down from 27% (3 of 11) held in 2018.

[1] The Treasury Unit responsible for reviewing One Rock's ESG submission will prepare a separate report.
[2] Not certified in Connecticut.

- Minorities held 41.2% (35.3% Asian and 5.9% Two or More Races) or (7 of 17) of these positions in 2020, up from 38.5% (30.8% Asian and 7.7% Two or More Races) or (5 of 13) held in 2019, but down from 45.5% (36.4% Asian and 9.1% Two or More Races) or (5 of 11) held in 2018.

At the Professional Level:

- Women held 20% (2 of 10) of these positions in 2020, down from 25% (2 of 8) in 2019, but the same 20% (2 of 10) held in 2018.
- Minorities held 40% (40% Asian) or (4 of 10) of these positions in 2020, up from 37.5% (37.5% Asian) or (3 of 8) in 2019, and the same 40% (40% Asian) or (4 of 10) held in 2018.

Company-wide:

- Women held 38% (13 of 34) of these positions in 2020, down from 43% (12 of 28) in 2019, and 39% (10 of 26) held in 2018.
- Minorities held 38.2% (32.4% Asian and 5.9% Two or More Races) or (13 of 34) of these positions in 2020, up from 35.7% (28.6% Asian and 7.1% Two or More Races) or (10 of 28) held in 2019, but down from 42.3% (34.6% Asian and 7.7% Two or More Races) or (11 of 26) held in 2018.

III. Corporate Citizenship

***Charitable Giving**:*

One Rock is committed to being a strong corporate citizen and encourages employee involvement in the communities in which they live and work. The firm supports organizations aimed at improving access to private equity for minority groups, as well as other organizations involved in philanthropic and social justice efforts. For example, the firm is a sponsor for the National Association of investment Companies, as well as the Association of Asian American Investment Managers, on which the firm's Head of Investor Relations serves. The firm also participates in investor conferences for emerging managers and has sponsored conferences held by the Robert F. Kennedy Human Rights Organization. Several employees hold board positions with charitable organizations. Additionally, the firm's portfolio companies undertake their own corporate philanthropy and community engagement efforts. For example portfolio company Jadex organized a team to participate in a campaign for the American Cancer Society. One Rock made a donation to the American Cancer Society in support of Jadex's efforts. Another example, since 1996 portfolio company Orion Food Systems has supported a golf tournament in South Dakota-the Orion Classic-that has raised over $4 million for the Children's Home Society and Children's Inn over the years.

Internships/Scholarships:

The firm does not have a formal internship program but has had three interns in its 10-year history including two females, one of whom was also a minority. In addition, One Rock makes an effort to train, support and mentor all junior employees, many of whom have been minorities and/ or women. The firm does not have a scholarship program at this time.

Procurement:

Currently, One Rock does not have a formal procurement policy or program to foster relationships with women/minority/ and/or emerging-owned businesses. However, it is always looking for the best fit and does not discriminate against any group.

Evaluation and Implementation of Sustainable Principles (provided by Assistant Treasurer of Corporate Governance and Sustainable Investing Policy)

Criteria	Responses
Firm has an ESG policy	Yes
If yes, firm described its ESG policy	Yes
If yes, firm provided examples of ESG factors considered in the decision-making process, explained the financial impact of these ESG factors	Yes
Designated staff responsible for sustainability policies and research	Yes
Firm provides training/resources on sustainability issues, explained sources of ESG-related data	Yes
Signatory/member of sustainability-related initiatives or groups	No
Policy for evaluating current or prospective relationships with manufacturers or retailers of civilian firearms	No
Policy that requires safe and responsible use, ownership or production of guns	No
Enhanced screening of manufacturers or retailers of civilian firearms	No
Enhanced screening of any industry/sector subject to increased regulatory oversight, potential adverse social and/or environmental impacts	Yes
Merchant credit relationships with retailers of civilian firearms and accessories	No
If yes, firm confirms compliance with laws governing firearms sales	N/A
Overall assessment of responses (e.g., depth of approach to ESG and integration)	The firm described a good framework for ESG integration, including an Investment Committee responsible for implementation of its ESG policy. The firm is not a member of any sustainability-oriented organizations. The firm does not have a policy specific to civilian firearms because they do not do business with manufacturers or retailers. However, they do conduct enhanced screening of industry/sectors subject to increased regulatory oversight.
SCORE: Excellent - 1 Detailed description of ESG philosophy and integration; ongoing ESG assessment; established framework; member of sustainability-oriented organizations; enhanced screening of firearms and/or higher-risk sectors Very Good - 2 Detailed description of ESG philosophy and integration; ongoing ESG assessment; established framework; member of sustainability-oriented+B3 organizations Satisfactory - 3 General description of ESG philosophy and integration; some evidence of framework for ongoing ESG assessment; member of sustainability-oriented organizations Needs Improvement - 4 Generic and/or vague description of ESG philosophy and integration; no ongoing ESG assessment; no dedicated ESG staff or resources Poor - 5 Incomplete or non-responsive	2

State of Connecticut
Retirement Plans and Trust Funds

Recommendation Report

One Rock Capital Partners III

December 18, 2020

Table of Contents

Executive Summary

Fund	One Rock Capital Partners III, LP ("Fund III," the "Fund" or "One Rock III")
General Partner	One Rock Capital Partners ("One Rock," "ORCP" or the "Firm")
Report Date	Data as of September 30, 2020
Fundraising	One Rock is currently in market with its third fund, which is targeting US$1.5 billion. The Fund has a hard cap of US$2 billion in LP commitments.
Source	Connecticut Retirement Plans and Trust Funds ("CRPTF") sourced the investment opportunity directly for evaluation for the Private Investment Fund ("PIF").
Key Terms	Management Fee: During the investment period, the Management Fee shall equal 2.0% per annum of the Capital Commitment of such Limited Partner. Thereafter, 1.85% per annum of the Ordinary Capital Contributions of such Limited Partner that were used to fund the cost of Portfolio Investments that are held by the Fund, less any Unrealized Losses with respect to Impaired Investments. Carried Interest: The Carried Interest allocation will be 20% after an 8% Preferred Return for Limited Partners (with 100% GP catch-up), subject to clawback. Termination Provisions: For cause termination of the Fund upon the vote of a Majority in Interest after the determination by a court of competent jurisdiction that either (x) the General Partner or (y) a Principal has engaged in Removal Conduct in respect of the Fund. No fault termination of the Fund upon the vote of 80% in Interest obtained within any 120-day period after the first anniversary of the final Closing. Key Person: The Investment Period will be suspended upon, and unless the Advisory Committee otherwise consents, the Fund will engage only in Runoff Activities after the date on which either Tony W. Lee or R. Scott Spielvogel cease to devote, whether through the General Partner, the Manager or otherwise, substantially all of their business time and efforts to the investment and other activities of the Manager and its Affiliates other than for a period of less 6 consecutive months or 9 months in any 12-month period due to injury, sickness or disease. GP Commitment: One Rock will commit at least 2% of committed capital, but no more than US$30 million, to Fund III, through a mix of cash and management fee offset.
Investment Strategy	One Rock targets control investments in complex situations in North American Middle Market companies, primarily in the manufacturing, industrial services and business services sectors. Underperforming or complex situations, such as corporate carve-outs, misunderstood industries

or companies, and underperforming companies, often lead to less competitive processes characterized by attractive entry multiples and value creation potential. The Firm employs a value-oriented, operationally focused strategy and targets businesses that can be improved through the implementation of an operating agenda developed in collaboration with management and industry-specific senior operating executives (the Operating Partners). Post-acquisition, One Rock will seek to create value by utilizing its in-house operating expertise to strengthen the operational performance of acquired companies and enhance each company's strategic positioning. The strategy executed by Fund III is expected to be largely similar to that of Fund II. The Firm's investment methodology is also similar to that employed by the Founders while at Ripplewood. Thus, the team has extensive experience executing a consistent investment strategy.

Management Team

One Rock was founded in 2010 by Tony Lee and Scott Spielvogel, two former Managing Directors of Ripplewood, a New York-based private equity firm focused on leveraged buyouts across a variety of industries. At the time of their departure, the Founders represented two of the seven investment Partners on the investment committee at Ripplewood and took part in sourcing, executing, monitoring and exiting investments in a range of industries including chemicals, industrials, consumer & retail, and business services. The Firm is led by the Founders and Managing Partners, Messrs. Lee and Spielvogel, who are based in the Firm's New York City office. The senior team includes three additional Partners who have been with One Rock since Fund I. Kimberly Reed, who joined One Rock in 2012 and was promoted to Partner in 2013, leads the Firm's Los Angeles office. Kurt Beyer and Michael Koike, who have been with One Rock since Fund I, were promoted to Partners at the beginning of 2017, ahead of Fund II. Messrs. Beyer and Koike are based in New York City. The Partners are supported by thirteen investment professionals, including four Principals, two Vice Presidents, two Senior Associates, and five Associates.

Track Record

Since the Founders spun out of Ripplewood, OCRP has invested US$1.1 billion across 16 investments, including one pre-fund investment in Dixie Electric ("Dixie"). In aggregate, these investments have generated a gross TVM/IRR of 1.8x/49% with a loss ratio of 2%, as of September 30, 2020. The Firm has completed nine investments out of One Rock Capital Partners, LP ("Fund I" or "OCRP I"), which closed at the fund's revised hard cap of US$432 million in February 2014. As of September 30, 2020, Fund I has generated a net TVM/IRR of 2.0x/26%, despite being under-invested at only 68% drawn. One Rock Capital Partners II ("Fund II", or "OCRP II") raised its hard cap of US$950 million in 2017, and completed its sixth and final deal in February 2020. Across four realized deals, including Dixie and three Fund I investments, the GP has generated strong returns of 4.0x/89% gross TVM/IRR.

(US$ in millions, as of September 30, 2020)

One Rock Capital Partners Investment Performance

Fund	Vintage Year	Fund Size	# of Deals	Invested Capital	Realized Value	Unrealized Value	Total Value	Gross TVM	Gross IRR	Loss Ratio	Net TVM	Net IRR	DPI
Dixie Electric	2011	$36	1	$36	$169	-	$169	4.7x	113%	0%	4.3x	106%	4.3x
Realized Funds		**$36**	**1**	**$36**	**$169**	**-**	**$169**	**4.7x**	**113%**	**0%**			
One Rock I	2012	$432	9	$295	$467	$305	$772	2.6x	36%	0%	2.0x	26%	1.3x
One Rock II	2017	964	6	795	-	1,076	1,076	1.4x	19%	2%	1.2x	13%	0.0x
Unrealized Funds		**$1,396**	**15**	**$1,090**	**$467**	**$1,381**	**$1,848**	**1.7x**	**30%**	**2%**			
Total Realized Investments			**4**	**145**	**585**	**0**	**586**	**4.0x**	**89%**	**0%**			
Total Unrealized Investments			**12**	**980**	**51**	**1,380**	**1,431**	**1.5x**	**19%**	**2%**			
Total		**$1,431**	**16**	**$1,126**	**$636**	**$1,381**	**$2,016**	**1.8x**	**49%**	**2%**	**1.5x**	**34%**	**0.5x**

Source: One Rock, StepStone analysis.

Note: Net performance figures for One Rock Dixie were estimated by One Rock/StepStone, assuming a 2% management fee and 20% carried interest.

Investment Evaluation

(+) Cohesive and Growing Team that is Highly Motivated: One Rock consists of a tight-knit team led by the Founders, who met while attending Harvard and have been working together since 2005. Kimberly Reed and Tony Lee are acquaintances from childhood. Ms. Reed and Mr. Spielvogel worked as Analysts at CIBC Oppenheimer in the late 1990s. The Firm has continued to build outs its team, growing from 22 to 35 professionals since the previous fundraise, and has not experienced any departures at the VP level or above. When including Operating Partners, 11 of the Firm's 35 professionals worked together at Ripplewood, which has enabled the Firm to transition seamlessly to an independent platform. StepStone believes that Messrs. Lee and Spielvogel are highly motivated to build a leading Middle Market private equity firm.

(+) Attractive Operating Partner Model: One Rock engages a team of 14 seasoned executives with domain expertise who assist with sourcing, due diligence and post-investment value-add, often serving as the CEO or Chairman of a portfolio company. Operating Partners are full-time and exclusive to the Firm, and compensation is tied to the success of portfolio companies to which they are allocated, creating a strong alignment of interest. By teaming with executives with significant industry experience, the Firm is able to appeal to owner-operated companies and differentiate itself from other prospective buyers in competitive sale processes. One Rock has added seven new Operating Partners since Fund II, including four functional experts who assist in the areas of IT, HR, procurement & supply chain, and lean manufacturing.

(+) Value-Oriented Investor with a History of Acquiring Businesses for Below-Market Prices: One Rock targets complex situations, including carve-outs or misunderstood companies and industries, which enables the Firm to purchase businesses for attractive purchase prices. Across Funds I and II, the Firm's weighted average entry EBITDA multiple across all investments is 6.5x, which is approximately 27% below the Small and Middle Market average. StepStone views One Rock's extensive experience investing in out-of-favor companies and complex situations as a differentiator and allows One Rock to continue winning processes at attractive valuations, despite moving up market.

(+) Strong Absolute and Relative Track Record: As of September 30, 2020, One Rock I has generated a gross TVM/IRR of 2.6x/36% and a net TVM/IRR of 2.0x/26% with a <1% loss ratio. Compared to U.S. buyout funds of the same vintage year, Fund I's net performance ranks it in the first quartile on a net TVM basis, and second quartile on an IRR and DPI basis. One Rock has generated a loss ratio of 2% across all 16 investments, which compares favorably to the 12% average loss ratio of the Small and Middle Market. The GP's minimal losses highlight its focus on capital preservation and downside protection, particularly with misunderstood businesses that often require operational improvement.

(-) Capacity to Deploy Capital and Manage Existing Portfolio: While the average annual deployment responsibility per Partner will increase 13% relative to Fund II at a US$1.5 billion fund size, each Partner will be tasked with deploying more than double the annual capital they were each responsible for in Fund II should Fund III meet its hard cap. This may raise capacity concerns. Additionally, Messrs. Lee and Spielvogel hold nine and ten active board roles, respectively, while Ms. Reed, Mr. Beyer, and Mr. Koike sit on two or three boards. Messrs. Lee and Spielvogel's capacity may be constrained, limiting their ability to participate in deal execution as well as post-close operating strategies. The Firm doubled the size of its Operating Partner base, which gives StepStone some comfort that the Firm will be able to accommodate new investments in Fund III, while continuing to provide the necessary operational support to service its active portfolio. Including Operating Partners, One Rock's senior-level team has increased 53% versus Fund II. In addition to the Operating Partner group expansion, One Rock has added two additional mid-level professionals, one investment Associate, and also hired a CFO/CCO. StepStone views the mid-level tranche as strong support for the Partners and expects additional Partner promotions to occur during Fund III. Further, StepStone expects the addition of Anna Kelleher in 2018 as CFO/CCO will help alleviate some of the managerial burden on the Founders.

(-) Fund II Drift Up-Market: One Rock moved materially up market from Fund I to Fund II. The Firm deployed 75% of Fund I into companies with TEV below US$250 million, versus Fund II, which has invested all of its capital in companies with TEV between US$500 million and US$1 billion. Further, the weighted average EBITDA of the Fund I portfolio was US$22 million at entry, versus US$92 million for Fund II. While StepStone believes the Firm has remained consistent in its focus on investing in "old economy" businesses with an element of complexity, the size of company they are targeting, and competition that they are facing for these assets is different than in Fund I. Though Fund III's fund size does not necessitate a further migration up-market, there is additional risk that the Firm may continue targeting larger companies and competing in more competitive processes given a likely doubling of fund size. One Rock will continue to pursue the same strategy, but will target larger transactions than Fund I, similar to where they have invested in Fund II. While the Fund II portfolio is comprised of larger companies than Fund I, One Rock has maintained its focus on purchasing assets out of complex situations at below market multiples. Fund II has been purchased at approximately three turns of EBITDA below the Middle Market average, which is in line with Fund I. StepStone continues to be confident in One Rock's ability to source attractive investment opportunities in its target sectors and use its Operating Partners to successfully effect change at its portfolio companies.

(-) Fund Size Increase: One Rock is targeting US$1.5 billion in commitments for Fund III, and will likely exceed this target and close the Fund closer to its hard cap of US$2.0 billion. At US$1.5 billion, Fund III will be 56% larger than Fund II, while at US$2.0 billion, Fund III will be 108% larger than Fund II. This increase raises concern around the Firm's ability to deploy capital prudently and the potential for continued strategy drift into a more competitive segment of the market. One Rock is raising a larger Fund III in order to build a more diversified portfolio and rely less on co-investment capital. Fund II completed six investments which were 41% funded with LP co-investment capital. Fund III is targeting 8-12 similar sized investments and intends to fund a more meaningful portion of the equity requirement. The Firm has demonstrated its ability to source and execute larger investments and will be able to speak for a larger portion of total equity checks with a larger fund. The team has grown by 52% since Fund II was raised, primarily driven by expansion of the Operating Partner group and mid-level tranche. The GP expects additional partner promotions during Fund III and continues to hire externally at the VP level and below.

(-) Cyclical Exposure: One Rock targets "Old Economy" sectors, including chemicals & process industries, specialty manufacturing & healthcare products, food manufacturing and distribution, business & environmental services, and auto retail. Many of these sectors exhibit cyclicality. This risk is partially mitigated by the Firm's disciplined approach to entry valuations and their hands-on approach to value creation, increasing the likelihood of success across market cycles.

Recommendation

In StepStone's view, a commitment to the Fund represents an attractive investment opportunity for investors seeking exposure to a Middle Market private equity firm focused on value-oriented investing that pursues an operationally-intensive approach to value creation. The Firm is led by a cohesive and growing team that is highly motivated and benefits from the support of robust operating resources representing reasoned executives that are full-time and exclusive to ORCP. StepStone views One Rock's extensive experience investing in out-of-favor companies and complex situations as a differentiator and allows One Rock to continue winning processes at attractive valuations, despite moving up market. ORCP has generated strong absolute and relative returns with limited losses.

Investment Strategy

One Rock targets control investments in complex situations in North American Middle Market companies, primarily in the manufacturing, industrial services and business services sectors. Underperforming or complex situations, such as corporate carve-outs, misunderstood industries or companies, and underperforming companies, often lead to less competitive processes characterized by attractive entry multiples and value creation potential. The Firm employs a value-oriented, operationally focused strategy and targets businesses that can be improved through the implementation of an operating agenda developed in collaboration with management and industry-specific senior operating executives (the Operating Partners). Post-acquisition, One Rock will seek to create value by utilizing its in-house operating expertise to strengthen the operational performance of acquired companies and enhance each company's strategic positioning. The strategy executed by Fund III is expected to be largely similar to that of Fund II. The Firm's investment methodology is also similar to that employed by the Founders while at Ripplewood. Thus, the team has extensive experience executing a consistent investment strategy.

The strategy utilizes the expertise of Operating Partners in all facets of the investment process, from helping identify acquisition targets, conducting due diligence and driving operational changes at portfolio companies. One Rock targets sectors where it has a prior track record and dedicated Operating Partners to help execute the strategy, including the following: chemicals & process industries, specialty manufacturing & healthcare products, business & environmental services, food manufacturing & distribution, and auto retail. This approach provides the Fund with the ability to pursue situations characterized by operational inefficiency and complexity and mirrors the Founders' prior private equity investment experience at Ripplewood. Specifically, One Rock's investment approach will focus on the following:

- **Identifying Complex Situations In Attractive Market Segments:** One Rock proactively researches and identifies attractive industry niches for investment. Particular attention is given to industries or sectors undergoing significant change, experiencing disruption, or those that One Rock believes are misunderstood by the marketplace.
- **Engaging Proven, Senior Executives From Within That Industry:** One Rock's investment thesis is developed and further refined in collaboration with one or more Operating Partners, senior executives from within an identified target segment. Each executive applies his or her experience and resources to One Rock's investment activities within that particular industry.
- **Proactively Seeking Investment Opportunities with the Operating Partner:** The Operating Partner is an integral part of the sourcing and due diligence for each investment opportunity. Prior to making an investment, a detailed operating plan for the company is developed, which is to be implemented once the investment is made. Where possible, One Rock's Strategic Partner, Mitsubishi, assists in sourcing opportunities for investment and provides direct assistance in the due diligence process by leveraging its global network.
- **Implementing Operating Improvements Post-Acquisition:** The strategies for value enhancement developed during the due diligence process are proactively implemented under the guidance of the Operating Partner(s). These strategies are constantly reviewed and refined throughout the ownership period in order to adapt to a dynamic business environment. Mitsubishi's global resources are expected to provide One Rock additional avenues to add tangible value at the enterprise level.

One Rock expects to invest the Fund across 8 to 12 companies, which is larger than the six investments that will comprise Fund II. While equity check size is expected to increase due to the larger fund size, the increase is expected to be moderate due to more diversified portfolio construction. The Firm plans to make two to three investments per year and hold the investments for three to five years. One Rock will have either control or substantial influence over the operations of each company in which the Fund invests. The team will typically invest in industries where they have existing Operating Partners.

Portfolio Characteristics

Transaction Type: One Rock believes that operational inefficiency and/or complexity is closely correlated with value creation potential. The market for corporate control is most inefficient when complexity is involved. This is especially true where outside operational expertise is required as part of the investment. As such, complex situations in the North

American Middle Market can offer compelling opportunities for superior returns, if structured and executed correctly. One Rock has historically invested fairly evenly across the three transaction types, with a skew toward carve-outs during Fund II. One Rock has seen that carve-outs present the Firm with an advantage over competitors because of the Partners extensive history executing carve outs, and the Operating Partners experience diligencing companies in complex situations. Four of One Rock's six most recent deals (Island Energy, NORPAC, Nexeo, Jadex) have been carve-outs, and StepStone expects this to remain a key focus for the Firm in Fund III. While the size and immaturity of Fund II deals skews the Firm's overall track record in carve outs, the three mature carve out deals have generated a 2.8x gross TVM.

One Rock Transaction Types Overview

One Rock Transaction Type

Complex Corporate Carve-outs

- Lack of IT and other corporate infrastructure
- Lack of or incomplete management team
- Need for ongoing commercial arrangement with the seller
  - Transition, supply, customer agreements

Complicated, Misunderstood Companies or Industries

- Lack of audited or standalone financials
- Contingent liabilities
- Regulatory uncertainty
- Industries thought to be in secular decline
- Management transitions

Under-optimized Companies

- Financial duress, usually caused by operational issues
- Poor management
- Family businesses run for "lifestyle" versus profit maximization

<u>Company Size:</u> One Rock moved materially up market from Fund I to Fund II. The Firm deployed 75% of Fund I into companies with TEV below US$250 million, versus Fund II, which has invested all of its capital in companies with TEV between US$500 million and US$1 billion. Further, the weighted average EBITDA of the Fund I portfolio was US$22 million at entry, versus US$92 million for Fund II. While Fund I has generated attractive absolute and relative returns, Fund II is still immature and unproven, with a weighted average life of only 1.1 years. While StepStone believes the Firm has remained consistent in its focus on investing in "old economy" businesses with an element of complexity, the size of company they are targeting, and competition that they are facing for these assets is different than in Fund I. As detailed in the following section, StepStone believes Fund III will be deployed in similar companies and situations as Fund II, however, the Firm has not yet demonstrated an ability to successfully generate attractive exits at this end of the market. StepStone would have preferred a more gradual increase in targeted company size over the last fund cycle.

<u>Equity Check Size:</u> Fund I targeted investment opportunities associated with an equity check of US$25-75 million, including co-investment. In Fund II, the Founders targeted and invested in significantly larger companies. Average fund equity check has increased from US$33 million in Fund I to US$139 million in Fund II, and total equity check including co-investment has increased from US$51 million to US$237 million. The professionals also completed several larger deals during their time at Ripplewood. Since One Rock has demonstrated its ability to invest in larger companies in Fund II, StepStone is comfortable with One Rock's ability to deploy a US$2 billion fund by investing in 3-4 more companies, and slightly reducing co-investment offerings. However, StepStone would prefer the Firm did not raise capital in excess of its US$1.5 billion target, to maintain an ability to invest in smaller companies similar to ones that have driven the Firm's successful Fund I track record, including Island Energy Services (US$110 million TEV at entry), and Airxcel (US$274 million TEV at entry). The increased fund size also introduces risk that the Firm will continue to move up market and target even larger transactions while continuing to use significant co-investment.

<u>Sector:</u> One Rock Fund III will focus on the same "old economy" sectors that were the areas of focus for Funds I and II. These sectors include: Chemicals & Process Industries, Specialty Manufacturing & Healthcare Products, Business & Environmental Services, Food Manufacturing and Distribution, and Auto Retail. The deals completed by One Rock across Funds I and II have been roughly evenly distributed across three of the five sectors in terms of invested capital. As of September 30, 2019, One Rock had not completed a transaction in the Auto Retail space. However, Fund II invested in

CentroMotion, a producer of actuation and control solutions that primarily serves the specialty and commercial vehicle space. One Rock believes that the Firm's consistent sector approach has allowed the Firm to develop the experience required to achieve success within its chosen focus areas. During Q4 2019, Fund III agreed to purchase Innophos, a small public company that manufactures phosphates for the food industry. This deal falls squarely into the Firm's focus of investing in the food and chemicals manufacturing themes. StepStone believes that the Firm has continued to target investments in industries where the investment and operations teams have extensive experience, which gives them an advantage relative to generalist Middle Market investors.

Purchase Price: The One Rock team has historically paid below average purchase price multiples. Across the 14 total investments that One Rock has completed (including Dixie Electric), the Firm has had an average entry multiple of 6.5x EBITDA. This compares to an average of 9.8x across Middle Market transactions from 2011-2019, per StepStone's *SPI Database*. StepStone believes that One Rock's discipline in not over-paying for its portfolio companies is a significant contributing factor to the Firm's historical success. Across its four fully realized investments, One Rock has generated 4.2x of multiple expansion at exit, having purchased the companies at an aggregate 6.7x TEV/EBITDA, and selling them for 10.9x, demonstrating that One Rock has been successful at selling businesses at a premium multiple upon exit. One Rock's historical entry prices have been conservative and value has been partially driven through multiple expansion, although it is not the primary factor. Despite moving up market over the last fund cycle, StepStone remains impressed with One Rock's ability to consistently purchase attractive assets out of limited/broken processes at significantly below market average prices.

Leverage: One Rock's use of leverage has historically been lower than the average for Middle Market companies. The Firm's 14 portfolio companies have had an average Net Debt/EBITDA multiple at entry of 4.0x. Across the same vintage years, Middle Market deals have utilized average total leverage to EBITDA of 4.9x. The following chart provides further color on One Rock's debt level at time of acquisition relative to the average for Middle Market deals, per data from StepStone's *SPI Database*.

Competitive Landscape

Given the sizes of the North American Middle Market, there are a number of managers with whom One Rock may compete. However, the Fund's size of US$1.5 to $2.0 billion place it the lower end of the Middle Market, which narrows its competition. Given the Firm's size and sector focus, StepStone believes there are two broad groups with whom the Firm will compete with for investment opportunities:

- **Generalist Middle Market Funds:** While many firms grow out of the Middle Market with larger subsequent funds, there are a number of generalist North American private equity firms that will compete with One Rock. Generalist funds invest across multiple industries, targeting businesses with healthy fundamentals that may not require robust industry expertise to implement value creation plans. Repeat competition between a generalist and industry-focused manager is therefore unlikely as their target portfolios are not expected to frequently overlap.
- **Industry-Focused Funds:** The Fund may compete with other funds targeting slightly larger investments within the same or adjacent industries. Larger funds may seek to deploy capital on the smaller end of their desired range, or complete an add-on acquisition for one of their existing, larger portfolio companies. However, differences in size and niche strategy will reduce overlap with such funds. One Rock's experienced network and Operating Partners limit direct competition with other managers. Industry-focused funds with whom One Rock is expected to compete include Industrial Growth Partners, Littlejohn & Co., Snow Phipps, and Wellspring.

StepStone believes there are ample companies available at attractive entry points in the Middle Market, both with respect to valuation and positioning for future growth. Because North America has a high level of private equity activity, a robust fundraising environment and a well-established manager universe, there will be a healthy level of deal flow as well as competition. However, StepStone believes that much of this competition is either concentrated in larger managers or in more diversified Middle Market Buyout managers. Hence, an opportunity exists in the Middle Market, where there are fewer managers that have expertise in One Rock's areas of focus, and where there are attractively priced opportunities.

Evaluation of the Strategy

Merits

- ▲ **Operations-Focused Strategy:** One Rock employs a value-oriented, operationally focused strategy and targets businesses that can be improved through the implementation of an operating agenda developed in collaboration with management and industry-specific senior operating executives. Post-acquisition, One Rock will seek to create value by utilizing its in-house operating expertise to strengthen the operational performance of acquired companies and enhance each company's strategic positioning. By teaming with executives who have successful track records and significant industry experience, One Rock is able to appeal to founder-led and owner-operated companies, who often prefer to partner with sector specialists to help grow their businesses.
- ▲ **Value-Oriented Investor with a History of Acquiring Businesses for Below-Market Prices:** One Rock targets out-of-favor industries and transactions with complexity, which enables the Firm to purchase businesses for attractive purchase prices. Across Funds I and II, the Firm's weighted average entry EBITDA multiple across all investments is 6.5x, which is materially below the Small/Middle Market average of 8.9x over the same time period, per StepStone's *SPI Database.* All Fund I and II investments have been acquired at valuation multiples that are below the average for public comparables and relevant precedent transactions. Despite moving up market in Fund II, the Firm has demonstrated its ability to continue to source attractive deals at significantly below market valuations. Fund II has been purchased at a weighted average EBITDA multiple of 7.2x, versus a Middle Market average of 10.1x. StepStone views One Rock's extensive experience investing in out of favor companies and complex situations as a differentiator and allows One Rock to continue winning processes at attractive valuations, despite moving up market.

Risks

- ▼ **Fund II Drift Up-Market:** One Rock moved materially up market from Fund I to Fund II. The Firm deployed 75% of Fund I into companies with TEV below US$250 million, versus Fund II, which has invested all of its capital in companies with TEV between US$500 million and US$1 billion. Further, the weighted average EBITDA of the Fund I portfolio was US$22 million at entry, versus US$92 million for Fund II. While StepStone believes the Firm has remained consistent in its focus on investing in "old economy" businesses with an element of complexity, the size of company they are targeting, and competition that they are facing for these assets is different than in Fund I. Though Fund III's fund size does not necessitate a further migration up-market, there is additional risk that the Firm may continue targeting larger companies and competing in more competitive processes given a likely doubling of fund size. One Rock will continue to pursue the same strategy, but will target larger transaction than Fund I, similar to where they have invested in Fund II. While the Fund II portfolio is comprised of larger companies than Fund I, One Rock has maintained its focus on purchasing assets out of complex situations at below market multiples. Fund II has been purchased at approximately three turns of EBITDA below the Middle Market average, which is in line with Fund I. StepStone continues to be confident in One Rock's ability to source attractive investment opportunities in its target sectors and use its Operating Partners to successfully effect change at its portfolio companies.
- ▼ **Fund Size Increase**: One Rock is targeting US$1.5 billion in commitments for Fund III, and will likely exceed this target and close the Fund at or near its hard cap of US$2.0 billion. At US$1.5 billion, Fund III will be 56% larger than Fund II, while at US$2.0 billion, Fund III will be 108% larger than Fund II. This increase raises concern around the Firm's ability to deploy capital prudently and the potential for continued strategy drift into a more competitive segment of the market. One Rock is raising a larger Fund III in order to build a more diversified portfolio and rely less on co-investment capital. Fund II completed six investments which were 41% funded with LP co-investment capital. Fund III is targeting 8-12 similar sized investments and intends to fund a more meaningful portion of the equity requirement. The Firm has demonstrated its ability to source and execute larger investments and will be able to speak for a larger portion of total equity checks with a larger fund. The team has grown by 52% since Fund II was raised, primarily driven by expansion of the Operating Partner group and mid-level tranche. The GP expects additional partner promotions during Fund III and continues to hire externally at the VP level and below.

Management Team

One Rock was founded in 2010 by Tony Lee and Scott Spielvogel, two former Managing Directors of Ripplewood, a New York-based private equity firm focused on leveraged buyouts across a variety of industries. At the time of their departure, the Founders represented two of the seven investment Partners on the investment committee at Ripplewood and took part in sourcing, executing, monitoring and exiting investments in a range of industries including chemicals, industrials, consumer & retail, and business services. The Firm is led by the Founders and Managing Partners, Messrs. Lee and Spielvogel, who are based in the Firm's New York City office. The senior team includes three additional Partners who have been with One Rock since Fund I. Kimberly Reed, who joined One Rock in 2012 and was promoted to Partner in 2013, leads the Firm's Los Angeles office. Kurt Beyer and Michael Koike, who have been with One Rock since Fund I, were promoted to Partners at the beginning of 2017, ahead of Fund II. Messrs. Beyer and Koike are based in New York City. The Partners are supported by thirteen investment professionals, including four Principals, two Vice Presidents, two Senior Associates, and five Associates.

Professionals

The Founders' relationship dates back over 20 years to their collegiate days at Harvard where they were on the rugby team and founded and ran a small business together. Mr. Lee helped recruit Mr. Spielvogel to Ripplewood in 2005, which Mr. Lee joined as an Associate in 1997 as the firm's first non-Partner investment professional. Prior to joining Ripplewood, Mr. Lee worked in the M&A group at Salomon Brothers in New York. Mr. Lee worked at Ripplewood from 1997 to 2009, with the exception of a two-year stint at Asbury Automotive Group ("Asbury"), a consolidation of auto retailing dealer groups, a Ripplewood portfolio company that was acquired in 1996. Mr. Lee joined Asbury in 1999 as the company's Director of Business Development. During his time at Asbury, the company made a number of platform and tuck-in acquisitions that helped it grow from US$2 billion of annual revenue to over US$4 billion of annual revenue. Mr. Lee rejoined Ripplewood in 2000. At the time of his departure in 2009, Mr. Lee was leading the firm's Industrial, Manufacturing and Chemicals efforts.

Prior to joining Ripplewood in 2005, Mr. Spielvogel was a Principal at Windward Capital Partners ("Windward"), a private equity firm based in New York, which he joined in 1998. Prior to Windward, Mr. Spielvogel was with CIBC Oppenheimer's High Yield and Merchant Banking Group. At Ripplewood, Mr. Spielvogel was a Managing Director with responsibility for investments in the media, telecommunications and business services sectors. In addition to his investment duties, Mr. Spielvogel led Ripplewood's fundraising efforts.

In StepStone's view, Messrs. Lee and Spielvogel have a unique bond and complementary skills, which has led to a strong working relationship. Given their personal history, they are able to have honest and frank discussions, and know each other's strengths and weaknesses. Having both worked at Ripplewood, an organization largely controlled by the firm's founder, Tim Collins, the Founders are deeply committed to building out a cohesive team that functions as a true partnership. References spoke highly of the culture at One Rock and the Founders' ability to attract and retain talent.

The Firm's two newest Partners are Michael Koike and Kurt Beyer, who were promoted in January 2017, before raising Fund II. Mr. Koike joined One Rock in 2013 as a Principal from Angelo, Gordon & Co., where he was a Director in the Private Equity Group. Prior to Angelo, Gordon, Mr. Koike worked for the Founders at Ripplewood, where he was a Vice President. During his tenure at Ripplewood, Mr. Koike also spent two years working for AEG, a Paris, France-based Ripplewood portfolio company focused on power systems.

Rounding out the investment team are four Principals, two VPs, and five Associates. Three of the Principals previously worked as Associates at Ripplewood with the Founders. Since Fund II was raised, there were two VP promotions and two Principal promotions, including of Cyrus Heidary who was hired as a VP in 2017. One Rock prefers to promote talent from within and the only senior-level hires the Firm has made historically are professionals the Founders have worked with previously.

One Rock Senior Team

One Rock Capital Partners					
Professional	**Title**	**Year Joined**	**ORCP Tenure**	**Previous Experience**	**Education**
Tony Lee	Managing Partner	2010	10	MD, Ripplewood; M&A, Salomon Brothers	AB, Harvard
Scott Spielvogel	Managing Partner	2010	10	MD, Ripplewood; Principal, Windward Capital; CIBC Oppenheimer	AB, Harvard
Kim Reed	Partner	2012	8	Principal, American Capital Strategies; Waterview; Chase; CIBC Oppenheimer	BA, Columbia
Kurt Beyer	Partner	2012	8	SVP, Red Diamond Capital; Pederson Kammert & Co.	BS, UPenn
Michael Koike	Partner	2013	7	Director, Angelo, Gordon; VP, Ripplewood; Merrill Lynch	AB, Princeton
Joshua Goldman	Principal	2012	8	Associate, Ripplewood; UBS	BBA, Umichigan; MBA, HBS
Cyrus Heidary	Principal	2017	3	VP, Cerberus; GoldenTree Asset Management; Ripplewood	AB, Harvard; MBA, HBS
Robert Hsu	Principal	2012	8	Associate, Ripplewood; Goldman Sachs; Merrill Lynch	BA, Yale; MBA, Wharton
Jack Rosenberg	Principal	2014	6	Associate, Relativity Capital; Houlihan Lokey	BS, University of Illinois; MBA, Kellogg
Jared Kawadler	Vice President	2014	6	Analyst, Jefferies	BS, Bentley University
Max Zimmerman	Vice President	2014	6	Analyst, Barclays	BA, Boston College
Rebecca Shey	Associate	2017	3	Analyst, Deutsche Bank	BS, Duke University
Thomas Lamothe	Associate	2017	3	Analyst, Oppenheimer & Co.	B.Com McGill
Ryan Ahn	Associate	2018	2	Analyst, Paulson & Co.	BS, UPenn
Bobby Emery	Associate	2019	1	Analyst, GLC	BS, University of Virginia
Garret Mohr	Associate	2019	1	Analyst, Jefferies	BS, University of Southern California
Average (Partners)			9		
Average (All)			6		

One Rock is a relatively young Firm founded in 2010, and the Partners are highly motivated to continue building and growing the Firm for the foreseeable future. The members of the investment committee differ in age by up to five years, with Mr. Lee being the eldest at 47. There is no formalized firm succession plan in place at this time, but One Rock believes it has built a strong team that would be able to carry on the operations of the Firm if an unexpected key person event were to occur, which would be triggered by either Mr. Lee or Mr. Spielvogel. Partners are committed to ensuring the younger team members have access to sufficient opportunities to develop the experience necessary to rise within the Firm's ranks, which is a practice the Founders have drawn from their experience at Ripplewood. The Founders feel that there is a clear path to the next generation of leadership with One Rock's current team, though StepStone still considers them both key investment professionals.

A key component of One Rock's strategy is the active involvement of sector-specialist Industry Partners who are independent contractors working full-time and on an exclusive basis with the Firm. One Rock engages a team of 14 Operating Partners, five of whom previously worked with the Founders at Ripplewood. Since Fund II, the Firm has doubled the size of its Operating Partner group, including recruiting four Operating Partners as functional experts in the areas of IT, HR, supply chain & procurement, and lean manufacturing.

Operating Partners play an integral role in all aspects of the investment process, from sourcing to due diligence to operations post-close. Since inception, Operating Partners have held a collective 32 positions as board members or Chairman of One Rock portfolio companies. However, they are not employees of ORCP, which allows them to remain focused solely on their areas of expertise. While not a unique concept in private equity, One Rock's Operating Partners provide the Firm with a level of differentiation versus other private equity firms.

Mitsubishi Relationship

One Rock has an exclusive strategic relationship with Mitsubishi, which the Firm carried over from Ripplewood. The partnership is largely a result of Mr. Lee's strong relationships with key members of MC Asset Management, the investment arm of Mitsubishi, which invests in private equity funds on behalf of the larger corporation. Historically, Mitsubishi has placed one full-time Associate at One Rock, who is rotated every one to two years. Currently, Mitsubishi has sent two professionals to One Rock, who are the fourth and fifth individuals to cycle through the program. Secondees are One Rock employees and tasked primarily with identifying potential synergies across One Rock's portfolio companies and the Mitsubishi organization, as well as to act as a liaison between the two organizations. Mitsubishi refers all of its North American deal opportunities to One Rock through its secondee(s).

The One Rock team believes that the Operating Partner model and Mitsubishi strategic partnership together provide several key competitive advantages, including: better access to deal flow, better knowledge of industry trends & dynamics, more effective & efficient diligence, and enhanced credibility as an acquirer, and enhanced credibility with financing sources and potential buyers at exit.

Capacity

StepStone analyzed One Rock's historical investment pace and how Fund III is likely to be invested, assuming a fund size of between US$1.5 billion and US$2 billion. Fund III will build a portfolio of 8 to 12 investments, pursuing a similar number of deals as Fund I. Fund II will conclude with six portfolio investments. Fund II completed fewer investments than expected due to the GP's decision to pursue larger deals. The GP considers Fund I undersized as a first-time fund, and Fund II more in line with their prior experience at Ripplewood.

In Fund III, the GP is raising a larger fund to build a more diversified portfolio while also relying less on co-investment capital. As such, the larger fund size does not necessitate a further move up-market, but has capacity implications for the team given the larger portfolio and increase in deployment responsibility per partner. Assuming 8 to 12 deals are completed, the anticipated fund size requires an average of two new deals per Partner. StepStone is comfortable with this pace, considering the Partners invested an average of three deals each in Fund I. However, in considering the existing portfolio of 12 unrealized investments, the continued engagement of the Founders on all deals, and the uneven contribution of the Partners in Fund II, StepStone views risk in the team's capacity, especially at a US$2 billion fund size.

One partial mitigant to the fund size increase is the team's growth. As of December 2019, the Firm has 35 professionals, up from 23 in 2017 (52% increase), with two additional VPs joining in February 2020. Aside from the Partner level, One Rock has grown all levels of the team since the Fund II underwriting.

Fund Size & Capacity Analysis

(US$ in millions)

One Rock Fund Size & Capacity Analysis	Fund I	Fund I w/ Co-Invest	Fund II	Fund II w/Co-Invest [1]	Fund III (Target)	Fund III (Hard Cap)
Vintage Year	**2012**	**2012**	**2017**	**2017**	**2020**	**2020**
Fund Size	$432	$610	$950	$1,511	$1,500	$2,000
Investment period (years)	5	5	5	5	5	5
Average capital committed per year	**$78**	**$110**	**$171**	**$272**	**$270**	**$360**
Number of Investments (+ projected)	9	9	6	6	8	12
Average Investment Size	**$43**	**$61**	**$143**	**$227**	**$169**	**$150**
Number of Partners	3	3	5	5	5	5
Average Number of New Deals Per Partner	**3**	**3**	**1**	**1**	**2**	**2**
Average Annual Investment Per Partner	**$26**	**$37**	**$34**	**$54**	**$54**	**$72**

(1) Includes US$170 million of estimted co-investment capital for Innophos, which is pending close.

Note: Fund size for Fund I and Fund II w/ Co-Invest assumes size of Fund I and Fund II, respectively, added to equity co-investment to date. Does not factor in future potential co-investments because of add-ons. The number of investments for Fund II includes the CentroMotion (October 2019) and Innophos deal (expected to close Q1 2020).

Turnover

Since inception, One Rock has experienced very little turnover at any level of the organization and the Firm has retained its top performers from both an investment and operating professional perspective. There has been no turnover at the senior level or among the Operating Partners. Since inception, the Firm has only had three departures, which were all at the Senior Associate or Associate level and driven by personal or family reasons. StepStone views this as favorable and believes it speaks to One Rock's team-oriented Firm culture and focus on cultivating professional development through internal promotions.

GP Commit

One Rock will commit at least 2% of committed capital, but no more than US$30 million, to Fund III, through a mix of cash and management fee offset. If Fund III reaches its hard cap, which StepStone expects, the GP commitment would be 1.5%, below market. StepStone notes the below market GP commitment is partly due to the lack of wealth generated by the Founders at Ripplewood.

Investment Committee

The Investment Committee consists of the five Partners at the Firm. The Partners encourage all investment professionals to voice their opinions. This helps the Firm to avoid having deals voted down at final stages, as had often occurred at Ripplewood, by having reached a consensus through the due diligence process. Approval of an investment requires a majority vote of the Firm's Partners. Messrs. Lee and Spielvogel each hold a veto over investment decisions.

Evaluation of the Management Team

Merits

▲ **Experienced & Cohesive Senior Team**: One Rock consists of a tight-knit team led by the Founders, who met while attending Harvard and have been working together since 2005. Kimberly Reed and Tony Lee are acquaintances from childhood. Ms. Reed and Mr. Spielvogel worked as Analysts at CIBC Oppenheimer in the late 1990s. The Firm has continued to build outs its team, growing from 22 to 35 professionals since the previous fundraise. When including Operating Partners, 11 of the Firm's 35 professionals worked together at Ripplewood, which has enabled the Firm to transition seamlessly to an independent platform.

▲ **Strong Operating Partner Model**: One Rock engages a team of 14 seasoned executives with domain expertise who assist with sourcing, due diligence and post-investment value-add, often serving as the CEO or Chairman of a portfolio company. Operating Partners are full-time and exclusive to the Firm, and compensation is tied to the success of portfolio companies to which they are allocated, creating a strong alignment of interest. By teaming with executives with significant industry experience, the Firm is able to appeal to owner-operated companies and differentiate itself from other prospective buyers in competitive sale processes. One Rock has added seven new Operating Partners since Fund II, including four functional experts who assist in the areas of IT, HR, procurement & supply chain, and lean manufacturing.

▶ **Strategic Partnership with Mitsubishi Corporation:** One Rock maintains a strategic relationship with Mitsubishi Corporation. One Rock will continue to leverage Mitsubishi for investment sourcing capabilities, due diligence and post-closing operating improvements through Mitsubishi's global sourcing network. Mitsubishi has placed two full-time investment professionals at One Rock, who are focused on identifying synergies between portfolio companies and Mitsubishi.

Risks

▼ **Capacity to Deploy Capital and Manage Existing Portfolio:** While the average annual deployment responsibility per Partner will increase 13% relative to Fund II at a US$1.5 billion fund size, each Partner will be tasked with deploying more than double the annual capital they were each responsible for in Fund II should Fund III meet its hard cap. This may raise capacity concerns. Additionally, Messrs. Lee and Spielvogel hold nine and ten active board roles, respectively, while Ms. Reed, Mr. Beyer, and Mr. Koike sit on two or three boards. Messrs. Lee and Spielvogel's capacity may be constrained, limiting their ability to participate in deal execution as well as post-close operating strategies. The Firm doubled the size of its Operating Partner base, which gives StepStone some comfort that the Firm will be able to accommodate new investments in Fund III, while continuing to provide the necessary operational support to service its active portfolio. Including Operating Partners, One Rock's senior-level team has increased 53% versus Fund II. In addition to the Operating Partner group expansion, One Rock has added two additional mid-level professionals, one investment Associate, and also hired a CFO/CCO. StepStone views the mid-level tranche as strong support for the Partners and expects additional Partner promotions to occur during Fund III. Further, StepStone expects the addition of Anna Kelleher in 2018 as CFO/CCO will help alleviate some of the managerial burden on the Founders.

▼ **Team Split Across Two Offices**: The investment team is split between the flagship office in New York City and a smaller office in Los Angeles. StepStone typically prefers a GP's team, particularly one associated with a relatively young firm, to be based in a single location in order to facilitate cohesiveness. There are now five employees in Los Angeles, including Ms. Reed and two Vice Presidents. This is up from just one professional at the start of Fund I and three at the start of Fund II. One Rock cross-staffs investments across offices, ensuring cohesion and consistency. One Rock's presence on the West Coast enables greater geographic coverage, both from a sourcing and monitoring standpoint. For example, Kova is located in Garden Grove, CA. The Fund I investment is a short drive for Ms. Reed, who sits on the company's board. Monarch is based in the Pacific Northwest and has operations in Northern California. Ms. Reed led the Firm's investment in Monarch and her location enables her to play a closer role with the company.

Track Record

Since its formation in 2010, One Rock has invested US$1.1 billion across 16 investments. This includes a pre-fund investment in Dixie Electric ("Dixie"), nine Fund I investments, and six Fund II investments. In aggregate, these investments have generated a gross TVM/IRR of 1.8x/49% with a loss ratio of 2%, as of September 30, 2020. Prior to forming One Rock, the Founders invested approximately US$575 million in 10 investments ("Pre-Fund Track Record"), generating a gross TVM/IRR of 2.4x/20%. Investments were made at the Founders' prior private equity firms, which include Ripplewood and Windward.

Dixie Electric represents a pre-fund investment completed in December 2011. Given that the opportunity came about before One Rock had raised any capital, it was a "pass-the-hat" investment funded by the Founders, high-net-worth individuals and family offices. The US$36 million investment in Dixie Electric was fully realized in 2015, generating a 4.7x/113% gross TVM/IRR. Fund I is a 2012 vintage fund with US$432 million in aggregate commitments. The fund is 68% invested, representing an underinvested portfolio. Of the nine investments in Fund I, three have been fully realized generating strong returns of 4.0x/89% gross TVM/IRR. As of September 30, 2020, Fund I has a second quartile DPI of 1.3x and a negligible loss ratio related to one investment. Fund II is relatively immature and fully unrealized, having made its first investment in November 2017, and with a weighted average hold period of 1.7 years. In the past year, Fund II acquired a fifth platform in Q4 2019 and a sixth deal in February 2020 that bring the fund to 82% invested.

One Rock Performance Overview

(US$ in millions, as of September 30, 2020)

One Rock Capital Partners Investment Performance													
Fund	Vintage Year	Fund Size	# of Deals	Invested Capital	Realized Value	Unrealized Value	Total Value	Gross TVM	Gross IRR	Loss Ratio	Net TVM	Net IRR	DPI
Dixie Electric	2011	$36	1	$36	$169	-	$169	4.7x	113%	0%	4.3x	106%	4.3x
Realized Funds		**$36**	**1**	**$36**	**$169**	**-**	**$169**	**4.7x**	**113%**	**0%**			
One Rock I	2012	$432	9	$295	$467	$305	$772	2.6x	36%	0%	2.0x	26%	1.3x
One Rock II	2017	964	6	795	-	1,076	1,076	1.4x	19%	2%	1.2x	13%	0.0x
Unrealized Funds		**$1,396**	**15**	**$1,090**	**$467**	**$1,381**	**$1,848**	**1.7x**	**30%**	**2%**			
Total Realized Investments			**4**	**145**	**585**	**0**	**586**	**4.0x**	**89%**	**0%**			
Total Unrealized Investments			**12**	**980**	**51**	**1,380**	**1,431**	**1.5x**	**19%**	**2%**			
Total		**$1,431**	**16**	**$1,126**	**$636**	**$1,381**	**$2,016**	**1.8x**	**49%**	**2%**	**1.5x**	**34%**	**0.5x**

Source: One Rock, StepStone analysis.

Note: Net performance figures for One Rock Dixie were estimated by One Rock/StepStone, assuming a 2% management fee and 20% carried interest.

Relative Performance

StepStone benchmarked One Rock's performance against U.S. Buyout funds for the relevant vintage years, based on Burgiss Private iQ's U.S. Buyout benchmark as of June 30, 2020, as it was the latest available. Dixie Electric performed exceptionally well with an estimated net performance that greatly exceeds the top quartile on both a net IRR and net TVM basis. Although it may not be appropriate to benchmark Dixie against other funds given that it is a direct investment outside of a formal fund structure, StepStone has included Dixie in One Rock's track record analysis as it represents the Firm's first deal and demonstrative of the team's investment capability, albeit a much smaller deal size than targeted by Funds II and III.

Fund I's net performance ranks it in the first quartile on a net TVM basis and second quartile on a net IRR and DPI basis. Fund I's DPI performance is a result of the sale of Compass Chemicals, Airxcel, and Summit, as well as the recapitalizations of Petroplex, NORPAC, and Kova. Overall, StepStone believes that Fund I has generated attractive returns on a realized and aggregate basis. With the outperformance of realized deals to date and several unrealized companies targeting near-term exits, StepStone believes Fund I is poised to deliver strong overall returns to investors.

Fund II ranks in the second quartile relative to peers on a net TVM basis but has performed below the median on a net IRR and DPI basis. The portfolio is immature with a weighted average hold period of 1.7 years and two investments are marked below cost, which has led to a 2% loss ratio.

One Rock Relative Performance Summary

(US$ in millions, as of September 30, 2020)

One Rock Capital Partners Net Relative Performance						Private iQ					
						United States			One Rock Capital Partners		
			One Rock Capital Partners			First Quartile			Quartile Rank		
Fund	Vintage	Fund Size	Net TVM	Net IRR	DPI	Net TVM	Net IRR	DPI	Net TVM	Net IRR	DPI
Dixie Electric	2011	$36	4.3x	106%	4.3x	2.3x	22%	1.5x	First	First	First
One Rock I	2012	432	2.0x	26%	1.3x	2.0x	26%	1.5x	First	Second	Second
One Rock II	2017	964	1.2x	13%	0.0x	1.4x	24%	0.1x	Second	Third	Fourth
Total		**$1,431**	**1.5x**	**34%**	**0.5x**						

Source: One Rock Capital Partners.

Note: Benchmarks are lagging by one quarter, as June 30, 2020 data was the latest available.

Performance vs. Public Market Indices

The Kaplan & Scholar ("K&S") PME Analysis compares private equity fund performance to a hypothetical portfolio of similarly timed investments within a public equity index. This analysis discounts fund contributions and distributions based on realized public equity index returns during the same time period, with the ratio representing the sum of discounted distributions and market value divided by the sum of discounted contributions. A PME value greater than 1.0 indicates that the investor benefitted from investing in the private equity fund rather than the public equity index.

StepStone analyzed One Rock's performance relative to the public markets, which has been mixed. StepStone compared the Firm's funds to the S&P 500, S&P 500 Industrials and Russell 3000 indices. On an aggregate basis, One Rock has performed relatively in line with the public market indices with an aggregate PME of 1.0-1.1 across all benchmark indices. Aside from One Rock II generating alpha of 6% relative to the Industrials index, which is in excess of the typical private equity liquidity premium of 300-500 bps, Fund I and II generated negative alpha. This indicates that investors could have generated similar returns by investing in a broad index of public stocks. While it may not be appropriate to benchmark a single investment against the aforementioned public indices, Dixie Electric's meaningful outperformance has resulted in PMEs of at least 2.7 and alpha generation in excess of 64%.

One Rock PME Analysis

(As of September 30, 2020)

One Rock Capital Partners Performance vs. Public Market Indices							
		vs. S&P 500		vs. S&P 500 Industrials		vs. Russell 3000	
Fund	Vintage	PME	Direct Alpha	PME	Direct Alpha	PME	Direct Alpha
Dixie Electric	2011	2.9	68%	2.7	64%	2.8	67%
One Rock I	2012	0.9	-5%	0.9	-4%	0.9	-5%
One Rock II	2017	1.0	-2%	1.1	6%	1.0	-1%
Total		**1.0**	**-1%**	**1.1**	**3%**	**1.0**	**-1%**

Based on Kaplan & Schoar PME Analysis

Evaluation of the Track Record

Merits

- ▲ **Strong Relative and Absolute Fund I Performance:** As of September 30, 2020, One Rock I has generated a gross TVM/IRR of 2.6x/36% and a net TVM/IRR of 2.0x/26% with a 0% loss ratio. Compared to U.S. buyout funds of the same vintage year, Fund I's net performance ranks it in the first quartile on a net TVM basis and second quartile on a net TVM and DPI basis.
- ▲ **Strong Realized Performance:** One Rock Voltage and One Rock I have exhibited strong returns to date, generating a 4.0x gross TVM and 89% gross IRR across four realized companies. These returns represent four investments and US$145 million of invested capital, three of which have generated greater than a 4.0x TVM and 50% IRR. The three realized investments in Fund I contributed 54% of the fund's aggregate value.
- ▲ **Low Loss Ratios**: As of September 30, 2020, One Rock has generated a loss ratio of 2% across all 16 investments within Dixie, Fund I, and Fund II. This loss ratio is driven mainly by the investment in Robertshaw. The 2% loss ratio compares favorably to the 12% average loss ratio across deals completed by small and middle market buyout managers in StepStone's *SPI Database.* The GP's minimal losses highlight its focus on capital preservation and downside protection, particularly with misunderstood businesses that often realize operational improvement.

Risks

- ▼ **Fund I Remains Under-Invested**: As of September 30, 2020, Fund I had invested US$295 million in nine companies. This represents 58% of Fund I's total capital commitments. This has driven a large gross-to-net spread of 0.6x/10%, as the fund charged fees during the five-year investment period on a US$432 million pool of capital. The fund had set aside capital to fund follow-on investments for several companies which have since been sold. As such, the Founders do not expect that Fund I will be substantially more invested. The Managing Partners were overly conservative in setting aside capital to fund future add-ons and supplemented deals with more co-investment than necessary. Fund I raised US$178 million of capital from co-investors, when, in retrospect, One Rock could have taken down a larger proportion of the equity.
- ▼ **Large Unrealized Portfolio:** Fund I is 61% realized from a value standpoint, though only one third of the companies in the portfolio have been sold and the weighted average hold period across the fund is 5.2 years. Fund II is fully unrealized and relatively immature, with a weighted average hold period of 1.7 years. As of September 30, 2020, the six Fund II investments represent 82% of total invested capital since inception and are valued at a collective 1.4x gross TVM. Fund II made average equity investments of US$133 million and is thus most relevant to the Firm's anticipated investment size in Fund III. However, performance at this area of the market is too early to assess, due to the immaturity of Fund II investments, and StepStone would prefer to see more liquidity ahead of the GP's next fundraise. The portfolio has been able to withstand COVID-induced demand declines and has managed liquidity through the crisis effectively. Due to the pandemic, One Rock was unable to accomplish the anticipated liquidity opportunity at Kova but expects to exit the investment in 2021. As demand has started to rebound across the portfolio, the GP believes that Funds I and II well-positioned to pursue offensive follow-on opportunities. IES, which represents 46% of the unrealized value in Fund I, was adversely impacted by the prolonged shutdown mandate in Hawaii. Despite challenging conditions, the company has performed well through COVID and is expected to generate a 3.0x gross TVM through a sale in 2021.
- ▼ **Multiple Expansion in Unrealized Portfolio:** A portion of value accretion in the unrealized portfolio is through multiple expansion. Fund I unrealized portfolio companies are held at 1.5x to 8.4 turns higher multiples than at entry, excluding Petroplex which is valued at the outstanding balance of its net debt. Fund II is marked up by an average of 1.3x since entry, partially mitigated by weighted average LTM EBITDA growth of 6% since entry. One Rock typically acquires companies in complex situations (e.g., carve out processes, no management team, etc.) allowing the GP to enter at valuations that are at steep discounts to public comparables. The GP looks to significantly improve its portfolio companies (e.g., management team build out, streamlining operations, professionalization and institutionalizing processes, IT and back office infrastructure, etc.) during the first 12 months of ownership. Following these initial 12 months, the GP believes that it is no longer prudent to mark a portfolio company at a steep discount

to public comparables if it has been successfully right-sized and institutionalized. One Rock has driven solid growth in sales and profitability across most companies in Fund I. Additionally, One Rock portfolio companies have made strategic bolt-on acquisitions, which have contributed meaningfully to the portfolio's growth. This growth across the portfolio, combined with low entry valuations, provides some validation in the multiple expansion that is seen in many of the One Rock portfolio companies. With a weighted average hold of 1.7 years, Fund II investments are fairly early in their value creation plans. Although several are facing market headwinds and declining financials, StepStone notes that the portfolio includes complex carve-outs which take time to reposition and improve operationally. Multiple expansion in Fund II is partially related to One Rock's preference to keep most investments at or near cost given recency of these investments and ongoing operational improvements. StepStone recognizes the value generated on the buy given complex transaction dynamics, and that multiple expansion can be expected at exit, assuming One Rock is successful in its value creation plans and efforts to reinvigorate growth. Despite the increases in valuation multiples, investments continue to be held at meaningful discounts to public comparables and transaction precedents.

Fundraising

One Rock is currently in market with its third fund, which is targeting US$1.5 billion. While the Fund does not have a stated hard cap, the GP verbally indicated willingness to accept up to US$2 billion in LP commitments.

Portfolio Fit

The Fund meets the investment criteria and guidelines set forth in CRPTF's Investment Policy Statement. ORCP III would be considered a 2020 commitment to the Middle Market Buyout portfolio within the Private Investment Fund. As of March 31, 2020, Connecticut's investments in Middle Market Buyout funds represented 9% of aggregate PIF exposure and has generated a net IRR of 15%. Inclusive of PIF investments approved after March 31, 2020, a $125 million commitment to the Fund would increase PIF's buyout exposure to 11%.

Exposure Analysis	CRPTF Current Exposure	IRR	CRPTF Pro Forma Exposure
Strategy			
Middle Market Buyout	9%	15%	11%

Note: Table reflects active investments only, liquidated funds excluded.

Environmental, Social & Governance

ESG Policy Status: One Rock has a formal ESG policy, and the GP considers ESG factors through the course of diligence. However, the Firm is not a signatory of the UNPRI. The policy affirms One Rock's commitment to compliance with applicable national, state and labor laws in the countries where they invest, and to provide a safe and healthy workplace. One Rock has also demonstrated a willingness to discuss the adoption of a formal climate change policy. StepStone has encouraged the GP to be a UN PRI signatory.

ESG Implementation: One Rock has implemented its ESG Policy, and the Investment Committee is responsible for ensuring that the ESG policy is upheld. Prior to making an investment, One Rock conducts comprehensive environmental due diligence, which includes identifying potential risks and opportunities. One Rock acknowledges that there can be a strong correlation between financial performance and ESG and believes that the implementation of the Firm's ESG principles will enhance the long-term value of the Firm's investments. To further its commitment and implementation of ESG principles, the GP is considering hiring an ESG consulting firm to assist it in its efforts.

- ***Compass Chemical:*** Prior to One Rock's ownership, Compass had been issued several violations related to its wastewater discharge permit for exceedances of permit limits for a number of chemicals. These violations were discovered during the diligence process, and as a result, One Rock had several discussions with the management team to understand all aspects of these violations prior to making the investment. These violations were unacceptable to One Rock and, under the oversight of Operating Partners John and Andrew Georges, Compass developed a more rigorous and structured process by which wastewater received a much greater level of testing and treatment prior to disposal. This served to eliminate the wastewater issue entirely.
- ***NORPAC:*** Prior to One Rock's ownership, NORPAC developed an innovative printer paper product called Natural Choice that produces 2x as much paper from each tree and uses up to 90% less water than regular printer paper uses in the production process. Natural Choice is chlorine free and 100% recyclable. However, Natural Choice was not a priority product for NORPAC prior to One Rock's ownership given its low level of sales. Since buying NORPAC, One Rock, along with Operating Partner John Georges, encouraged the management team to make Natural Choice a focus product and educate customers on the sustainability benefits of the product. Schools in particular have been very receptive to Natural Choice given their focus on sustainability as well as the fact that Natural Choice costs less than regular printer paper.

ESG Reporting: One Rock communicates formally with all LPs through its quarterly letters and Annual Meeting. ESG-related information that One Rock deems important to disclose would be included in the quarterly LP letters or discussed at the Annual Meeting or LPAC meetings. Historically, the management of ESG factors has not been included on the agenda of the Limited Partners Advisory Committee and/or Annual Meeting but One Rock is open to discussing ESG questions at any time.

Conclusion: One Rock has implemented reasonable ESG practices to date and is looking to hire an ESG consultant to assist it in its ESG integration efforts. While One Rock invests in industries that are more likely to have ESG concerns (particularly environmental), the Firm has implemented an ESG review into diligence materials, and the Investment Committee is responsible for the implementation of the Firm's ESG policy. StepStone notes that it would prefer the Firm to become a signatory of the UN PRI.

Recommendation

In StepStone's view, a commitment to the Fund represents an attractive investment opportunity for investors seeking exposure to a Middle Market private equity firm focused on value-oriented investing that pursues an operationally-intensive approach to value creation. The Firm is led by a cohesive and growing team that is highly motivated and benefits from the support of robust operating resources representing reasoned executives that are full-time and exclusive to ORCP. StepStone views One Rock's extensive experience investing in out-of-favor companies and complex situations as a differentiator and allows One Rock to continue winning processes at attractive valuations, despite moving up market. ORCP has generated strong absolute and relative returns with limited losses.

Appendix I
Summary of Due Diligence Performed

In our review of the offering, we conducted the following additional due diligence:

- November – December 2019
  - Attended One Rock AGM
  - Completed onsite diligence with senior members of the One Rock investment team
- January 2020
  - Prepared and completed an investment memorandum

Appendix II
Investment Team Member Biographies

Investment Team

Tony W. Lee Co-Founder and Managing Partner

Tony W. Lee is a co-founder and Managing Partner. Prior to founding One Rock, Mr. Lee was a Managing Director at Ripplewood Holdings, which he joined Ripplewood in 1997. Prior to Ripplewood in 1997, Mr. Lee worked in the M&A group at Salomon Brothers. Mr. Lee earned an A.B. in economics from Harvard College.

R. Scott Spielvogel Co-Founder and Managing Partner

R. Scott Spielvogel is a co-founder and Managing Partner. Prior to founding One Rock, Mr. Spielvogel was a Managing Director at Ripplewood Holdings, which he joined in 2005. Prior to Ripplewood, Mr. Spielvogel worked at Windward Capital Partners and CIBC Oppenheimer. He earned an A.B. in economics from Harvard College.

Kimberly D. Reed Partner

Prior to One Rock, Ms. Reed was a Principal at American Capital Strategies, where she sourced, executed, and oversaw a portfolio of six companies totaling over $600 million in TEV. Ms. Reed also previously worked at Waterview Partners, Chase Capital Partners, and CIBC Oppenheimer. She earned a B.A. in history and economics from Columbia College.

Kurt H. Beyer Partner

Prior to One Rock, Mr. Beyer was a Senior Vice President at Red Diamond Capital, where he was responsible for Red Diamond's efforts in the flexible packaging sector, invested in foods and building materials businesses and served as a member of the fund's IC. Mr. Beyer previously worked at Pedersen Kammert & Co. He earned a B.S. in economics, cum laude, from the Wharton School of the University of Pennsylvania.

Michael T. Koike Partner

Prior to One Rock, Mr. Koike was a Director in the Private Equity Group at Angelo, Gordon & Co. He was previously a Vice President at Ripplewood Holdings, where he also spent 2 years working for AEG, a Ripplewood portfolio company, and worked at Merrill Lynch in the Consumer Products and Retail group. He earned an A.B. in economics, cum laude, with certificates in classics and finance, from Princeton University.

Joshua D. Goldman Principal

Prior to joining One Rock, Mr. Goldman was an Associate at Ripplewood Holdings and an Investment Banking Analyst at UBS. He earned a B.B.A. from the Ross School of Business at the University of Michigan and an M.B.A. with Dean's Honors and Distinction, from Columbia Business School.

Cyrus D. Heidary Principal

Prior to One Rock, Mr. Heidary was a Vice President at Cerberus Capital Management and worked at GoldenTree Asset Management, Ripplewood Holdings, and Goldman Sachs. Mr. Heidary earned an A.B, in economics, cum laude, from Harvard College and an M.B.A. from Harvard Business School.

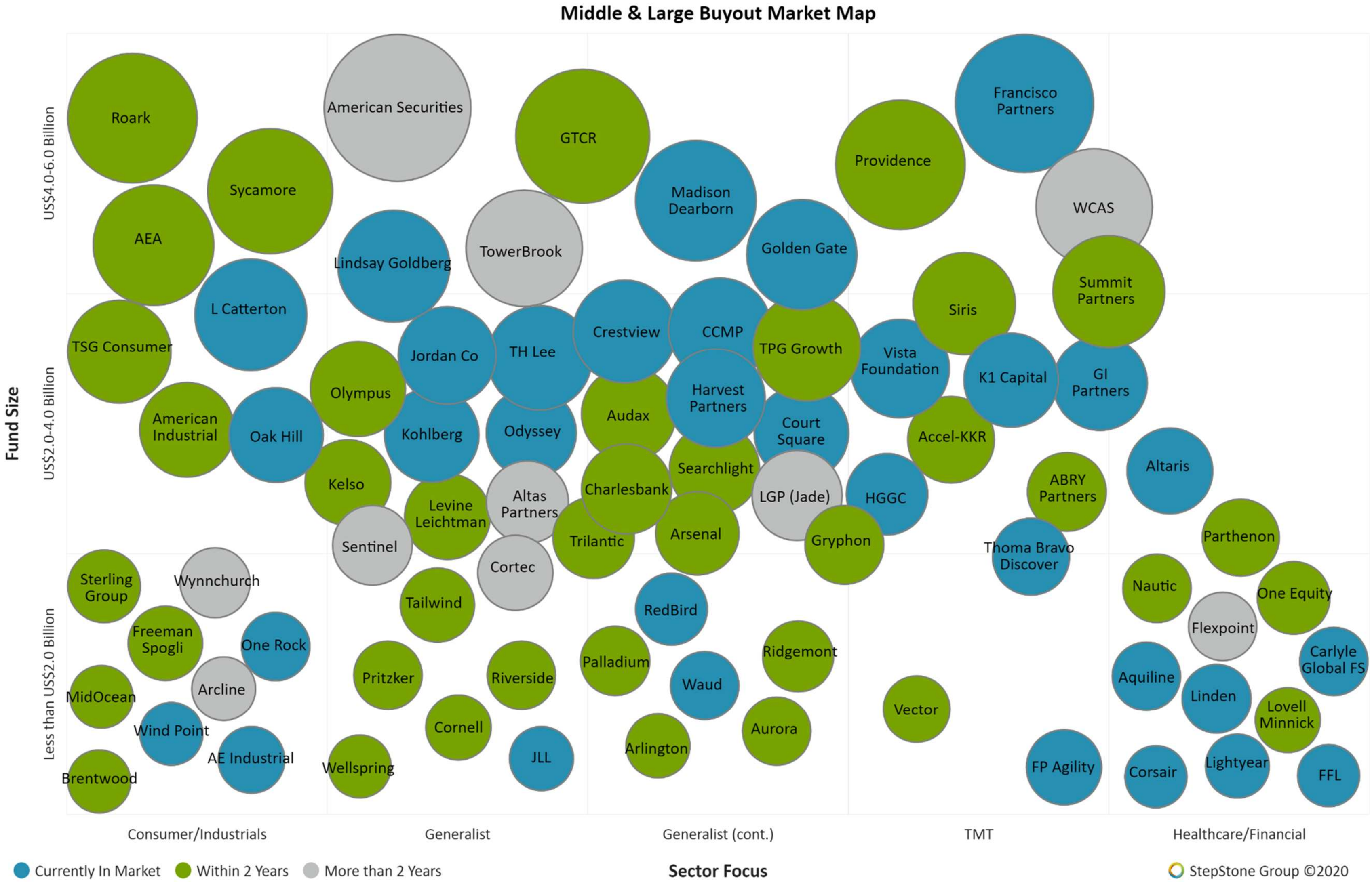
Robert F. Hsu Principal

Prior to joining One Rock, Mr. Hsu was an Associate at Ripplewood Holdings, as well as worked at Goldman Sachs Principal Strategies, Nomura's Special Situations group, and Merrill Lynch Investment Banking. He earned a B.A., cum laude, from Yale University, and an M.B.A. with Honors, from the Wharton School of the University of Pennsylvania. He is a CFA Charterholder.

Jack L. Rosenberg Principal

Prior to joining One Rock, Mr. Rosenberg was an Associate at Relativity Capital and worked at Houlihan Lokey. He earned dual B.S. degrees in Finance and Accountancy, with honors, from the University of Illinois at Urbana-Champaign and an M.B.A. from the Kellogg School of Management at Northwestern University.

Appendix III
Market Map



Glossary

Term	Definition
Balanced Stage Venture Capital	A Venture Capital fund focused on both Early Stage and Late Stage companies
Bridge Financing	Temporary funding that will eventually be replaced by permanent capital from equity investors or debt lenders
Buyout	Fund whose strategy is to acquire controlling interests in companies
Carried Interest	The general partner's share of the profits. The carried interest, rather than the management fee, is designed to be the general partner's chief incentive to strong performance.
Co/Direct Investment	Investment made directly into a company, rather than indirectly through a fund
Committed Capital	Total dollar amount of capital pledged to a fund
Contributed Capital	Total capital contributed to a fund for investments, fees and expenses, including late closing interest paid, less returns of excess capital called and bridge financing
Cost Basis	Remaining amount of invested capital
Debt	Security type that signifies a repayment obligation by a company (e.g. senior debt, subordinated debt, bridge loan etc.)
Distressed	A company's final Stage of development. Company is generally experiencing operational or financial distress
Distressed / Turnaround	Fund whose strategy it is to acquire the Equity or Debt of companies experiencing operational or financial distress
Distributed Capital	Capital distributed to the limited partners, including late closing interest earned
Dow Jones US Total Stock Market Total Return Index	The Dow Jones US Total Stock Market Total Return Index measures all U.S. equity securities with readily available prices. It is a free float-adjusted market capitalization weighted index and is calculated with dividend reinvestment
DPI (Distributions to Paid In / The Realization Multiple)	Total gross distributions divided by total gross contributions
Early Stage	A company's first Stage of development. Company is generally generating modest or no revenues
Equity	Security type that signifies ownership of a company (e.g. common stock, preferred stock, warrants, etc.)
Expansion Stage	A company's third Stage of development. Company is generally experiencing high growth and nearing profitability
Exposure	Sum of Remaining Value plus Unfunded Commitment
Fund-of-Funds	Fund whose strategy is to make investments in other funds
Fund Stage	A fund progresses through three stages over its life: investment (investment period), distribution (post-investment period), and liquidation
Geographic Region	Market location of a company: North America, Western Europe, Africa/Middle East, Latin America, Asia/Pacific Rim
Growth Equity	Fund whose strategy is to invest in companies to expand or restructure operations, enter new markets or finance an acquisition without a change of control of the business
Infrastructure	Fund whose strategy is to acquire interests in physical structures and networks that provide the essential services for society's economic and social needs, e.g. roads, tunnels, communication networks, etc.
Internal Rate of Return (IRR)	The discount rate that results in a net present value of zero of a series of cash flows. The IRR considers both cash flow timing and amount and is the preferred performance measure for private market funds
Invested Capital	Capital invested by a fund in portfolio holdings
Investment Type	Classification of an investment vehicle: Primary Fund, Secondary Fund, Fund-of-Funds
J-Curve	Refers to the shape of the curve illustrating a fund's performance over time. During the initial years of a fund's life, as a result of illiquidity, stagnant valuations, fees and expenses, a fund's performance tends to be negative (the bottom of the "J"). Eventually, as portfolio companies are realized or increase in value and fees become a smaller percentage of overall contributions, performance improves and investors' returns move up the "J" shaped curve
Large	Company with a Size greater than $1 billion
Late Stage	A company's second Stage of development. Company is generally generating high revenue growth and high losses

Term	Definition
Loss Ratio	The percentage of capital in deals with a total value below cost, over total invested capital
Lower-Mid	Company with a Size greater than $100 million, but less than $250 million
Lower Quartile	The point at which 75% of all returns in a group are greater and 25% are lower.
Mature	A company's fourth Stage of development. Company is generally generating modest to no growth and operating profitably
Mega Buyout	Fund whose strategy is to acquire or recapitalize Large businesses, Fund size over $6 billion
Mezzanine	Fund whose strategy is to acquire subordinated debentures issued by companies
Middle-Market Buyout	Fund whose strategy is to acquire or recapitalize middle-market businesses, Fund size between $1-$3 billion
MSCI ACWI Index - Total Return	The MSCI ACWI Total Return is a reflection of the performance of the MSCI ACWI Index, including dividend reinvestment, as calculated by Bloomberg. The MSCI ACWI Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. The MSCI ACWI consists of 45 country indices comprising 24 developed and 21 emerging market country indices
Multi-Strategy	A Fund that invests across multiple strategies
Natural Resources	Fund whose strategy is to acquire interests in naturally occurring, economically valuable raw materials and all physical facilities and capabilities required for the extraction, refinement, and delivery to end users, e.g. oil and gas properties, timberland, etc.
Net Asset Value (“NAV”)	In the context of this report, represents the fair value of an investment, as defined within each limited partnership agreement, yet in compliance with the governmental regulation, generally prepared on a GAAP basis
Net IRR	Annualized effective compound rate of return using daily contributions, distributions and Remaining Value as of the Report Date, net of all fees and expenses, including late closing interest
Percent Interest	Represents an investor’s economic interest in a fund based upon the investor’s commitment divided by total fund commitments
Primary Investment	An interest in a private equity fund acquired directly from the fund manager during the fundraising period
Public Market Equivalent (PME)	A private equity benchmark that represents the performance of a public market index expressed in terms of an IRR, using the same cash flows and timing as the investor’s investment activity in private equity. The PME serves as a proxy for the return the investor could have achieved by investing in the public market. The PME benchmark return assumes cash flows are invested at the end of each day
Publication Date	Refers to the date this report was created as reflected in the Executive Summary
Quartile	Segment of a sample representing a sequential quarter (25%) of the group.
Real Assets	Fund whose strategy is to invest in assets that are tangible or physical in nature such as land, machinery, and livestock
Real Estate	Fund whose strategy is to acquire interests in real estate property
Realized Capital	Capital distributed to a fund from portfolio holdings
Recallable / Recyclable Capital	Capital that has been previously distributed by a fund to investors but may be called again for investment purposes. It is generally associated with realizations that have occurred in the early years of a fund or refers to uninvested capital that has been temporarily returned (i.e. returns of excess capital)
Recapitalization	The reorganization of a company’s capital structure
Remaining Value	Capital account balance as reported by the General Partner, generally on a fair value basis
Report Date	Refers to the end date of the reporting period as reflected on the cover page
Return on Investment (ROI)	Ratio of Realized Capital plus Unrealized Value to Invested Capital

Term	Definition
Russell 1000® Total Return Index	The Russell 1000® Total Return Index measures the performance, including dividend reinvestment, of the large-cap segment of the U.S. equity universe. It is a subset of the Russell 3000® Index and includes approximately 1000 of the largest securities based on a combination of their market cap and current index membership. The Russell 1000 represents approximately 92% of the U.S. market.
Russell 3000® Total Return Index	The Russell 3000® Total Return Index measures the performance, including dividend reinvestment, of the largest 3000 U.S. companies representing approximately 98% of the investable U.S. equity market.
RVPI (Residual Value to Paid In)	The current value of all remaining investments within a fund divided by total gross contributions
S&P 500 Price Index	The S&P 500 Price Index is a capitalization-weighted index of 500 stocks. The index is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.
S&P 500 Total Return Index	The S&P 500 Total Return Index is a reflection of the performance of the S&P 500 Index, including dividend reinvestment. All regular cash dividends are assumed to be reinvested in the S&P 500 Index on the ex-date. Special cash dividends trigger a price adjustment in the price return index.
Secondary Investment	Investments that involve the purchase of private equity fund interests or portfolios of direct investments in privately held companies from existing institutional Investors
Sector	Industry in which the company operates: technology, telecommunications, healthcare, financial services, diversified, industrial, consumer, energy, etc.
Size	Capitalization size of a company: Large, Upper-Mid, Lower-Mid, Small
Small	Company with a Size of less than $100 million
Small Business Investment Company (SBIC)	Lending and investment firms that are licensed and regulated by the Small Business Administration (SBA). The licensing enables them to borrow from the federal government to supplement the private funds of their Investors
Small Buyout	Fund whose strategy is to acquire or recapitalize Small businesses
Stage	The course of development through which a company passes from its inception to its termination: Early, Late, Expansion, Mature, Distressed
Sub-Asset Class	Private equity investments are generally classified as Buyout, Venture Capital, Mezzanine, Distressed/Turnaround, and Fund-of-Funds
Subordinated Debt	Debt with inferior liquidation privileges to senior debt in case of a bankruptcy and consequently, will carry higher interest rates than senior debt to compensate for the subordination.
Term Sheet	A summary of key terms between two or more parties. A non-binding outline of the principal points which definitive agreements will supercede and cover in detail.
TVM (Total Value Multiple) / TVPI (Total Value to Paid In)	Net asset value plus gross distributions divided by total gross contributions
Unfunded Commitment	Amount of capital that remains to be contributed to a fund as defined in a fund's limited partnership agreement
Unrealized Value	Holding value of a portfolio company assigned by the General Partner, which generally represents fair value
Upper-Mid	Company with a Size greater than $250 million but less than $1 billion
Upper Quartile	The point at which 25% of all returns in a group are greater and 75% are lower.
Venture Capital	Fund whose strategy is to make investments in Early Stage and/or Late Stage companies
Vintage Year	The calendar year in which an investor first contributes capital to a fund
Vintage Year	The calendar year in which an investor first contributes capital to a fund
Write-Down	A reduction in the value of an investment.
Write-Off	The write-down of a portfolio company's holdings to a valuation of zero and the venture capital investors receive no proceeds from their investment.
Write-Up	An increase in the value of an investment.

IMPORTANT INFORMATION

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All valuations are based on current values provided by the general partners of the Underlying Funds and may include both realized and unrealized investments. Due to the inherent uncertainty of valuation, the stated value may differ significantly from the value that would have been used had a ready market existed for all of the portfolio investments, and the difference could be material. The long-term value of these investments may be lesser or greater than the valuations provided.

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Prospective investors should inform themselves and take appropriate advice as to any applicable legal requirements and any applicable taxation and exchange control regulations in the countries of their citizenship, residence or domicile which might be relevant to the subscription, purchase, holding, exchange, redemption or disposal of any investments. Each prospective investor is urged to discuss any prospective investment with its legal, tax and regulatory advisors in order to make an independent determination of the suitability and consequences of such an investment.

An investment involves a number of risks and there are conflicts of interest. Please refer to the risks and conflicts disclosed herein.

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ONE ROCK
CAPITAL PARTNERS

State of Connecticut Treasurer's Office

January 2021

Important Disclosure Information

This presentation has been prepared for use in the annual meeting of the partners of One Rock Capital Partners, LP ("Fund I") and One Rock Capital Partners II, LP ("Fund II," and together with Fund I, the "Funds") and does not constitute an offer to buy or sell or a solicitation of an offer to buy or sell interests in the Funds or any other securities. Any such offer or solicitation shall be made only pursuant to the private placement memorandum of the Funds. No reliance should be placed upon the contents of this presentation for the purpose of making an investment in the Funds. Investing in a fund includes significant risks, including loss of all of your investment.

Any statement of opinion and/or belief contained in this presentation and all views expressed and all projections, forecasts or statements relating to an assessment of a current opportunity and expectation regarding future events or possible future performance, including those that relate to a portfolio company, represent solely the belief of One Rock Capital Partners, LLC ("One Rock"), the general partners of the Funds or the management team of the portfolio company (as applicable), based on such person or entity's own assessment and interpretation of information available to it and does not represent the belief of any other person or entity.

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If you are a limited partner of Fund I or Fund II, this information is being provided to you subject to your agreement to maintain its confidentiality in accordance with Section 13.10 of the Second Amended and Restated Limited Partnership Agreement of Fund I and the Amended and Restated Limited Partnership Agreement of Fund II (as so amended).

If you are requested or required by law (for example, pursuant to a Freedom of Information Act request) to disclose any of the information contained in this presentation, please contact One Rock as soon as possible after you receive notice of such request or requirement.

Certain information contained in this presentation constitutes "forward-looking statements," which can be identified by the use of forward-looking terminology such as "may," "will," "should," "expect," "anticipate," "target," "project," "estimate," "intend," "continue" or "believe," or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events or results may differ materially from the events, results or performance contemplated by such forward-looking statements. There can be no assurance that any positive trends will continue or that our business plan will be achieved in whole or part.

No representation is made or assurance given that any statement of opinion and/or belief or any views, projections or statements relating to expectations regarding future events are correct, that the objectives of the Funds will be achieved or that investors will receive a return of their capital.

Unless otherwise stated, (i) all returns and other financial information are as of September 30, 2020, are unaudited and are illustrative only, (ii) all IRRs and multiples of capital are gross IRRs and multiples of capital calculated before fund expenses, management fees and carried interest, if any, (iii) all publicly traded investments are valued at the applicable closing price as of September 30, 2020, and (iv) all unrealized investments are unaudited and valued at fair value as determined in good faith by the general partners of the Funds as of September 30, 2020. While One Rock's valuations of unrealized investments are based on assumptions that One Rock believes are reasonable under the circumstances, the actual realized returns on unrealized investments will depend on, among other factors, future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions on which the valuations used in the prior performance data contained herein are based. Accordingly, the actual realized returns on these unrealized investments may differ materially from the returns indicated herein. In considering the prior performance information contained herein, investors should bear in mind that past performance is not necessarily indicative of future results.

Gross IRRs and multiples are calculated on the basis of the actual timing of investment inflows (based on the date proceeds are received by the applicable fund from the applicable portfolio investment) and outflows (based on the date cash is invested by the applicable fund in the applicable portfolio investment).

Net IRRs and multiples are calculated on the basis of the actual timing of fund inflows (based on the date proceeds are due from investors) and outflows (based on the date proceeds are sent out to investors). Fund borrowings and repayment of borrowings are incorporated into the Net IRR calculation. Net IRRs and multiples take into account carried interest, management fees, fund borrowings and other fund expenses borne by limited partners, but for the avoidance of doubt, exclude taxes borne by limited partners and certain taxes paid by the applicable fund on behalf of the limited partners (e.g. taxes on the sale of "blocker corporations"). The fund returns are presented in aggregate for all limited partners. The returns received by individual investors may differ from the returns presented due to the tax impact of different investment structures.

None of the information contained herein has been filed with any regulatory agency, including the Securities and Exchange Commission, any securities administrator under any state securities laws or any other governmental or self-regulatory authority. No governmental authority has passed on the merits of the offering of interests in the Funds or the adequacy of the information contained herein. Any representation to the contrary is unlawful.

The valuations of unrealized investments are determined on a fair value basis in accordance with One Rock's valuation policies and procedures. There can be no assurance that unrealized investments will be realized at the valuations used to calculate the information contained herein, as actual realized returns will depend on, among other factors, future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs, and the timing and manner of sale, all of which may differ from the assumptions on which the valuations used to calculate the information contained herein are based. In addition, the impact of the coronavirus ("COVID-19") outbreak on the financial performance of One Rock's investments will depend on future developments, including the duration and spread of the outbreak and related advisories and restrictions. These developments and the impact of COVID-19 on the financial markets and the overall economy are highly uncertain and cannot be predicted. If the financial markets and/or the overall economy are impacted for an extended period, One Rock's future investment results may be materially adversely affected.

The performance results summarized herein are historical and reflect an investment for a limited period of time, and actual events or results or actual performance experienced by an investor or an account may differ materially from those reflected or contemplated for a number of reasons including, without limitation, different investment periods, the timing of capital subscriptions, and different fees/allocations from those presented.

The "Financial Information" presented herein has been obtained from portfolio company management and such information has not been independently verified by One Rock, which does not assume the accuracy of such information. Please note that in certain respects, the information contained herein is incomplete without being supplemented by the accompanying oral presentation.

The statements made in this presentation are made as of the date hereof unless stated otherwise herein. The delivery of this presentation at any time shall not create any implication that the information contained herein is correct as of any time subsequent to such date.

Co-investment equity presented herein represents equity that a limited partner or third-party co-investor has invested in a portfolio company where such co-investor was either introduced by the Manager to such portfolio company or the co-investor provided services to such portfolio company. In the Investment Summaries, Equity Co-Investment (Including Rollover) includes co-Investment equity as well as equity invested by certain management members or others who were not introduced by the Manager to such portfolio company.

In accordance with Fund I's limited partnership agreement, flow-through portfolio companies were partially acquired utilizing a blocker corporation. The different tax structures may result in different actual returns for individual investors. To simplify the presentation, the returns presented are consolidated for all investors.

EBITDA presented herein with respect to a portfolio company is not based on audited financials and has not verified by a third-party but is based on estimates evaluated by One Rock in coordination with such portfolio company.

The Enterprise Value referred to herein is the total value of a company, inclusive of all equity and debt, minority interest, less cash and excludes fees and expenses – an exception being the At Entry Enterprise Value / LTM PF Adj. EBITDA multiples shown in the Investment Summaries, which contemplate an Enterprise Value that includes fees and expenses. Enterprise Value may be calculated using each components' fair value, book value or a combination of both.

The EV/EBITDA Multiple referred to herein is calculated by dividing Enterprise Value by EBITDA

Overview & Investment Strategy

One Rock Capital Partners at a Glance

History	▪ Founded in 2010 by Scott Spielvogel and Tony Lee around a core group of former Ripplewood professionals
Strategy	▪ Operationally focused, executing on complex buyouts in the middle-market
Industry Focus	▪ “Old economy” sectors – Chemicals & Process Industries – Specialty Manufacturing & Healthcare Products – Food Manufacturing & Distribution – Business & Environmental Services – Auto Retail
Team / Offices	▪ 23 Investment Professionals and 17 Operating Partners – 12 previously worked together at Ripplewood ▪ Offices in New York (HQ) and Los Angeles
Fund Status	▪ ~ $3.2 billion of committed capital across three flagship funds

Investment Approach

Ability to Pursue Complex Situations

- **One Rock believes in a strong correlation between complexity and value creation potential**
  - When complexity or operating expertise is required, there are fewer willing and/or capable buyers
  - Complexity leads to lower entry prices
- **One Rock believes in consistent value creation through operational and strategic changes at the enterprise**
  - Operational and strategic initiatives are more in the control of the owner than secular changes or macroeconomic forces
- **Our Operating Partner investment approach proactively pursues complex situations such as:**

COMPLEX CORPORATE CARVE-OUTS

- Lack of IT and other corporate infrastructure
- No or incomplete management team
- Need for ongoing commercial arrangements with the seller:
  - Transition, supply, customer agreements

COMPLICATED, MISUNDERSTOOD COMPANIES OR INDUSTRIES

- Lack of audited or standalone financials
- Contingent liabilities
- Regulatory uncertainty
- Industries thought to be in secular decline
- Management transitions

UNDER-OPTIMIZED COMPANIES

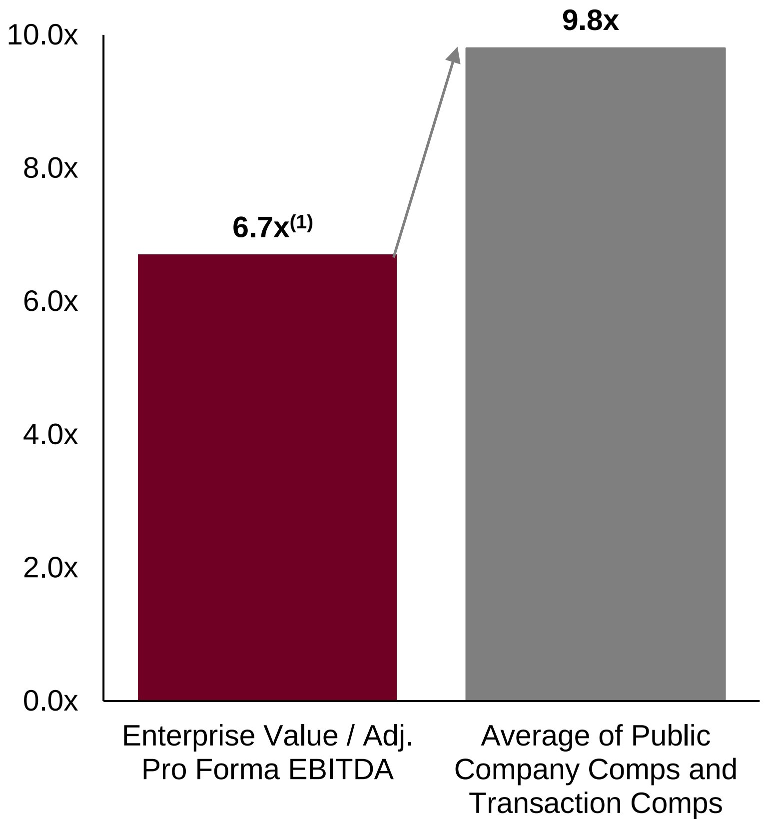
- Financial duress, usually caused by operational issues
- Poor management
- Family businesses run for “lifestyle” versus profit maximization

Investment Approach

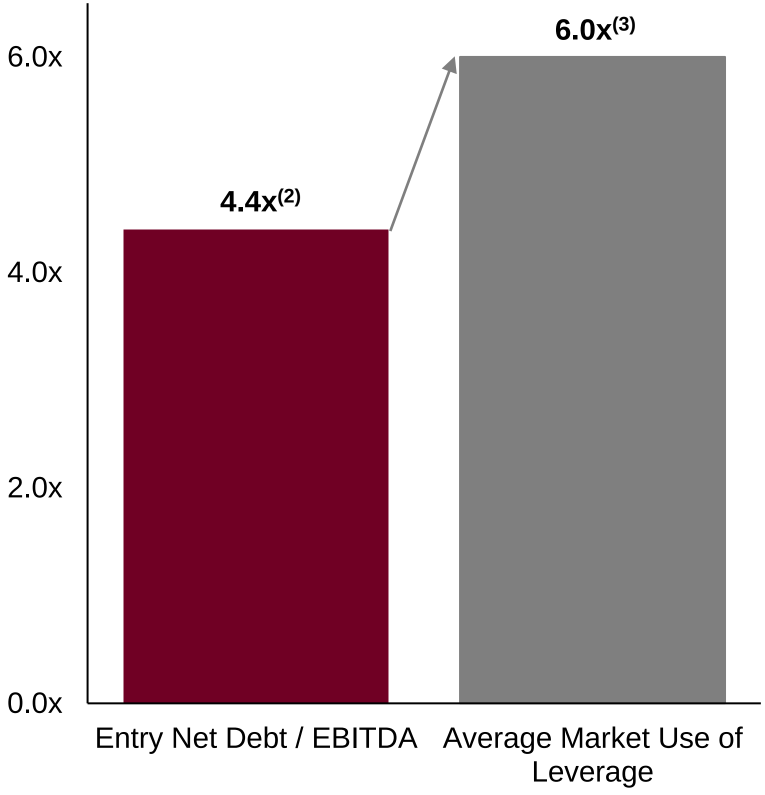
Attractive Entry Valuations and Use of Leverage

- On average purchasing companies at ~32% discount to comps
- At entry weighted average Net Debt / EBITDA of ~4.4x

One Rock Entry Multiples vs Comparables



One Rock Entry Net Debt / EBITDA vs Comparables



Note: As of December 31, 2020. Weighting based on the relevant One Rock fund's equity commitment. Please see the Important Disclosure Information at the beginning of the presentation for information related to the calculation of EBITDA

(1) Weighted average since inception of Enterprise Value / Adj. Pro Forma EBITDA.
(2) Weighted average of Net Debt / EBITDA at entry.
(3) Source: S&P LCD, as of September 30, 2019. Average Total Debt / EBITDA 2011-2019.

Investment Approach

Ability to Leverage Mitsubishi's Global Strategic Resources

- **Mitsubishi Corporation, as One Rock's strategic partner, provides a wealth of resources and advantages**

Mitsubishi Corporation

- Over $120 billion in revenue, ~$35 billion in market capitalization(1)
- 124 offices and subsidiaries in ~90 countries and regions worldwide, and network of more than 1,700 group companies with a multinational workforce of ~85,000 employees
- Diversified global company operating in a wide array of industries:
  - Natural Gas
  - Industrial Materials
  - Petroleum & Chemicals
  - Mineral Resources
  - Industrial Infrastructure
  - Automotive & Mobility
  - Food
  - Consumer
  - Power Solution
  - Urban Development

INVESTMENT SOURCING

- Proprietary investment opportunities
- Strategic point of differentiation for prospective target investments

DUE DILIGENCE

- Market intelligence
- Cost benchmarking and identifying potential savings
- Identification of potential avenues of growth or working capital management

POST-CLOSING OPERATING IMPROVEMENTS

- Global raw material procurement
- Logistics capabilities
- Access to new customers
- Access to new markets
- Lease financing

(1) As of September 30, 2020.

Investment Approach

Ability to Leverage Operating Partners

- **One Rock's Operating Partners are valuable to the investment process and provide extensive industry and functional expertise**

OPERATING PARTNERS

- Full-time and exclusive to One Rock
- Deep industry and/or functional expertise
- Average of ~10 years of experience working with One Rock's founders
- Economics tied to specific investments
  - Not general partners of the Fund
  - Invest alongside the Fund in investments made in their industry
  - Alignment of interests

VALUE-ADDED CAPABILITIES

- Better access to proprietary deal flow
- More efficient and thorough due diligence
- Better and more sophisticated dialogue with target management teams
- Enhanced ability to assess, guide and recruit key members of management
- Ability to create specific plans to improve portfolio company operations post-acquisition
- Built-in management bench

Note: Operating Partners are independent contractors working full-time and on an exclusive basis with One Rock. They are not One Rock employees.

Team

Investment and Professional Teams

INVESTMENT TEAM

Partner


Tony W. Lee*
Managing Partner


R. Scott Spielvogel*
Managing Partner


Kimberly D. Reed**
Partner


Kurt H. Beyer
Partner


Michael T. Koike*
Partner


Rohan Narayan*
Partner

Principal


Joshua D. Goldman*
Principal


Cyrus D. Heidary*
Principal


Robert F. Hsu*
Principal


Jack Rosenberg**
Principal

Vice President/ Senior Associate


Eric N. Drozdov
Vice President


Jared S. Kawadler
Vice President

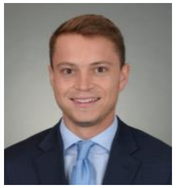

Jeremy Y. Xia
Vice President


Tom D. Lamothe
Senior Associate


Rebecca T. Shey
Senior Associate


Kenji Nakamura
Mitsubishi Secondee

Senior Associate/ Associate


Bobby E. Emery**
Associate


Adam S. Lessner
Associate


Garrett T. Mohr**
Associate


Arya V. Narasimhan
Associate


Sam N. Reach
Associate


Andrew C. Wardrop
Associate


Ryoma Matsumoto
Mitsubishi Secondee

FINANCE


Anna P. Kelleher
Chief Financial Officer


Lenette M. Feroli
Director of Finance

IR


Deepa Patil Madhani
Head of Investor Relations


Emily E. Runyon
Vice President, IR

Notes:
* indicates former Ripplewood Investment Professional.
** indicates LA office.

ONE ROCK
CAPITAL PARTNERS

Operating Partners

Industry Focused		Functional Experts	
Chemicals & Process Industries	John Georges* Andrew Georges* Mike Modak	Lean Manufacturing	Mark Oakeson Steve Ingham
Specialty Manufacturing & Healthcare Products	Gary Tapella* Eric Evans*	Supply Chain & Procurement	Adam Feuer
Food Manufacturing & Distribution	Frank Orfanello	IT & Digital Transformation	Tom Fountain
Business Services & Environmental Services	Kurt Barker Mike Mayer	Finance & HR Solutions	Andrea Greene
Auto Retail	Joseph Agresti*	Talent & Organizational Development	Mike Anderson
		Sales & Marketing Strategy & Execution	Brian Potts Kush Tulsidas

Note: Operating Partners are independent contractors working full-time and on an exclusive basis with One Rock. They are not One Rock employees.
* indicates former Ripplewood affiliation.

Portfolio and Track Record

One Rock Investments

ONE ROCK PORTFOLIO AS OF SEPTEMBER 30, 2020

- **Inclusive of co-investment equity, One Rock has invested ~$2.0 billion in 16 platforms and 21 add-on acquisitions(1)**

($ in millions)

Company	Capital Invested	Realized Value	Unrealized Value(3)	Total Value	Gross Multiple of Capital(4)	Net Multiple of Capital(5)	Gross IRR(4)	Net IRR(5)
One Rock Voltage Investors, LLC(2)	**$35.8**	**$168.6**	**$0.0**	**$168.6**	**4.7x**	**4.3x**	**115.1%**	**106.0%**
One Rock Capital Partners, LP	**$294.8**	**$467.1**	**$304.6**	**$771.7**	**2.6x**	**2.0x**	**35.6%**	**26.2%**
One Rock Capital Partners II, LP	**$795.0**	**$0.0**	**$1,076.0**	**$1,076.0**	**1.4x**	**1.2x**	**18.8%**	**12.8%**
Total - One Rock Investments	**$1,125.7**	**$635.8**	**$1,380.5**	**$2,016.3**	**1.8x**	**1.5x**	**49.1%**	**33.9%**

(1) As of December 18, 2020. Includes additional equity committed.
(2) Reflects pre-fund investment.
(3) Unaudited financials as of September 30, 2020.
(4) Calculated before fund expenses, management fees and carried interest, if any. Please see page 1 for important additional information regarding the calculation of IRRs and multiples.
(5) Net of fund expenses, management fees and carried interest, if any. Please see page 1 for important additional information regarding the calculation of IRRs and multiples.

Note: Past performance is not indicative of future results and is provided for illustrative purposes only. Also, although the valuations of unrealized investments are based on assumptions considered reasonable under the circumstances, actual returns will depend on, among other factors, future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ significantly from the assumptions on which the valuations used in the prior performance data contained herein are based. Accordingly, the actual realized return on any such investments may differ materially from the results indicated herein.

Q & A Discussion

STATE OF CONNECTICUT
TREASURER SHAWN T. WOODEN

FOR IMMEDIATE RELEASE: Wednesday, January 6. 2021
CONTACT: Office of the Treasurer, michelle.woods-matthews@ct.gov

STATEMENT OF STATE TREASURER SHAWN T. WOODEN ON OPENING DAY OF THE 2021 LEGISLATIVE SESSION

Hartford, CT – Today, State Treasurer Shawn T. Wooden joined members of the Connecticut General Assembly outside of the Capitol for the swearing-in ceremony of lawmakers and in celebration of the opening day of the 2021 legislative session.

"As the 2021 legislative session begins, the pandemic, and all the havoc it has caused families across CT, remains top of mind for those of us in public service. While Connecticut is better financially situated to navigate the economic downturn compared to other states and is on track with the vaccine distribution process, thousands of Connecticut families continue to struggle. I am confident that state lawmakers and local officials can work together this legislative session to enact policies that will enable us to emerge from this crisis as a stronger, fairer, and more resilient state.

While Connecticut has the highest annual income per capita in the country, it also has one of the highest rates of income inequality in the nation, and economic disparities have only been exacerbated as a result of the pandemic. We also know that communities of color have been disproportionately impacted by the pandemic, and have an increased risk of getting sick and dying from COVID-19, a statistic that is directly linked to the pre-existing racial and economic disparities throughout Connecticut. This session, I look forward to working closely with the General Assembly to support and put forth a number of initiatives that will protect Connecticut residents' health, support municipal economies and help address long standing systemic and racial disparities."

###

About the Office of the State Treasurer
Under the leadership of Connecticut's State Treasurer Shawn T. Wooden, the Office of the Treasurer is dedicated to safeguarding the state's financial resources and taxpayers' dollars, while maximizing returns and minimizing risks and operating at the highest professional and ethical standards. Through investments and disbursements, the Office continues to enhance the state's fiscal stability, financial literacy, college savings, and its approach to leveraging business partnerships to combat social issues such as gun violence, climate change, and equal opportunity in economic growth. Learn more about the Office of the Treasurer here and follow along on Facebook, Instagram and Twitter.

FOR IMMEDIATE RELEASE: Tuesday, December 10, 2020
CONTACT: Office of the Treasurer, michelle.woods-matthews@ct.gov

TREASURER WOODEN ANNOUNCES UNIVERSITY OF CONNECTICUT BOND SALE ATTRACTS RECORD DEMAND, ACHIEVES RECORD LOW BORROWING COST, AND SAVES TAXPAYERS $29 MILLION LARGEST RETAIL ORDERS IN 24-YEAR HISTORY

HARTFORD, CT – Today, Connecticut State Treasurer Shawn T. Wooden announced the results of this week's University of Connecticut bond sale. The $279 million UConn 2000 Program bond sale attracted record investor demand, set a new record low overall interest costs of 2.19%, and will save taxpayers $29 million by refinancing existing bonds. Total orders received during the retail order period were $455 million, the highest level of retail orders on any UConn 2000 Program bond issuance in its 24-year history.

"On the heels of four major credit rating agencies affirming Connecticut's general obligation ratings and stable outlooks, the UConn bond sale's record-setting bond sale builds on that positive momentum," said State Treasurer Shawn Wooden. "The increasing attractiveness of Connecticut bonds is further proof of our fiscal stability in the eyes of investors. At a time when our State is confronting the ongoing public health crisis and responsibly tackling longstanding fiscal challenges, these results underscore the importance of strong financial governance, saving taxpayer dollars, and staying the course with fiscally-responsible policies."

Consistent with past practice, retail investors were given priority during a two-day retail order period on December 4 and 7. In addition, institutional investors placed orders for $365 million of bonds on December 8, bringing total orders to $820 million.

"Today's record-setting demand for UConn bonds shows market confidence in UConn and the State of Connecticut," said Scott Jordan, University of Connecticut Executive Vice President and Chief Financial Officer. "When you invest in UConn, you invest in the people of Connecticut, in Connecticut's economy, and in scholarship and research with benefits far beyond our borders."

The overall interest cost on the 20-year new money portion of the sale was 2.19%, the lowest cost on any comparable UConn 2000 Program issuance on record - even lower than the 2.31% interest cost on the State's June 2020 General Obligation bond sale.

Of the $279 million of bonds issued, $160 million are new money bonds, and along with associated bond premium will provide $200 million of funds for UConn infrastructure investments. Key projects being funded include academic and research facilities; improvements to the Fine Arts complex; residential life facilities; library collections; and telecom, equipment and infrastructure improvements at the Storrs and UConn Health campuses.

The remaining $119 million of bonds issued will refinance existing higher-interest bonds for debt service savings of approximately $29.0 million over the next ten years. Since Treasurer Wooden took office in January 2019, he has lowered previously issued debt service by $97 million, including this sale.

"By refunding existing debt for savings, we were able to take advantage of market demand and attractive low interest rates. By doing so, we have reduced the state's fixed costs for years to come, which is positive for our credit ratings, and in turn saves taxpayer dollars," continued Treasurer Shawn Wooden.

In advance of the sale, three major rating agencies affirmed their credit ratings for the UConn 2000 bonding program with Stable outlooks: Moody's Investors Service at 'A1', Standard & Poor's at 'A+', and Fitch Ratings at 'A'.

The bonds are scheduled to close on December 17, 2020. For more information on the State's bond sale visit BuyCtBonds.com.

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Office of the Treasurer | 165 Capitol Avenue Hartford, CT, 06106

STATE OF CONNECTICUT
TREASURER SHAWN T. WOODEN

FOR IMMEDIATE RELEASE: Wednesday, December 16, 2020
CONTACT: Office of the Treasurer, michelle.woods-matthews@ct.gov

TREASURER WOODEN ANNOUNCES COMPLETION OF $800 MILLION GENERAL OBLIGATION BOND SALE AT RECORD LOW BORROWING COST

OVERALL INTEREST COST AT RECORD LOW 1.80%, SAVING TAXPAYERS MONEY

HARTFORD, CT – Today, Connecticut State Treasurer Shawn T. Wooden announced that the State's $800 million, 20-year General Obligation (GO) bond sale achieved a record low overall interest cost of 1.80% and were purchased by investors at the lowest bond pricing spreads since 2014.

"The General Obligation bond sale results demonstrate how investor confidence remains strong in the State of Connecticut," said Treasurer Shawn Wooden. "Earlier this month, independent ratings agencies maintained the State's credit ratings and stable outlooks, which led to two record setting bond sales, both of which will save taxpayer dollars and provide stability to the State's long-term financial future. As we continue to confront the public health crisis and economic downturn, it is more important than ever that Connecticut remains fiscally-responsible."

Consistent with past practice, retail investors were given priority during a special retail order period on Monday, December 14, bringing in $253 million of retail orders. In addition, institutional investors placed orders for $2.57 billion of bonds on Tuesday, December 15, bringing total orders to $2.8 billion, over 3.5 times the bonds available. This high volume of orders and competition for our bonds allowed the State to reduce overall costs in the final pricing.

The overall interest cost on these bonds is 1.80%, the lowest overall interest cost on any GO Bond sale on record -- even lower than the 2.19% interest cost on the UConn 2000 bonds sold just last week.

"These results also reflect the extremely low interest rate environment in the bond market today, combined with Connecticut's improving bond pricing spreads; allowing us to demonstrate the strong financial foundation that we are building here in Connecticut," continued Treasurer Wooden. "Our timing on this sale was just right and resulted in a lower cost of funds for

Connecticut residents. In Fiscal Year 2021 and beyond, our financial governance needs to remain forward-thinking, as we continue to build towards a sustainable economic recovery."

This GO bond issue will fund $200 million of local school construction projects; $146 million of improvements to state universities and community colleges; $86 million of grants for economic development, municipalities and not-for-profits; $73 million for technology improvements; $77 million for the Crumbing Foundations program; $71 million for Clean Water Fund grants; and the balance for various state programs for housing, environmental initiatives, renovation of state buildings, and the Small Business Express Program.

In advance of this GO bond sale, all four major rating agencies affirmed their credit ratings for Connecticut's GO bonds along with "Stable" outlooks: Moody's Investors Service at 'A1', Standard & Poor's Global Ratings at 'A', Fitch Ratings at 'A+', and Kroll Bond Ratings at 'AA-'.

This GO bond issue is scheduled to close on January 6, 2021. For more information on the State visit BuyCTBonds.com.

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