

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

REQUEST FOR ACTION

Subject: Public Equity Commitment

Action Requested: Approval of Dragoneer Global Fund II, L.P.

Background and Summary: We recommend the approval of Dragoneer Global Fund II, L.P. (the "Fund") with a commitment of up to \$180 million from the Long Term Portfolio. The Fund is managed by Dragoneer Investment Group ("DIG"), an investment firm based in San Francisco, CA.

DIG was founded in 2012 by Marc Stad to invest in the most exceptional companies globally, and to remain an investor in these companies for as long as possible. DIG's focus on exceptional companies with durable business models causes it to generally invest in technology and technology-related companies, but it may invest in any sector. The Fund will invest in both public and private securities.

Mr. Stad previously worked at the Investment Group of Santa Barbara and TPG Capital, where Mr. Stad developed his investment philosophy prior to founding DIG. Mr. Stad is joined by four additional, deeply experienced, investors with extensive consulting and investing backgrounds.

This investment will diversify the public equity portfolio and further the University's goal to maximize the long term risk-adjusted return of the Long Term Portfolio.

Respectfully submitted,



Kevin P. Hegarty
Executive Vice President and
Chief Financial Officer

March 2019