

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

ITEM FOR INFORMATION

**Subject:** Absolute Return and Alternative Asset Commitments

**Background and Summary:** Under a May 1994 Request for Action, the university may commit to follow-on investments in a new fund sponsored by a previously approved partnership, provided the fund has the same investment strategy and core investment personnel as the prior fund.

Pursuant to that policy, this item reports on the university's follow-on investments with the previously approved partnerships listed below.

**Absolute Return Commitments**

**Irradiant Partners**, an Austin, TX, and Santa Monica, CA, based credit firm that invests in collateralized loan obligations (CLOs) issued in the United States. The firm will invest in the equity tranches of CLOs managed by Irradiant Partners and opportunistically in the debt and equity tranches of third-party managed CLOs. Irradiant Partners will also invest in CLO warehouse financing facilities for both Irradiant Partners and third-party managed CLOs.

In November 2022, the university committed up to \$50 million to an Irradiant Partners-sponsored fund.

**Alternative Asset Commitments**

**8VC** is an Austin, TX, based venture capital firm that invests in early-stage U.S. technology startups. Areas of investment focus typically will be sectors in which the investment team has prior experience, such as the "smart enterprise" sector, bio-IT, a build program (the creation of companies), and other opportunistic areas.

In January 2023, the university committed up to \$50 million to one 8VC-sponsored investment.

**Altor Equity Partners**, a private equity firm located in Stockholm, Sweden, invests in middle-market companies in the Nordic & DACH region. Altor focuses on investment opportunities where it believes there is potential for value creation through revenue growth, margin expansion, add-on acquisitions, and improved capital management. The fund will invest across several industry sectors, including consumer products, specialty manufacturing, and business services. In addition to these sectors, the "green transition" trend is a growing area of opportunity for Altor.

In September 2022 the University committed up to \$75 million to an Altor-sponsored investment.

**Bain Capital Asia**, an Asia based private equity firm with offices across the continent, will invest in companies, primarily through buyout transactions, headquartered in greater China, Japan, India, Korea, and Australia. Bain's local presence in each market, global platform, and deep sector expertise are differentiating characteristics. The Fund will focus on five industry verticals, consumer, financial and business services, technology, industrial, and healthcare.

In December 2022, the University committed up to \$35 million to one Bain-sponsored investment.

Respectfully submitted,



Geoffrey S. Chatas  
Executive Vice President and  
Chief Financial Officer

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