

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

Approved by the Regents
June 20, 2013

REQUEST FOR ACTION

Subject: Alternative Asset Commitment

Action Requested: Approval of Trilantic Capital Partners V (North America), L.P.

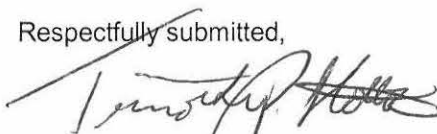
Background and Summary: We recommend a commitment of \$15 million from the Long Term Portfolio to Trilantic Capital Partners V (North America), L.P., a N.Y. based private equity fund. Trilantic, formed in 2009, was previously the private equity investment arm of Lehman Brothers Merchant Bank.

Trilantic will invest in middle market companies with favorable growth prospects, positive cash flow, and enterprise values in the range of \$100 million to \$1 billion. The investments, which may be control or significant minority holdings, will focus on North American companies.

Trilantic uses a "buy in" approach to its investments, providing growth capital to its portfolio companies and aligning itself with management as a supportive, value-added partner. The investment team will use conservative leverage levels for its portfolio companies and will diversify the portfolio by vintage year and sector. The fund's investments will focus on sectors in which the investment team has prior experience, including consumer products, business services, financial services, and energy.

This commitment offers the Long Term Portfolio the opportunity to increase its exposure to middle market private equity investments.

Respectfully submitted,



Timothy P. Slottow
Executive Vice President and
Chief Financial Officer

June 2013