

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

Approved by the
Regents
October 16, 2014

REQUEST FOR ACTION

Subject: Alternative Asset Commitment

Action Requested: Approval of H. Barton Co-Invest Fund II, LLC

Background and Summary: We recommend a commitment of \$10 million from the Long Term Portfolio to H. Barton Co-Invest Fund II, LLC, a venture capital co-investment fund based in Menlo Park, CA.

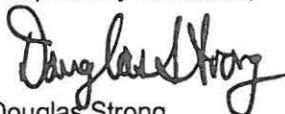
H. Barton Co-Invest Fund will be managed by Harris Barton who was a co-founder of prior venture capital and private equity funds of funds and has been an active alternative asset investor for nearly two decades. This co-investment fund is a continuation of an investment program Mr. Barton has pursued since 2010.

The fund's strategy is to make direct investments in early stage technology companies. Working within his established network of venture capital relationships, Mr. Barton will seek to co-invest in both early and subsequent financing rounds of technology companies sponsored by firms which have demonstrated an ability to identify high potential investment opportunities; are sought out by entrepreneurs desiring sponsorship by leading, value-added venture firms; and have achieved notable investment success within this asset class.

The University previously invested in H. Barton Venture Select, L.P., a fund of venture funds managed by Mr. Barton.

This commitment offers the Long Term Portfolio the opportunity for increased exposure to early stage venture capital investments sponsored by highly regarded, successful firms.

Respectfully submitted,



Douglas Strong
Interim Executive Vice President and
Chief Financial Officer

October 2014