

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

Approved by the  
Regents  
November 19, 2015

REQUEST FOR ACTION

**Subject:** Public Equity

**Action Requested:** Approval of Goodhart Partners LLP

**Background and Summary:** We recommend the approval of Goodhart Partners LLP, a London and Tokyo, based public equity manager, with an initial investment of \$75 million from the Long Term Portfolio.

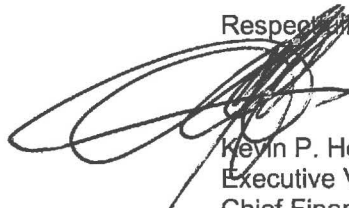
Established in 2009, Goodhart Partners LLP is an investment platform that joint ventures with specialist, capital constrained, investment managers and provides all of these managers' non-investment related operations including accounting, regulatory compliance and marketing. In 2011, Goodhart Partners launched the Hanjo Fund in concert with Sean Lenihan as the fund's portfolio manager.

Within the Hanjo investment strategy, Mr. Lenihan focuses on discovering mispriced opportunities in the less efficient and poorly covered Japanese small cap public equity market. The investment focus is on quality companies with strong balance sheets, positive cash generation, durable franchises and, most importantly, capable and trustworthy management.

Mr. Lenihan has 21 years of investing experience in Japanese equity at various investment firms, including over 10 years in Japanese small cap markets. Over this time, he has developed a significant knowledge base that allows him to identify, thoroughly analyze and due diligence investment opportunities. He is fluent in Japanese and is a permanent resident having lived in Tokyo for 26 years.

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

November 2015