

ITEM FOR INFORMATION

**Subject:** 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.

**Deerfield Healthcare Innovations Fund, L.P.** is a New York, NY, based venture capital fund sponsored by Deerfield Management Company. Deerfield, a well-regarded healthcare investment firm, manages private equity and hedge funds focused on growth stage and public healthcare companies. The Innovations Fund is an extension of the firm's investment program and will invest in early stage healthcare companies. The investments will include opportunities in the therapeutics, devices, diagnostics, medical services, and animal health sectors.

In July 2015 the University committed \$30 million to Deerfield Healthcare Innovations Fund, L.P.

**Graham Partners IV, L.P.**, a private equity fund located in Newtown Square, PA, invests in middle market industrial technology and advanced manufacturing companies based principally in the United States and Canada. Graham Partners' strategy is to invest in relatively small, high-growth companies poised to benefit from raw material or product substitution conversions in their markets. The investments are in sectors where Graham Partners has prior experience, including building materials, packaging, medical products, electronics, aerospace, and food technology.

In July 2015 the University committed \$40 million to Graham Partners IV, L.P.

**GSR Ventures V, L.P.**, a venture capital fund with offices in Beijing, China, and Palo Alto, CA, will make early stage venture capital investments in companies which have substantial operations in China. The focus will be on digital companies in the e-commerce, financial technology, online advertising/big data, mobile gaming, and education sectors.

In July 2015 the University committed \$15 million to GSR Ventures V, L.P.

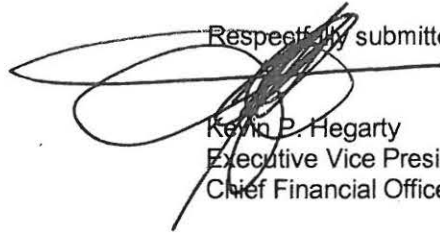
**Patron Capital, L.P., V**, a real estate fund based in London, U.K., and with offices in Luxembourg City, Luxembourg; Barcelona, Spain; and Milan, Italy, will make opportunistic and value-oriented investments in distressed and undervalued property assets, loans and corporate entities with substantial underlying property value. Patron will use its established network of local operating partners across Western Europe to source deals. Once acquired, Patron will build value through the repositioning, redevelopment and intensive management of the real estate assets and operational improvement of corporate entities.

In July 2015 the University committed €30 million (~ \$31.7 million) to Patron Capital, L.P., V.

**White Rock Oil and Gas Partners II, L.P.**, is a Dallas, TX, based natural resources fund that will invest in producing oil and gas properties in the United States. White Rock will target investments where the team has experience and will increase the value of the assets through improvements in production capacity and operational efficiencies. White Rock will focus on smaller assets, a less efficient segment of the market. The Fund is expected to be diversified across multiple oil and gas basins and an exit might include a portfolio sale or a sale of individual assets.

In July 2015 the University committed \$20 million to White Rock Oil and Gas Partners II, L.P.

Respectfully submitted,

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke, positioned over the text "Respectfully submitted,".

Kevin P. Hegarty  
Executive Vice President and  
Chief Financial Officer

December 2015