



COMMONWEALTH OF PENNSYLVANIA  
PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM  
OFFICE OF CHIEF COUNSEL  
FACSIMILE (717) 783-8010

August 9, 2018

Via Electronic Mail

Elise Yoder, PPMAIRC Project Manager  
Public Pension Management and Asset Investment Review Commission

Dear Ms. Yoder:

This correspondence concerns Public School Employees' Retirement System ("PSERS") response to request for information by the Public Pension Management and Asset Investment Review Commission (the "Commission").

Contemporaneously with this correspondence the Public School Employees' Retirement System ("PSERS") is providing its response (the "Current Response") electronically to the request by the Commission for the document provided to PSERS on July 24, 2018 and attached hereto as Attachment "A" (the "Current Request"). The Current Response relates to request numbers 1 through 5. PSERS is in the process of gathering the documents responsive to request number 6 and intends to provide these documents to the Commission by the close of business on Monday, August 13, 2018.

As background, PSERS provides the below table, which lists PSERS' responses to the Commission's prior requests for information.

Commission Request	PSERS Response
PSERS-001 Date Submitted June 11, 2018	PSERS Response Dated June 20, 2018
PSERS-002 Date Submitted June 11, 2018	PSERS Response Dated June 20, 2018
PSERS-003 Date Submitted June 11, 2018	PSERS Response Dated June 20, 2018
PSERS-004 Date Submitted June 11, 2018	PSERS Response Dated July 2, 2018

In addition, the Commission sent by electronic mail a clarifying question concerning PSERS-001, Request 5 (dated July 10, 2018 from you to me) (the "Clarifying Email"). For clarity, in the remainder of this correspondence we will refer to the Commission's Requests 001 through 004 and the Clarifying Email collectively as the "Commission's Prior Requests" and collectively refer to PSERS' Responses to the Commission's Prior Requests as the "PSERS Prior Responses".

The Commission has communicated to PSERS that its response to the Current Request shall be in lieu of responding to the Clarifying Email and supplementing and/or amending PSERS' Prior Responses. Hence, PSERS is not required to further respond to the Commission's Prior Requests. PSERS acknowledges that the Commission may at a later date request additional information.

Below PSERS provides additional information regarding its Current Response.

A full list of the documents provided electronically for Requests 1 through 5 is below and any redaction is indicated. All of the redactions concern information related specifically to a portfolio company owned by a partnership in which PSERS is a limited partner. These redactions are required in order for PSERS to comply with its enabling legislation, 24 Pa.C.S. §8502(e), and to adhere to confidentiality agreements in effect between PSERS and the partnerships in which it invests. The enabling legislation and these confidentiality agreements mandate that PSERS not disclose to third-parties information regarding the underlying portfolio holdings of the limited partnerships.

<b>Current Request, Request Number</b>	<b>Response</b>	<b>Redaction</b>
1	Private Markets Quarterly Update (Summary Slide Second Quarter 2017)	
	Hamilton Lane PSERS Private Markets Second Quarter Report	The name of the Partnership and the underlying portfolio investment company names contained on page 26
	Private Markets Quarterly Update Summary Slide Third Quarter 2017	
	Hamilton Lane PSERS Private Markets Third Quarter Report	The name of the Partnership and the underlying portfolio investment company names contained on page 26
	High Yield/Private Credit-Quarterly Report Second Quarter 2017	
	High Yield/Private Credit-Asset Class Review (Quarterly Report Third Quarter 2017)	
	Hamilton Lane PSERS High Yield/Private Credit Fourth Quarter Report	The underlying portfolio investment company names contained on pages 11, 27, and 28
2	Aksia LLC Pennsylvania Public School Employees' Retirement System Quarterly Updated as of June 30, 2017	
	Aksia LLC Pennsylvania Public School Employees' Retirement System Quarterly Updated as of December 31, 2017	
3	Real Estate Second Quarter 2017	
4	Pennsylvania Public School Employees' Retirement System	

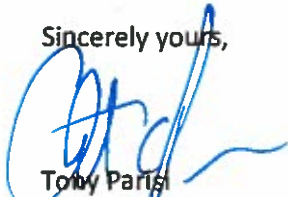
	Direct Alpha: PSERS Actual Cash Flow vs 70% Russell 3000/30% MSCI ACWI xUS IMI NET	
5	PSERS Base Management Fees- External Management As of Fiscal Year Ended June 30, 2017	
Supplemental Material	2017 Model Side Letter	

Please note that the following requested documents have not been prepared as of the date of this letter and thus are not included in the Current Response.

1. Hamilton Lane Private Market report for quarter 12/31/17 (Request 1).
2. Courtland Partners report for period 12/31/17 (Request 3).

PSERS also includes as part of the Current Response its current model side letter, which it utilizes in negotiating PSERS' rights in the limited partnerships in which it invests, including but not limited to requiring the general partner to provide reports to PSERS in accordance with the Institutional Limited Partners Association template.

Sincerely yours,



Toby Paris  
Director, Government Relations

- (1) Hamilton Lane Private Market and High Yield/Private Credit quarterly board reports for quarters 6.30.17, 9.30.17 and 12.31.17.
- (2) Aksia reports for period 6.30.17 and 12.31.17.
- (3) Courtland Partners reports for period 6.30.17 and 12.31.17.
- (4) Copy of analysis referenced in response to question 14 named "PPMAIRCC-PSERS-004."
- (5) A list of fee terms for each public market manager.
- (6) Offering documents or side letters outlining fee, costs and expenses and all annual investor reports for the following sample of funds:

Fund	Vintage
Adams Capital Management, L.P.	1997
Avenue Asia Special Situations Fund III, L.P.	2003
CEO Venture Fund I, L.P.	1987
CEO Ventures S	1987
Commonwealth Capital Ventures, L.P.	1986
Credit Suisse First Boston Intl. Equity Partners	1997
Cross Atlantic Technology Fund	1999
Edgewater Private Equity Fund III	1998
Franklin Capital Associates III, L.P.	1995
Heritage Fund I, L.P.	1994
Jefferson Partners Fund IV, L.P.	2003
KRG Capital Partners I, L.P.	1999
Landmark Equity Partners III, LP	1993
NEPA Venture Fund II	1992
PAI Europe III	2001
SCP Private Equity Partners II	2000
TPG Partners, L.P.	1993
U.S. Equity Partners, L.P.	1996
Versa Capital Partners II	2008
Willis Stein & Partners, L.P.	1998