



June 5, 2013

Pennsylvania Public School Employees'
Retirement System
c/o Luke Jacobs
5 North 5th Street, 3rd Floor
P.O. Box 125
Harrisburg, PA 17108-0125

Re: [REDACTED]

Dear Mr. Jacobs:

Per your instructions, a wire in the amount of \$870,850 has been placed today from Franklin Capital Associates III L.P. for the benefit of Pennsylvania Public School Employees' Retirement System. This distribution represents the final proceeds from the liquidation and winding up of the Fund. A concluding Schedule of Partners' Capital is also enclosed.

The last day of operations for the office of the management company will be June 28, 2013, although we will retrieve messages through September. Additionally, Larry Coleman can be contacted at lcolemanvc@aol.com and David Swenson can be contacted at wdsvenson@aol.com.

Thank you for the patience and support shown during the Fund's life cycle. Final Schedule K-1s will be provided at a later date.

Sincerely,

For: Franklin Capital Associates III L.P.
Larry H. Coleman, Ph.D.
Managing General Partner

cc: PSERS – ra-allocationsdistribution@pa.gov
Portfolio Advisors, LLC – psers@portad.com
BNY Mellon – 0010684@mellon.com

237 SECOND AVENUE SOUTH
FRANKLIN, TN 37054-2649
TEL (615) 791-9462
FAX (615) 791-9636

FRANKLIN CAPITAL ASSOCIATES III L.P.

Final Schedule of Partners' Capital

Committed and Contributed Capital	Partners' Capital Excluding Unrealized Gain as of December 31, 2012	Net Investment Loss	Realized Loss on Investments	Foreign Tax Distributions	Partners' Capital Prior to Final Cash Distribution	Final Cash Distribution June 5, 2013	Ending Partners' Capital as of June 5, 2013
\$ 500,000	\$ 33,360	\$ (4,054)	\$ (267)	\$ -	\$ 29,039	\$ (29,039)	\$ -
5,000,000	333,524	(40,541)	(2,673)	-	290,310	(290,310)	-
5,600,000	373,515	(45,406)	(2,993)	-	325,116	(325,116)	-
3,000,000	200,091	(24,324)	(1,604)	-	174,163	(174,163)	-
2,000,000	133,399	(16,217)	(1,069)	-	116,113	(116,113)	-
5,000,000	333,494	(40,541)	(2,673)	-	290,280	(290,280)	-
1,500,000	100,048	(12,162)	(802)	-	87,084	(87,084)	-
5,000,000	333,494	(40,541)	(2,673)	-	290,280	(290,280)	-
5,000,000	333,494	(40,541)	(2,673)	-	290,280	(290,280)	-
1,000,000	58,995	(8,108)	(534)	(18)	50,335	(50,335)	-
1,000,000	66,694	(8,108)	(534)	-	58,052	(58,052)	-
15,000,000	1,000,491	(121,623)	(8,018)	-	870,850	(870,850)	-
2,000,000	133,399	(16,217)	(1,069)	-	116,113	(116,113)	-
4,000,000	266,806	(32,433)	(2,138)	-	232,235	(232,235)	-
2,000,000	133,399	(16,217)	(1,069)	-	116,113	(116,113)	-
5,000,000	333,494	(40,541)	(2,673)	-	290,280	(290,280)	-
2,000,000	133,399	(16,217)	(1,069)	-	116,113	(116,113)	-
1,500,000	100,048	(12,162)	(802)	-	87,084	(87,084)	-
8,500,000	566,950	(68,920)	(4,543)	-	493,487	(493,487)	-
100,000	6,679	(811)	(53)	-	5,815	(5,815)	-
100,000	6,679	(811)	(53)	-	5,815	(5,815)	-
200,000	13,332	(1,622)	(107)	-	11,603	(11,603)	-
75,000,000	4,994,784	(608,117)	(40,089)	(18)	4,346,560	(4,346,560)	-
757,575	50,531	(6,143)	(405)	-	43,983	(43,983)	-
\$ 75,757,575	\$ 5,045,315	\$ (614,260)	\$ (40,494)	\$ (18)	\$ 4,390,543	\$ (4,390,543)	\$ -

Pennsylvania Public School Employees' Retirement System

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Franklin Ventures III L.P.