

**Minutes of the Meeting of the Investment Committee of the TCRS Board of Trustees  
October 31, 2013**

The Investment Committee of the TCRS Board of Trustees ("Investment Committee") met at 1:30 p.m. on October 31, 2013 in the Executive Conference Room on the Ground Floor of the State Capitol. A quorum of the Investment committee participated in the meeting which included The Honorable David H. Lillard, Jr., State Treasurer, The Honorable Tre Hargett, Secretary of State, Mr. Bob Wormsley, Mr. Bill Kemp and Comptroller Justin Wilson. Mr. Rick Newton, representing the Department of Finance and Administration, attended in the absence of Commissioner Larry Martin. Also in attendance were Mr. Bill Abney, Ms. Jennifer Selliers, Mr. Michael Brakebill, Chief Investment Officer, Mr. Andrew Palmer, Deputy Chief Investment Officer, Mr. Daniel Crews, Interim Director of Private Equity and Mr. Matthew Haitas, Real Estate Analyst.

Mr. Daniel Crews was asked to introduce the proposed investment by TCRS in Vitruvian Investment Partnership II. Vitruvian Investment Partnership II is a buyout fund investing in middle market firms in both the United Kingdom and the traditionally German-speaking countries of Europe. Cambridge Associates and TCRS staff recommended making a £50 million commitment to Vitruvian Investment Partnership II. Bill Kemp made a motion to approve the investment in the Vitruvian Investment Partnership II pending successful legal negotiations. The motion was seconded by Secretary Hargett and unanimously approved.

Mr. Daniel Crews next presented the proposed investment by TCRS in Drive Capital Fund I. Drive Capital Fund I is a venture capital fund investing in Midwestern companies. Cambridge Associates and TCRS staff recommended making a \$20 million commitment to Drive Capital Fund I. Bob Wormsley made a motion to approve the investment in the Drive Capital Fund I pending successful legal negotiations. The motion was seconded by Bill Kemp and unanimously approved.

Mr. Daniel Crews next presented the proposed investment by TCRS in Olympus Growth Fund VI. Olympus Growth Fund VI is a buyout fund investing middle market firms with a focus on firms with valuations that reflect growth at a reasonable price. Cambridge Associates and TCRS staff recommended making a \$75 million commitment to Olympus Growth Fund VI. Bob Wormsley made a motion to approve the investment in the Olympus Growth Fund VI pending successful legal negotiations. The motion was seconded by Treasurer Lillard and unanimously approved.

Mr. Matthew Haitas was asked to introduce the proposed investment by TCRS in Exeter Industrial Fund III. Exeter Industrial Fund III is a value-added real estate fund investing in industrial properties across the United States. The Townsend Group and TCRS staff recommended making a \$50 million commitment to Exeter Industrial Fund III. Treasurer Lillard made a motion to approve the investment in the Exeter Industrial Fund III pending successful legal negotiations. The motion was seconded by Bob Wormsley and unanimously approved.

Mr. Michael Brakebill provided an update on the current asset allocation of the TCRS fund. He noted that the fund continues to be overweight in US equities but less overweight than at the start of the calendar year. The fund is underweight to emerging market equities, but the underweight has been reduced since the beginning of the calendar year.

The members of the Investment Committee had no additional questions and the meeting of the Investment Committee was adjourned.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "M. Brakebill", written in a cursive style.

Michael Brakebill  
Chief Investment Officer

APPROVED:

A handwritten signature in blue ink, appearing to read "David H. Lillard, Jr.", written in a cursive style.

David H. Lillard, Jr., Chairman  
TCRS Board of Trustees