

**Minutes of the Meeting of the Investment Committee of the TCRS Board of Trustees
May 28, 2014**

The Investment Committee ("Investment Committee") of the Tennessee Consolidated Retirement System ("TCRS") Board of Trustees met at 3:15 p.m. on May 28, 2014 in the G-11 Conference Room on the Ground Floor of the State Capitol. The Honorable David H. Lillard, Jr. State Treasurer, called the meeting to order at 3:20 p.m. Investment Committee members in attendance included The Honorable Tre Hargett, Secretary of State; Treasurer Lillard; Mr. Justin Wilson, Comptroller of the Treasury; Mr. Robert Wormsley, Local Government Insurance Pool; Mr. Larry Martin, Commissioner of Finance and Administration; and Mr. Bill Kemp, Sumner County Clerk. Additional attendees included Mr. Bill Abney, Assistant to the Treasurer for Investments; Michael Brakebill, Chief Investment Officer; Mr. Daniel Crews, Director of Private Equity; Ms. Jennifer Selliers, Compliance; and Grant Leslie, Senior Portfolio Manager.

Treasurer Lillard began the meeting by asking Mr. Crews to introduce a proposed \$50 million investment in Charlesbank Equity Fund VIII, L.P. Mr. Crews began by announcing two new hires to the TCRS private equity team – Carrie Green and Grant Leslie. Thereafter, Mr. Crews provided a brief history of Charlesbank Capital Partners ("Charlesbank"), which was a captive buyout team within the Harvard University endowment prior to spinning out to form Charlesbank in 1998. Mr. Crews highlighted the historical strength of execution by Charlesbank as a value-oriented buyout sponsor, the lengthy tenure of senior management and orderly generational transition at Charlesbank, and the strategic fit of Charlesbank Equity Fund VIII within the TCRS portfolio as a balance to existing growth-oriented investments. Treasurer Lillard made a motion to commit at \$50 million, which was seconded by Bill Kemp and then unanimously approved.

Treasurer Lillard then asked Mr. Brakebill to provide an update on the TCRS portfolio. Mr. Brakebill noted that the fund had grown to \$42.2 billion, up from \$41.4 billion at the prior Investment Committee meeting on April 23, 2014, and had an estimated fiscal year-to-date return of 14.0%. Mr. Brakebill briefly commented on recent strength in the capital markets driving total portfolio returns.

Treasurer Lillard thanked Mr. Brakebill for his leadership, and the meeting of the Investment Committee subsequently adjourned.

Respectfully submitted,



Michael Brakebill
Chief Investment Officer

APPROVED:



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