

CalPERS

Total Fund Monthly Update – Investment Compliance

MONTH ENDED NOVEMBER 30, 2013

CalPERS Total Fund Monthly Update - Investment Compliance

As of November 30, 2013

Items Completed Under Delegated Authority

Disclosure of Placement Agent Fees

Investment Proposal Activity Summary

Policy Violations

Disclosure of Closed Session Action Items

Items Completed Under Delegated Authority *(for the month ended November 30, 2013)*

Program Area	Name of Investment	Commitment	Initial Funding Date of Partnership	Complies with Delegation Number
Absolute Return Strategies	Double Haven Eureka Fund	\$80 million	Nov-13	11-03-INV
Private Equity	Caesars Acquisition Company	\$6.8 million	Nov-13	07-02-INV II (C) 1
Real Assets	Pacific Multifamily Investors, LLC	\$218 million	Nov-13	11-01-INV
Real Assets	AEW-SHP Managed Portfolio	\$5.20 million	Jan-09	11-01-INV

Disclosure of Placement Agent Fees *(for the month ended November 30, 2013)*

Firm Name	Double Haven Capital (Hong Kong) Limited
Asset Class	Absolute Return Strategies
Fund	Double Haven Eureka Fund, L.L.C.
Period	October 2013
Placement Agent / Firm	William Hugh McGregor Donohugh, CEO of Double Haven Capital (Hong Kong)
Registered with SEC/FINRA	Double Haven Capital (Hong Kong) Limited is registered with the SEC as an investment advisor, and is registered with the Hong Kong Securities and Futures Commission (SFC) as a Type 9 asset manager. Double Haven Capital (Hong Kong) Limited and each of the funds it manages are exempt from registration with the Commodity Futures Trading Commission (CFTC) as a Commodity Pool Operator (CPO) pursuant to Regulation 4.13(a)(3) of the CFTC (and have filed the relevant exemption notices).
Registered with Secretary of State	Mr. Donohugh is currently registering as a lobbyist with the Secretary of State.
Estimated Placement Agent Compensation	Mr. Donohugh is not compensated contingent upon a CalPERS commitment. Total compensation attributable to this investment is approximately \$2,500. Placement Agent compensation for Double Haven Capital (Hong Kong) was previously reported to the Closed Session of Investment Committee in December 2013.
Transaction Type	New

Investment Proposal Activity Summary (for the month ended November 30, 2013)

	Private Asset Classes				Public Asset Classes				Total
	Private Equity	Forestland	Infrastructure	Real Estate	ARS	Global Equities	Commodities	Global Fixed Income	
Start of Month Proposals	26	2	28	11	27	4	0	1	99
New Proposal During the Month	6	0	10	5	7	0	0	5	33
Reinstated Proposal During Month	0	0	0	0	0	0	0	0	0
Decisions During the Month	5	0	10	1	21	4	0	2	43
End of Month Proposals	27	2	28	15	13	0	0	4	89

Status Details

Status	Private Asset Classes				Public Asset Classes				Total
	Private Equity	Forestland	Infrastructure	Real Estate	ARS	Global Equities	Commodities	Global Fixed Income	
Start of Month Proposals									
Submitted	0	0	1	3	1	0	0	0	5
Screening	23	2	27	8	21	4	0	1	86
Due Diligence	3	0	0	0	5	0	0	0	8
Approved	0	0	0	0	0	0	0	0	0
Subtotal	26	2	28	11	27	4	0	1	99
New Proposals During the Month									
Subtotal	6	0	10	5	7	0	0	5	33
Reinstated Proposals During Month									
Subtotal	0	0	0	0	0	0	0	0	0
Decisions During the Month									
Committed	0	0	0	0	0	0	0	0	0
Declined	4	0	10	1	0	0	0	2	17
Failed to Materialize	0	0	0	0	0	4	0	0	4
Referred	1	0	0	0	21	0	0	0	22
Subtotal	5	0	10	1	21	4	0	2	43
End of Month Proposals									
Submitted	1	0	0	6	3	0	0	1	11
Screening	20	2	28	9	5	0	0	3	67
Due Diligence	5	0	0	0	5	0	0	0	10
Approved	1	0	0	0	0	0	0	0	1
Subtotal	27	2	28	15	13	0	0	4	89

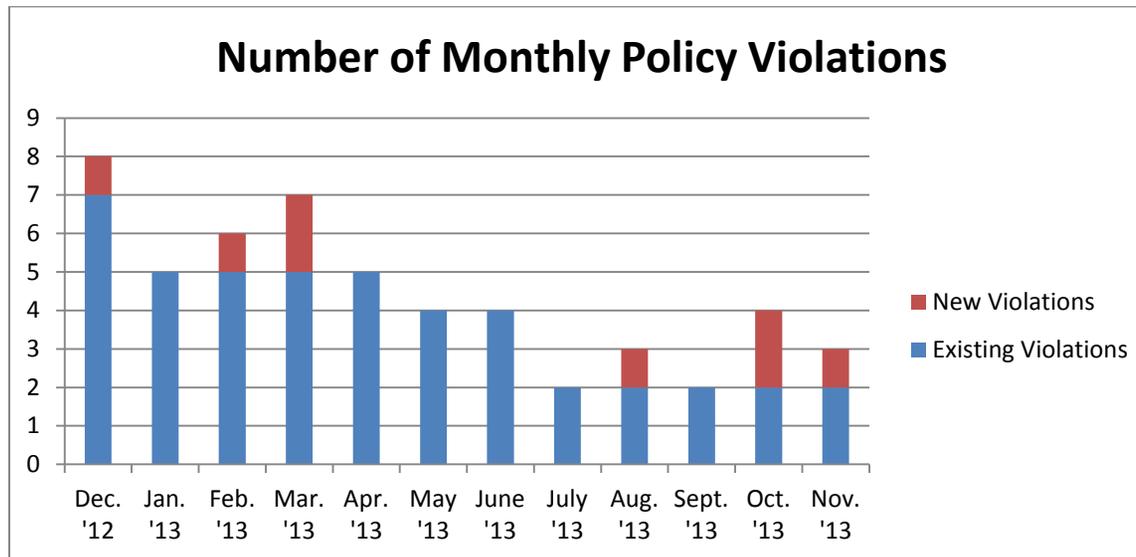
Policy Violations (for the month ended November 30, 2013)

Material Exceptions to Policy

According to policy requirements, the following is a summary of investment policy violations as reported by the program areas.

The following program areas had no violations to report for the month:

- Private Equity
- Real Assets
- Absolute Return Strategies
- Global Governance
- Asset Allocation
- Risk Management
- Investment Servicing



Policy Violations (for the month ended November 30, 2013)

New:

Program Area or Asset Class	Event Date	Resolution Date	Policy Violated	Violation Description	Event Description and Resolution (expected) or Next Steps
Global Equity	11/14/2013	11/22/2013	Statement of Investment Policy for Insider Trading	A security which was on the CalPERS Restricted Company list was inadvertently traded in a Global Equity Portfolio.	<p>On 11/14/13 an equity portfolio inadvertently participated in a primary offering of an issuer on the CalPERS Restricted Company list. While the underlying company's debt securities had been coded as restricted in the trading system, at the time of the restriction the company did not yet issue equity securities; therefore, no equity security existed to code. The violation was promptly detected and escalated to ICOR for resolution.</p> <p>ICOR interviewed staff involved to confirm that material non-public information (MNPI) was neither shared, nor considered in the decision to execute the trade. ICOR shared its results with LEGO and ECOM and it was determined that corrective action was not necessary as there was no evidence that MNPI was known to the trading staff.</p> <p>To prevent a reoccurrence of this inadvertent and isolated violation, a variety of enhancements were researched and implemented.</p>

Policy Violations (for the month ended November 30, 2013)**Existing:**

Program Area or Asset Class	Event Date	Resolution Date	Policy Violated	Violation Description	Event Description and Resolution (expected) or Next Steps
Fixed Income (Sec Lending)	12/21/2007	Not Yet Resolved	Statement of Investment Policy for Securities Lending.	"Ironside Holdings (SIV)" was downgraded and no longer meets rating standards specified by the policy.	This is a restructured Structured Investment Vehicle which is in a pay down mode, with no maturity date. Per the Policy, the Global Fixed Income Senior Investment Officer (SIO) has the authority to maintain this position in the best interest of the Public Employees' Retirement Fund (PERF). The Global Fixed Income SIO believes the current pricing of the restructured Structured Investment Vehicle is undervalued and recommends holding the security.
Fixed Income (Sec Lending)	8/29/2007	Not Yet Resolved	Statement of Investment Policy for Securities Lending.	"Gryphon (SIV)" was downgraded and no longer meets rating standards specified by the policy.	This is a restructured Structured Investment Vehicle which is in a pay down mode, with no maturity date. Per the Policy, the Global Fixed Income Senior Investment Officer (SIO) has the authority to maintain this position in the best interest of the PERF. The Global Fixed Income SIO believes the current pricing of the restructured Structured Investment Vehicle is undervalued and recommends holding the security.

Disclosure of Closed Session Action Items *(for the month ended November 30, 2013)*

	Investment Committee Meeting	Agenda Item	Investment Committee Action	Vote
	No items to report			



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