

**CalPERS Asset Class Delegation Investment Authority Limits  
Summary Table**

**Total PERF as of November 28, 2014****\$299,400****(Dollars in Millions)**

12/2/2014

Authority Description <sup>(1)</sup>	AA	ARS	GE	GFI	Oppor	PE	RE	INFR	Forestland
1 Asset Allocation Interim Targets	NA	0%	51%	27% <sup>(2)</sup>	3% <sup>(3)</sup>	10%	10%	2%	
2 To manage the Total Fund asset allocation within the ranges as set forth in policy approved by the IC	Limited by Sector Allocation Ranges	No Delegation	No Delegation	No Delegation	No Delegation	No Delegation	No Delegation	No Delegation	No Delegation
3 Policy allocation range limits relative to target	Limited by Sector Allocation Ranges	NA	+/- 7%	GFI +/- 5% Infl. +/- 3% Liq. +/- 1%	NA	+/- 4%	+/- 5%	+/- 2%	
4 Allocate capital within approved targets and ranges as set forth in applicable IC Investment Policies.	Limited by Sector Allocation Ranges	NA No Allocation	\$152,694	\$80,838	\$8,982	\$29,940	\$29,940 \$8,000 Annual Cap	\$5,988 (P) \$2,500 / \$1,000 Annual Cap	
5 To limit allocated capital placed in any Program portfolio, sub-portfolio, risk category or strategy	Authority provided when used to manage Total Fund asset class exposures	No Explicit Limit	25-50 basis point tracking error per GE Policy	No Limit <u>Domestic</u> 20% International (P)	1.5% PERF private 2% PERF Program Strategy (P)	Commitment to any co-mingled fund ≤ 25% of the fund	<u>Base 0-100%</u> <u>Dom Tactical 0-100%</u> <u>Intl Tactical 0-30%</u> <u>Core 20-100%</u> <u>Value Add 0-50%</u> <u>Oppor 0-60%</u> <u>REIT 0-10%</u> (P)	Portfolio Risk Classification Ranges <u>Defensive 25-75%</u> <u>Extended 0-10%</u> <u>Defensive Plus 25-65%</u> (P)	No Explicit Limit
6 To limit allocated capital based on geographic regions	Limited by Sector Allocation Ranges	No Explicit Limit	25-50 basis point tracking error (P)	No Limit <u>Domestic</u> 20% International (P)	1% of PERF to any single country (P)	No Explicit Limit	<u>Developed 75-100%</u> <u>Developed US 60-100%</u> <u>Developed ex US 0-25%</u> <u>Emerging 0-15%</u> <u>Frontier 0-5%</u> (P)	<u>US 40-80%</u> <u>Developed non-US 20-50%</u> <u>Less Developed 0-10%</u> (P)	No Explicit Limit
7 To limit total allocated capital placed with any single manager, general partner or managing member.	Limited by Sector Allocation Ranges	10%	No Explicit Limit	No Explicit Limit	No Explicit Limit	10% of Net Committed Capital	10%-25%	30%	No Explicit Limit
8 To limit total allocated capital placed in any single investment with CIO approval.	Limited by Sector Allocation Ranges	No Explicit Limit	25-50 basis point tracking error (P)	1% per issuer for both Domestic and International Programs (P)	\$5,952 (P)	8% top quartile 1.5% other <sup>(4)</sup>	5-10% \$1.5-2.5 Cap	10-20% \$ .5-1 Cap	The lesser of target x 20% or \$500
9 To limit total allocated capital placed in any single investment with SIO approval.	Limited by Sector Allocation Ranges	NA CIO Only	25-50 basis point tracking error (P)	1% per issuer for both Domestic and International Programs (P)	NA CIO Only	4% top quartile .75% other <sup>(4)</sup>	2.5-5% \$.75-1.5 Cap	The lesser of target x 10% or \$500	The lesser of target x 10% or \$250
10 Limit to individual country exposure (non-US)	Limited by Sector Allocation Ranges	NA	25-50 basis point tracking error (P)	Range variance from benchmark +/- 15% (P)	\$2,976 (P)	NA	20% of total RE portfolio	20-60% (P)	NA
11 Net short exposure limits	Limited by Sector Allocation Ranges	No Explicit Limit	NA	5% Domestic <u>Portfolio</u> 30% Intl. Portfolio (P)	Uncovered options not allowed (P)	NA	NA	NA	NA
12 Limit to individual foreign currency exposure	Limited by Sector Allocation Ranges	No Explicit Limit	25-50 basis point tracking error Policy (P)	Range variance from benchmark +/- 15% (P)	No Limit	No Explicit Limit	No Explicit Limit	Limited to constrain FX exposures	No Explicit Limit
13 To commit to debt financing (Leverage)	Limited to underlying asset class range	Non-recourse debt permitted with no stated limit	Not Allowed	Not Allowed	Non-recourse debt permitted with no stated limit (P)	Non-recourse debt allowed monitored by staff as risk factor (P)	<u>50-75% LTV</u> <u>10% NAV (recourse)</u> <u>DSCR Core 1.5</u> (P)	65% LTV (P)	40% LTV increased to 50% LTV with CIO/SIO approval (P)
14 To create notional leverage	Limited to underlying asset class range	≤ Non-cash collateralized equitization (P)	≤ 10% of market value (P)	≤ 10% of market value (P)	NA	NA	NA	Not allowed	Not allowed

MAC - \$1,159 (market value) is invested in the Multi-Asset Class Program with no corresponding Investment Committee delegation in effect.

All calculations are based on Interim Targets

(1) Authorities included in the table target dollar and percentage limits for comparison purposes and are not all inclusive. There are additional authorities including shareowner resolutions, proxy executions and contracting authority which have not been included in the table.

(2) GFI's target includes 19% GFI, 6% Inflation, and 2% Liquidity

(3) Opportunistic investment amounts are included as part of overall allocation for the Asset Class in which the investment was made.

(4) PE limits focus on co-mingled funds for comparison purposes. Customized Investment Accounts, Secondary Purchases, co-investments and direct investments have differing limits.

(P) - applicable limit found in related investment policy