



California Public Employees' Retirement System

Office of the President

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Mr. Thomas Toth  
Managing Director  
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370 Interlocken Blvd., Suite 620  
Broomfield, CO 80021

Via email: [TToth@wilshire.com](mailto:TToth@wilshire.com)

October 2, 2020

**Subject: Wilshire Organizational Update**

Dear Tom,

Thank you for your email updating CalPERS as to Wilshire's pending organizational change. I appreciate receiving this information.

CalPERS understands that both CC Capital and Motive Partners are private equity firms that will essentially acquire Wilshire over the next few months. The CalPERS Legal Office notes that Wilshire's contract subjects it to various conflict of interest disclosure requirements including provisions set forth in paragraph 51 of the main contract and paragraph 3 of the Investment Addendum. These provisions generally require Wilshire to disclose in writing detailed instances giving rise to actual, potential, or perceived conflicts of interest and how they will be managed and mitigated. Given CC Capital's and Motive Partners' position in the marketplace and pending ownership position in Wilshire, CalPERS would like to better understand what possible conflicts of interest may exist once the new organizational change is finalized.

CalPERS requests that by October 14, 2020, Wilshire provide it with a comprehensive writing satisfying the various conflict of interest provisions set forth in its contract. Without limiting Wilshire's obligations to disclose all actual, potential, and perceived conflicts, we would like to know more about the investment operations of CC Capital and Motive Partners, their ownership interest/structure of Wilshire, how Wilshire intends to insulate itself from its new owners for purpose of providing independent investment/fiduciary services under the CalPERS contract, and whether and to what extent Wilshire's future advice to CalPERS on private equity matters could financially impact Wilshire, CC Capital, and Motive Partners. Once CalPERS receives this information, we will be in a better position to evaluate the impact that Wilshire's new ownership structure will have on the services Wilshire provides to CalPERS under contract.

Thank you again for the information regarding Wilshire's upcoming organizational change. If you have any questions in the meantime, please contact General Counsel Matthew Jacobs at (916) 795-3797.

I look forward to hearing from you soon.

Very Truly Yours,

A handwritten signature in cursive script that reads "Henry Jones". The signature is written in black ink and is positioned above the printed name and title.

Henry Jones  
President  
Board of Administration