Investment Proposal Tracking System

(IPTS)

External User Manual

Private Equity (Direct)

April 2014

v 2.1

CalPERS

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Important Information Regarding CalPERS and Your Investment Proposal

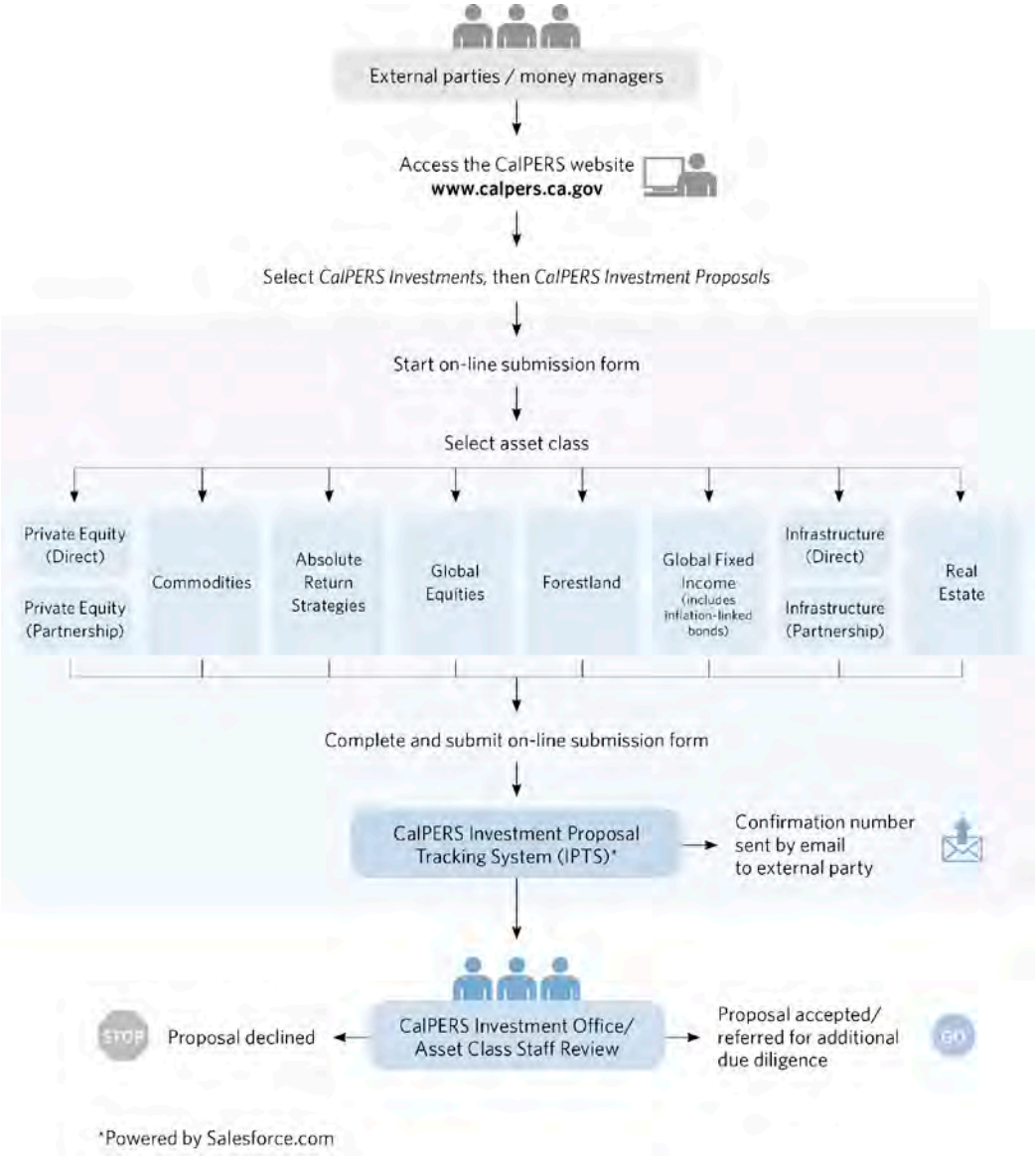
CalPERS was created by statute in 1932. As a public agency, CalPERS is subject to a myriad of laws mandating the disclosure of certain types of information to the public. Many of these laws require CalPERS to make public information regarding its investment operations, its investment decision-making process, as well as the performance of its investments. For an introduction to the laws, regulations, and policies relating to these issues, please read Notes on Confidentiality. Please note that before submitting an investment proposal you will be asked to acknowledge that CalPERS is subject to laws, regulations, and policies that may require it to disclose to the public some or all of the information you submit through this website.

1 Introduction

The Investment Proposal Tracking System (IPTS) is a web-based application that allows external investment managers to submit a detailed proposal with related information and supporting documentation. CalPERS requires that all investment opportunities that require an investment decision be entered into the IPTS. IPTS improves consistency in capturing relevant data and improves communication between external investment managers and The Investment Office. Investment managers are responsible for accurately and completely submitting their proposal information, which is routed to CalPERS Investment staff for consideration and evaluation. The IPTS system should not be used to submit meeting requests, nor should it be used for outreach campaigns (e.g., tracking conference attendees, hiring, or similar activities).

The illustration in Figure 1 below shows the submission process:

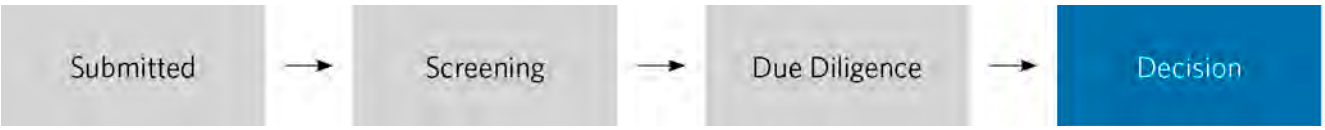
Figure 1: CalPERS Investment Process Tracking System (IPTS) Overview



Each asset class maintains its own process for evaluation and approval of investment proposals. The Investment Office at CalPERS is divided into 10 asset class divisions: Private Equity (Direct/Co-Invest), Private Equity (Partnership), Commodities, Forestland, Global Equities, Global Fixed Income, Absolute Return Strategies, Infrastructure (Direct), Infrastructure (Partnership) and Real Estate. Each asset class may have one or more partners that deploy and manage capital for CalPERS with specific, tailored mandates. These partners may also be funding sources for your proposal. CalPERS Investment staff will make best efforts to determine whether your proposal fits more appropriately with one or more of these partners, and will forward your information accordingly.

In general, the evaluation process follows the stages illustrated in Figure 2 below. At each step of the process, only the most promising proposals are advanced to the next stage. Proposals that are not advanced to the next stage are declined. Those proposals that actually receive funding are deemed Committed. During the review process, CalPERS Investment staff may interact with submitters via email or hardcopy letter to request information or advise of an investment decision. Due to the volume of submissions that CalPERS receives each year, only a small percentage of proposals are approved. CalPERS reserves the right to evaluate, approve or decline proposals according to internal policies of the CalPERS asset class.

Figure 2: Process for Evaluation of Investment Proposals



1.1 Site Requirements

The CalPERS website *Site Requirements* screen provides information on the IPTS optimum viewing requirements, supported browsers, and browser settings required. The following are some of the general requirements for optimal viewing on the site:

- The IPTS application supports the most recent versions of Microsoft Internet Explorer (PC), Apple Safari (Mac), Mozilla Firefox (Mac and PC), and Google Chrome (Mac and PC).
- Viewing PDF Files - Adobe Acrobat Adobe Acrobat Reader is required to view documents that are stored in the Portable Document Format (PDF). If you do not have Adobe Acrobat Reader installed on your computer, you can download it free from Adobe's website.
- Pop-Up Windows - Some of our online services use "pop-up" windows to provide you the information you'll need to complete your transaction. If you have third party pop-up blocker software installed on your computer, or have your Web browser set to block pop-ups, you'll need to add our site to your list of allowed pop-up sites.

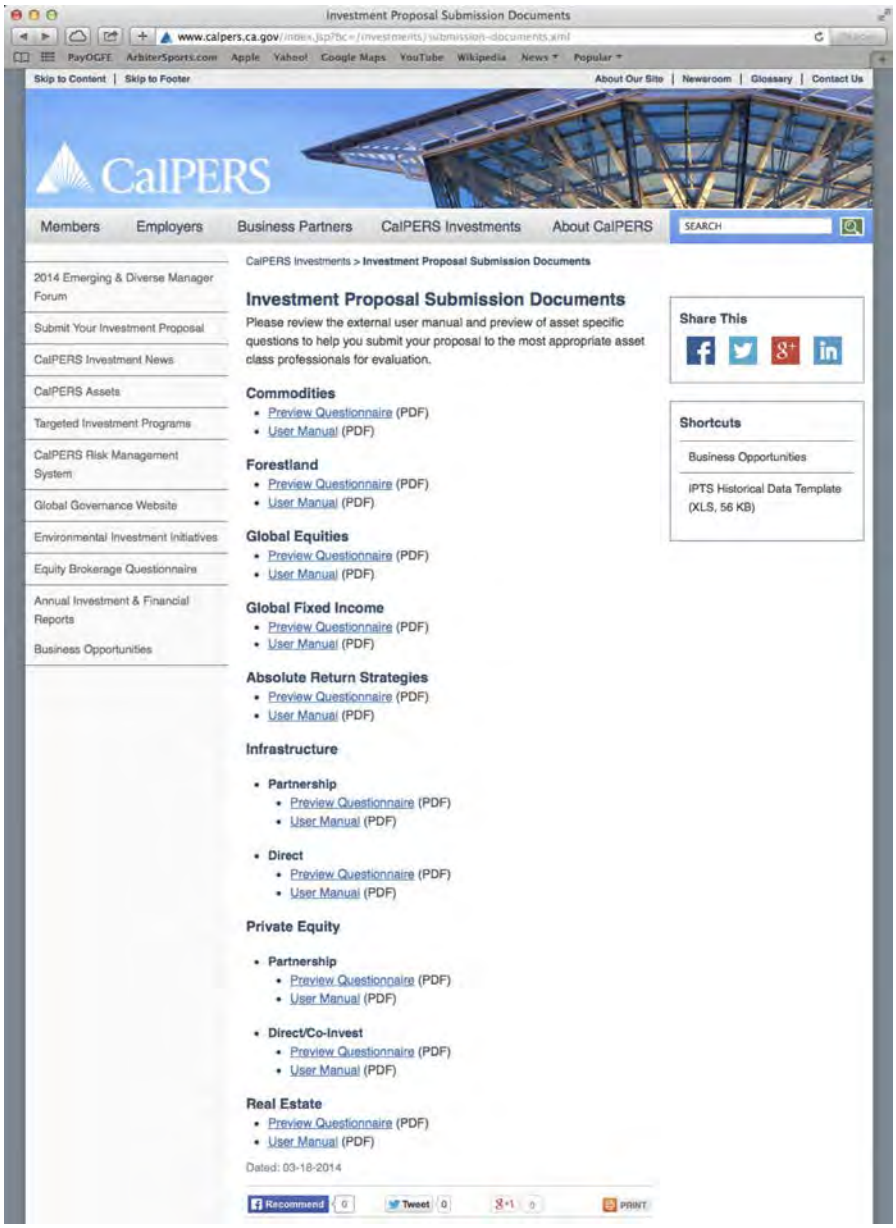
1.2 About this Manual

The Private Equity (Direct) External User Manual provides instructions for using the IPTS application to submit proposals to CalPERS. This manual explains and illustrates the flow of the proposal submission process. It contains several supporting sections, including an Additional Contact Sheet to request help, Frequently Asked Questions, and a Trouble-Shooting Guide. The structure of this manual follows that of the web submission forms in the IPTS. Please refer to the Table of Contents to find the sections that are most useful during your submission.

1.2.1 Investment Proposal Submissions Document Page

The *Investment Proposal Submissions Documents* page provides links to the other 9 user manuals associated with each asset class and preview questionnaires for each asset class. The preview questionnaires allow you to review all screens within IPTS in advance in order to assist you with preparing your information for submission.

Investment Proposal Submissions Documents Page



1.2.2 Text Conventions

Text conventions are used to make information in this manual clear and easy to identify and understand.

Following are descriptions and examples of the text conventions used in this manual:

Convention	Explanation
Words in italics	Indicates a screen name or web page
Words in Bold	Indicates a button name
Words that are Underlined	Indicates a link to a web address
Words in bold type with a "greater than" sign between menu	Indicates commands in hierarchal order from the menu bar. For example: Select **General Functions > New Change** from the menu.
Look for important notes and tips when text is outlined as follows	Important notes and tips will appear in this format.

1.3 Getting Help

CalPERS Investment staff provide assistance and receive feedback from external managers via the CalPERS IPTS Helpdesk. To access the Helpdesk send an email to: investmentproposals@calpers.ca.gov. The IPTS Helpdesk staff can provide information on asset class selection, submitting proposals, status updates, and troubleshooting. The investmentproposals@calpers.ca.gov email address is to be utilized only to submit questions to the IPTS Helpdesk. Do not submit your proposal via the Helpdesk email address.

1 Private Equity (Direct)

2.1 Quick Asset Class Overview

The Private Equity (PE) Asset Class invests globally in:

- Buyouts
- Credit Related
- Venture Capital
- Growth / Expansion
- Opportunistic

Private Equity also invests in:

- Direct and Co-Investment opportunities with existing CalPERS General Partners
- Direct Secondary Investments
- Fund of Funds (Only for specific mandates)

If you are a Private Equity Real Estate Fund, submit under Real Estate.
If you are a Private Equity Infrastructure Fund, submit under Infrastructure.
If you are a Private Equity Hedge Fund, submit under Absolute Return Strategies.

2.2 Portfolio Actual and Target Allocations by Strategy*

Strategy	Target (in %)	Actual (in %)
Buyouts	60	62
Credit Related	15	12
Venture Capital	<1	6
Growth/Expansion	15	17
Opportunistic	10	3

*As of 9/30/13

2.3 Fiscal Year Investment and Operating Plan

- Commit $6 billion to the PE Program during Fiscal Year 2013-2014.
- Utilize both the secondary market as well as selected co-investment opportunities to restructure and rebalance the Portfolio.
- Improve investment management and enhance reporting analytics and transparency.
- Support the INVO Target Operating Model (TOM), including evaluation of the Emerging Manager Program and California Investment opportunities.

2.4 Strategies Currently Not Seeking Investment

- Bank-sponsored LBO funds
- Venture capital funds

- Life settlement funds
- Agriculture / farming funds
- Movie production funds

2.5 Benchmark

Global Equity + 300bps

2.6 Emerging Manager Platforms

Grosvenor Customized Fund Investment Group

2.7 CalPERS Emerging Manager Definition for Private Equity

Emerging Management Team is defined as "a firm raising a first or second time Institutional Fund." An *Institutional Fund* is defined as "a Fund which is being raised by a proven team with a demonstrable track record to which at least three institutional investors* have made a commitment."

All potential investment opportunities should be submitted directly to CalPERS Private Equity. In the event that an opportunity is a better fit with one of Private Equity's Emerging Manager Platforms, staff will formally refer and introduce the opportunity to the appropriate contact at the External Manager.

2.8 Investment Policy

Please refer to the following link for CalPERS Private Equity Investment Policy: PE Investment Policy

2 Creating a Proposal

This section provides quick steps to get your submission process started. It also provides information about each screen along with a screenshot to guide you through the initial step-by-step process and navigation of the application. This section includes additional detail about each asset class.

3.1 Quick Steps to Getting Started

Use the following instructions to begin creating a proposal:

1. Go to www.calpers.ca.gov/investmentproposals in your internet browser. This link is the appropriate only for submission, while the investmentproposals@calpers.ca.gov email address is to be utilized only to submit questions to the IPTS helpdesk.
2. Click Submit Your Investment Proposal Now from the *CalPERS Investments* page.

   The CalPERS External Managers list just above the Submit Your Investment Proposal Now option, provides consolidated instructions and guidance on how to access CalPERS External Managers as possible funding sources.

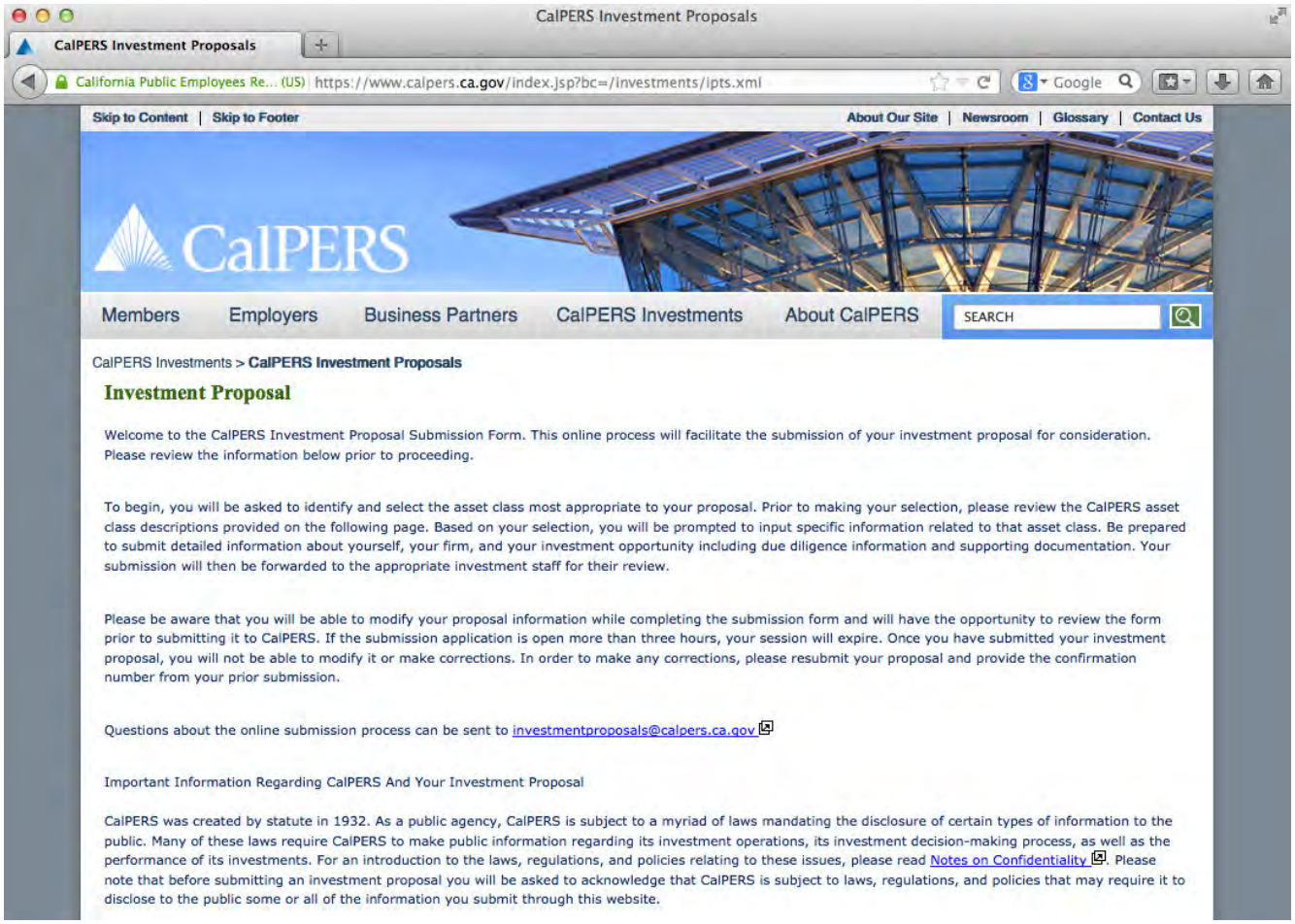
3. Read and acknowledge that you have reviewed the acceptance information on the *Introduction* page.
4. Click **Next**. The Asset Class Description page appears. This page provides information about the appropriate asset class to submit your proposal.
5. Click **Next**. The *Asset Class Selection* page appears.
6. Select the appropriate CalPERS asset class to receive your proposal.
7. Select an option to indicate how you were referred to CalPERS.
8. Select an option to indicate whether you are working with a Placement Agent.
9. Click **Next**. The *Firm Information* page requires you to provide detailed information about your firm.
10. Begin inputting your proposal information into a series of pages that are specific to your chosen asset class. Each series of pages specific to an asset class are not the same. You may be asked to provide information such as the following:
    - Investment Opportunity Terms
    - Prior and Historical Returns Data
    - Expected Returns
11. Upload any attachments with data relevant to your proposal. Ensure all data is complete and accurate to the best of your knowledge. Do not submit proposals as attachments to an email through the IPTS Helpdesk link. These submissions will not be considered. All proposals must be submitted through the Submit Your Investment Proposal link.
12. Click Submit your Proposal Now. Upon submission, you are taken to a *Confirmation* page. You are provided with a confirmation number for your reference. You will be sent an email with your confirmation information a link to your proposal information in the event you need to save your proposal and come back to it. See the Saving a Proposal section for information on how to save and retrieve a proposal.
13. Print your completed proposal.

    If you need help with your submission, please send an email to investmentproposals@calpers.ca.gov.

3.2 Introduction Page

The *Introduction* Page provides a brief overview of the IPTS submission process as well as important confidentiality requirements that the investment proposal may be subject to upon submission. Please note that before submitting an investment proposal you will be asked to acknowledge that CalPERS is subject to laws, regulations, and policies that may require it to disclose to the public some or all of the information you submit through this website. More information related to the Policies associated with investment proposals may be found in the web form or Appendix A – Important Policies. A screenshot of the *Introduction* page is provided below.

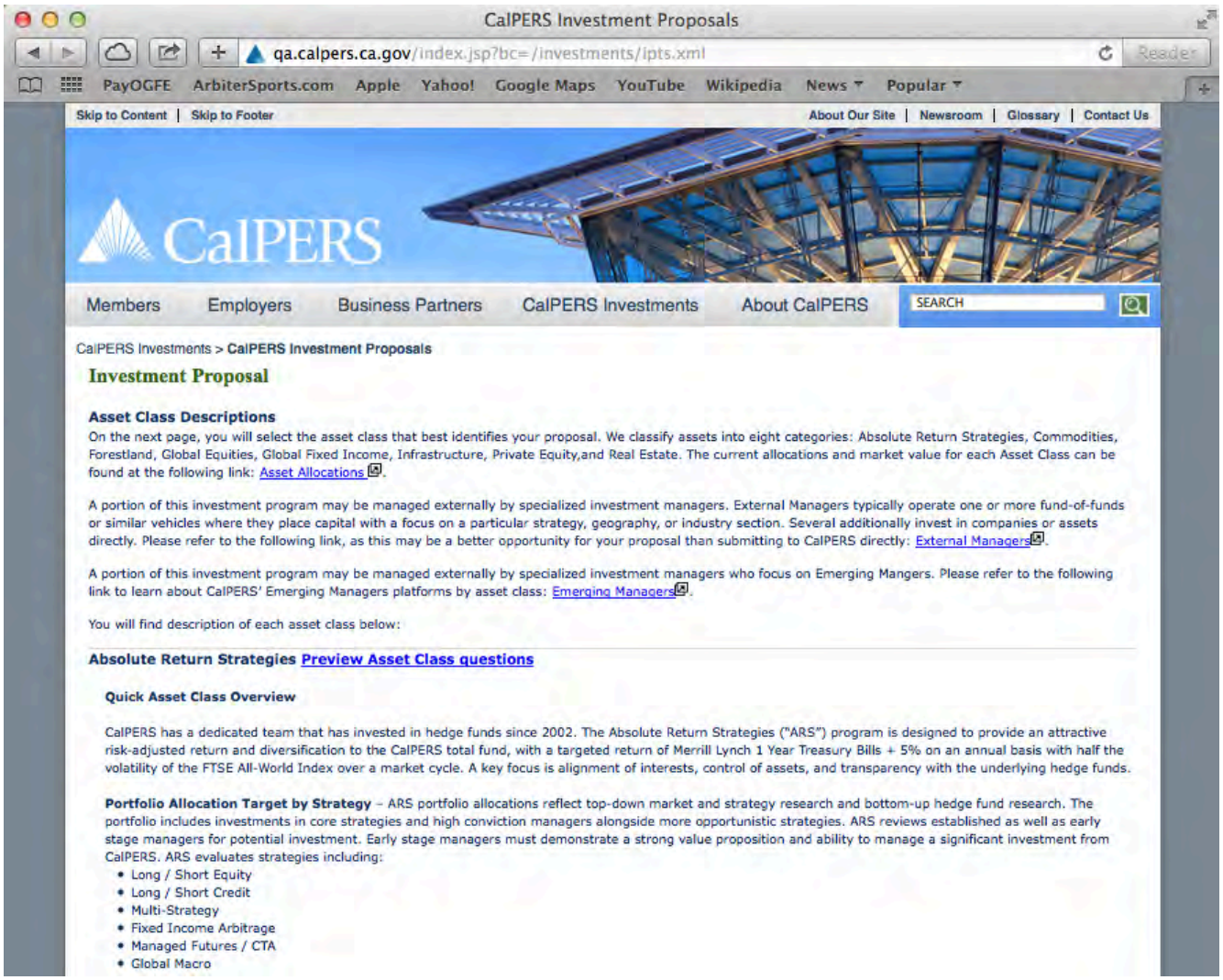
Introduction Page



3.3 Asset Class Descriptions Page

You are required to select the asset class most appropriate to your respective investment proposal. The Investment Office at CalPERS is divided into eight asset class divisions. The fields within the IPTS have been customized for each asset class and the final submission is forwarded to the appropriate investment professionals within the selected asset class for consideration. Note that the focus of the asset classes may change from time to time.

Asset Class Description Page



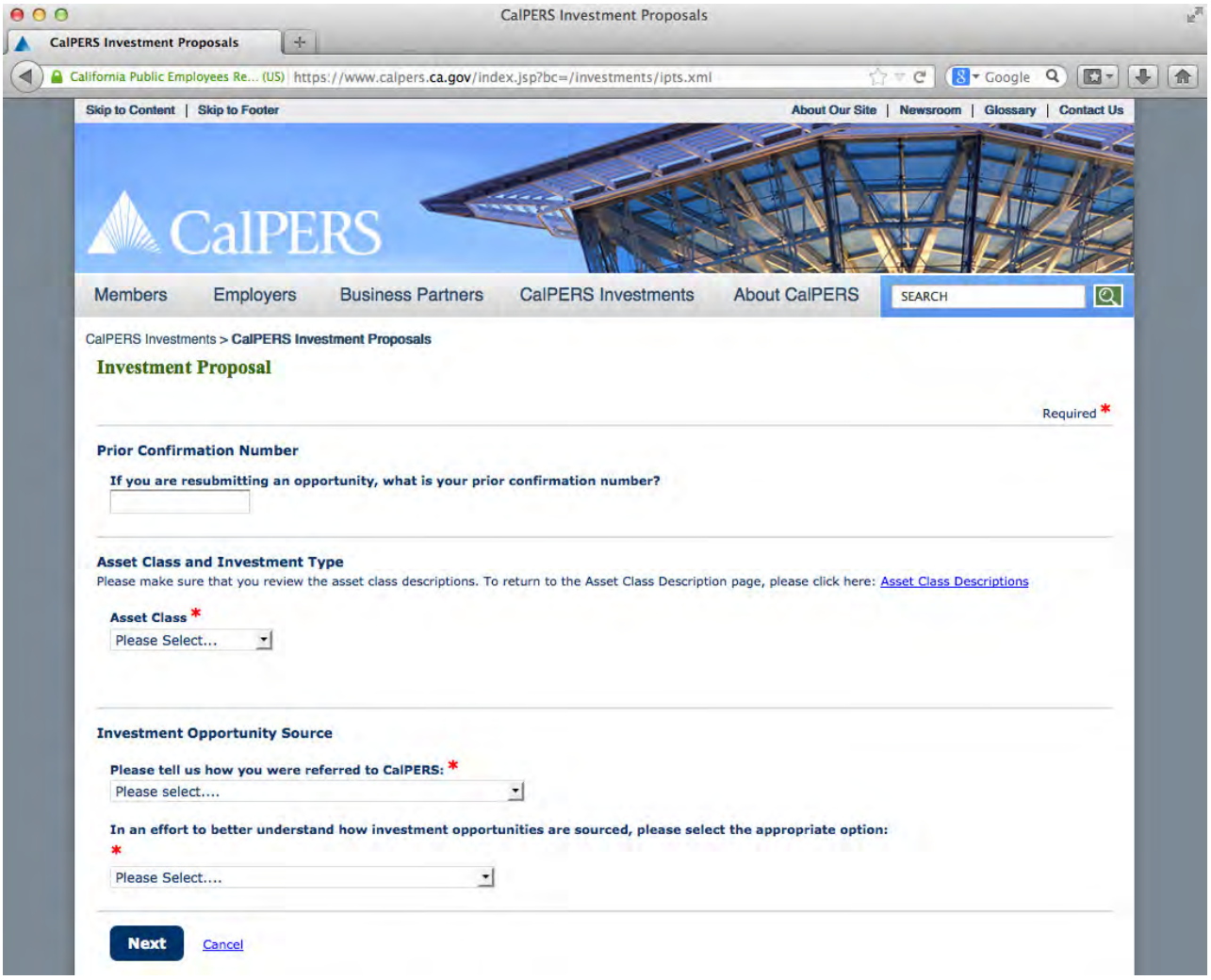
3.4 Asset Class Selection Page

CalPERS must know what asset class the investment opportunity is for in order for the proposal to be routed to the appropriate CalPERS Investment staff. Use the pull-down menu to select *Private Equity (Direct).*
CalPERS must also know the source of referrals. Please use the pull-down menu to select *Attended CalPERS Event, Attended Industry Event, Referred by CalPERS Staff &/or Board, Current CalPERS Business Partner, Referred by a third party that does business with CalPERS, or Other.* Descriptions that follow will aid in filling out the form.

Asset Class Selection Field Instructions

Field Name	Explanation
Prior Conformation Number	If you are re-submitting your investment, enter the prior confirmation number so the two opportunities can be linked in the system
Asset Class*	Select the Private Equity (Direct) asset class for the investment opportunity you are proposing.
Referred to CalPERS*	Select Attended CalPERS Event, Attended Industry Event, Referred by CalPERS Staff &/or Board, Current CalPERS Business Partner, Referred by a third party that does business with CalPERS, or Other
Sourcing*	• I am neither a Placement Agent nor working with one o Choosing this option will take you directly to the *Firm Information* Page. • I am working with a Placement Agent o Choosing this option, will prompt you to enter contact information for the Placement Agent on the next page (refer to screen shot on the next page). • I am a Placement Agent o Choosing this option will prompt you to enter your contact information on the following page (refer to screen shot on the next page). • Other Choose this only if none of the above are applicable.

Asset Class Selection Page



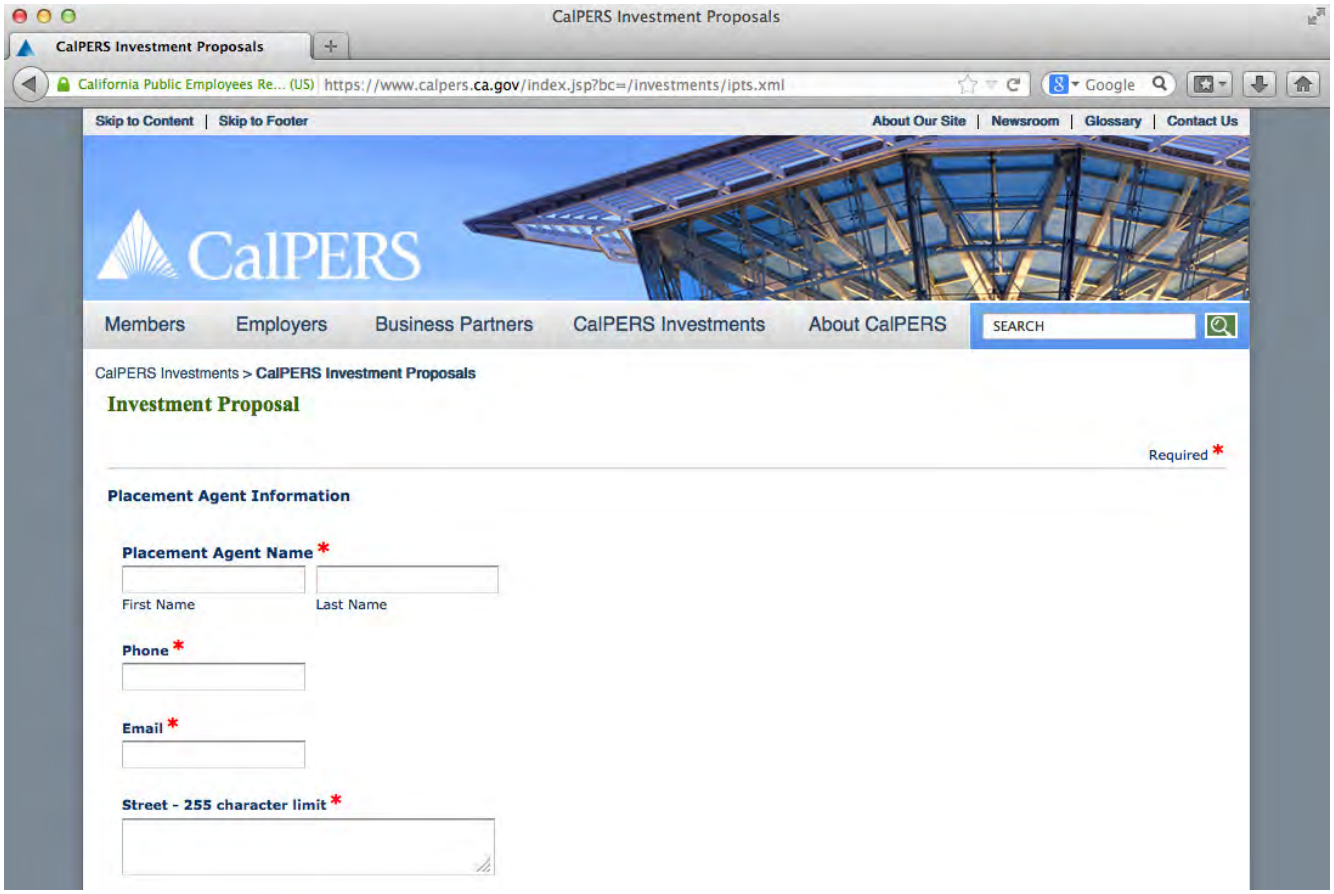
3.5 Placement Agent Information Page

CalPERS must be aware of the source of all investment proposals submitted through the IPTS. Use the pull-down menu to select I am neither a Placement Agent nor working with one, I am working with a Placement Agent, I am a Placement Agent, or Other:

Placement Agent Information Page Field Instructions

Field Name	Explanation
Placement Agent Name*	Enter the First and Last Name of the Placement Agent.
Phone*	Enter the Phone Number of the Placement Agent.
Email*	Enter the Email address of the Placement Agent.
Street*	Enter the Street address of the Placement Agent. You may enter a maximum of 255 characters.
City*	Enter the City of the Placement Agent
State/Region*	Enter the State/Region of the Placement Agent
Postal Code*	Enter the Postal Code of the Placement Agent
Country	Enter the Country of the Placement Agent

Placement Agent Information Page



3 Saving a Proposal

Most proposal submissions can be completed within 20 to 60 minutes. However, if you need additional time to gather information, you have the ability to save an unfinished proposal and retrieve it at a later time. Use the **Save & Exit** button beginning at the *Opportunity Information* page to save a proposal for later editing or adding information. The **Save & Exit** button allows you to do the following:

- Save one or more proposals in various stages of completion, allowing you to complete the proposal at a later time

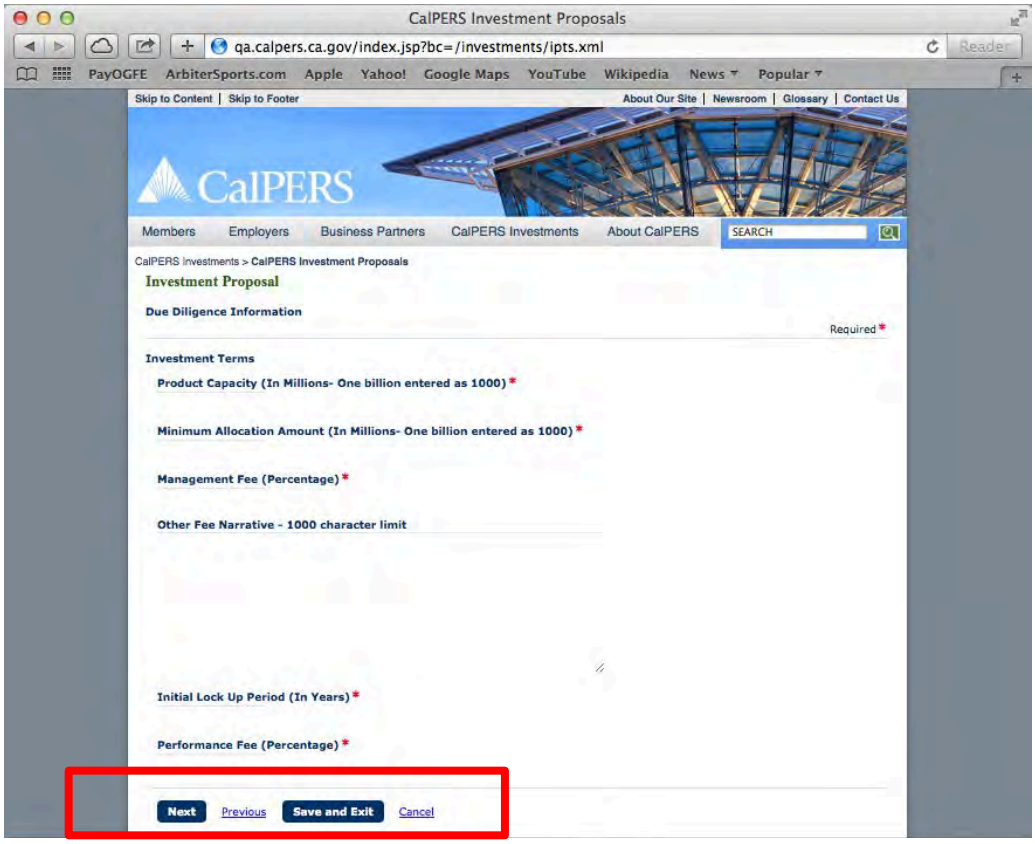
Once you have submitted a proposal the Save and Exit feature is no longer available to edit information.

- Receive an email link and confirmation number to identify your saved proposal
- Save a proposal for up to 60 calendar days
- Receive a reminder email that will be sent to the Submitter and Primary Contact on the 30th day and 57th day (3 calendar days prior to the expiration of the submitted proposal).

After 60 calendar days saved proposals are removed from the system and are no longer accessible for editing or submission. If after 60 calendar days you have not completed and submitted your proposal, you must submit a new proposal.

The following screenshot displays how the **Save & Exit** button will appear beginning at the *Opportunity Information* page:

Save & Exit Button Example



4.1 Retrieving a saved proposal

After you save a proposal and you're ready to complete it, you can retrieve it to add relevant data or make edits. Use the link sent to you via email to retrieve your saved proposal. Clicking the link takes you directly to your proposal for editing and submission.

4.1.1 Retrieving a saved proposal if you have lost your confirmation link

If you cannot find the link sent to you via email, your saved proposal can be accessed using the Investment Proposal Lost Link. Proposals can only be retrieved prior to being submitted. Use the following steps to retrieve a saved proposal if you have lost the link:

1. Click Investment Proposal Lost Link from the *Submit Your Investment Proposal* page.
2. Enter the **Opportunity Name** or the **Confirmation Number**.
   The inclusion of the Confirmation Number will allow CalPERS to link the new, edited submission to the prior submission, and an update alert is sent to the CalPERS Investment staff of the associated asset class and a new link will be sent to you.
3. Update your proposal with any additional, relevant detail and/or documents.
4. Submit your updated proposal.

4 Inputting Investment Proposal Information

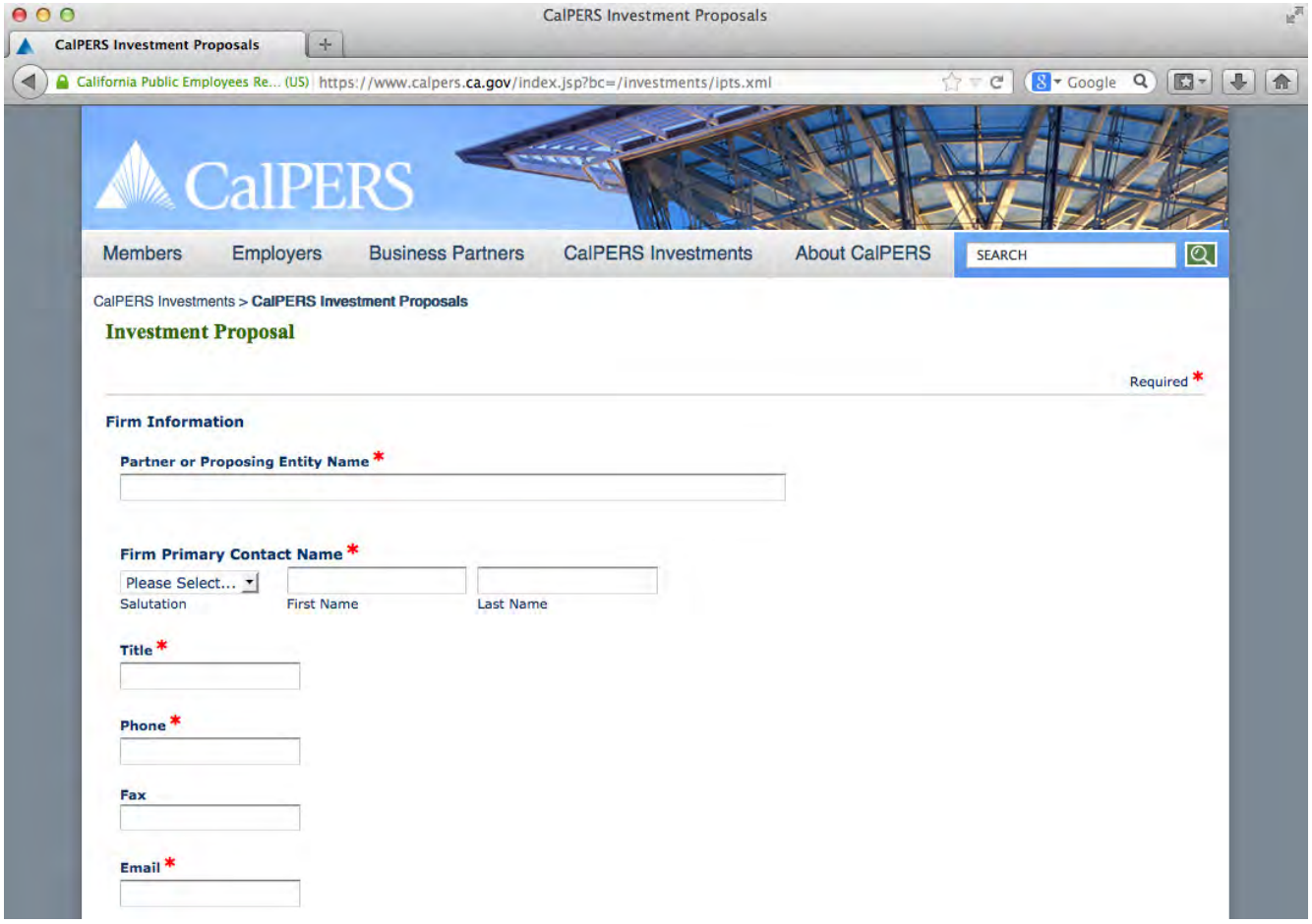
5.1 Firm Information Page

General contact information for the Proposing Entity, Primary Contact, and Submitter must be provided. Disclose whether the Firm has an existing relationship with CalPERS, and if so through which asset class (select all that apply). A table and screen shot of all fields are presented on the following pages.

Firm Information Page Field Instructions

Field Name	Explanation
Partner or Proposing Entity Name*	Note that the "Partner or Proposing Entity Name" is not the name of the specific fund or investment opportunity that you are submitting. It is instead the name of your firm as a whole.
Web site	Enter the web site associated with the Partner or Proposing Entity.
Fax	Enter the fax number of the primary person who can be contacted for follow-up information about this proposal submission.
Street – 255 character limit*	Enter the street address of the firm. You may enter a maximum of 255 characters.
City*	Enter the city of the firm.
State*	Enter the state where the firm is located.
Postal Code*	Enter the postal code of the firm.
Country*	Enter the Country of the firm.
Submitter Contact Information (Individual completing the submission form)*	Enter the first and last name of the individual completing the submission form.
Title*	Enter the title of the primary person who can be contacted for follow-up information about this proposal submission.
Phone*	Enter the phone number of the primary person who can be contacted for follow-up information about this proposal submission.
Email*	Enter the Email Address of the primary person who can be contacted for follow-up information about this proposal submission.
Firm Primary Contact Information (Person who will receive all communication regarding the decisions on this opportunity)*	Enter the first and last name of the person who will receive all communication regarding the decisions on this opportunity.
Title*	Enter the title of the primary person who can be contacted for follow-up information about this proposal submission.
Phone*	Enter the phone number of the primary person who can be contacted for follow-up information about this proposal submission.
Email*	Enter the Email Address of the primary person who can be contacted for follow-up information about this proposal submission.
Does your firm, or the firm you represent, have an existing relationship with CalPERS?	Mark yes, only if the relationship is a formal, contractual one. Mark yes, if your spouse or direct family member has a relationship with CalPERS.
Firm Inception Date *	Legal date of formation of your firm (not the specific fund or investment opportunity).
Assets Under Management (USD Millions- One billion entered as 1000)*	Submit in USD millions.
Brief Firm History – 1000 character limit	Enter a brief history of the firm.

Firm Information Page



5.2 Firm Information – Diversity Definitions & Questionnaire

CalPERS Investment Office defines a Diverse Investment Management Business as a for-profit enterprise, regardless of size, physically headquartered in the United States or its trust territories, which is owned and operated by women and/or minority group members. You may choose to voluntarily self-identify whether the firm meets CalPERS definition of a Diverse Investment Management Business based on its ownership by women or minority group employees.

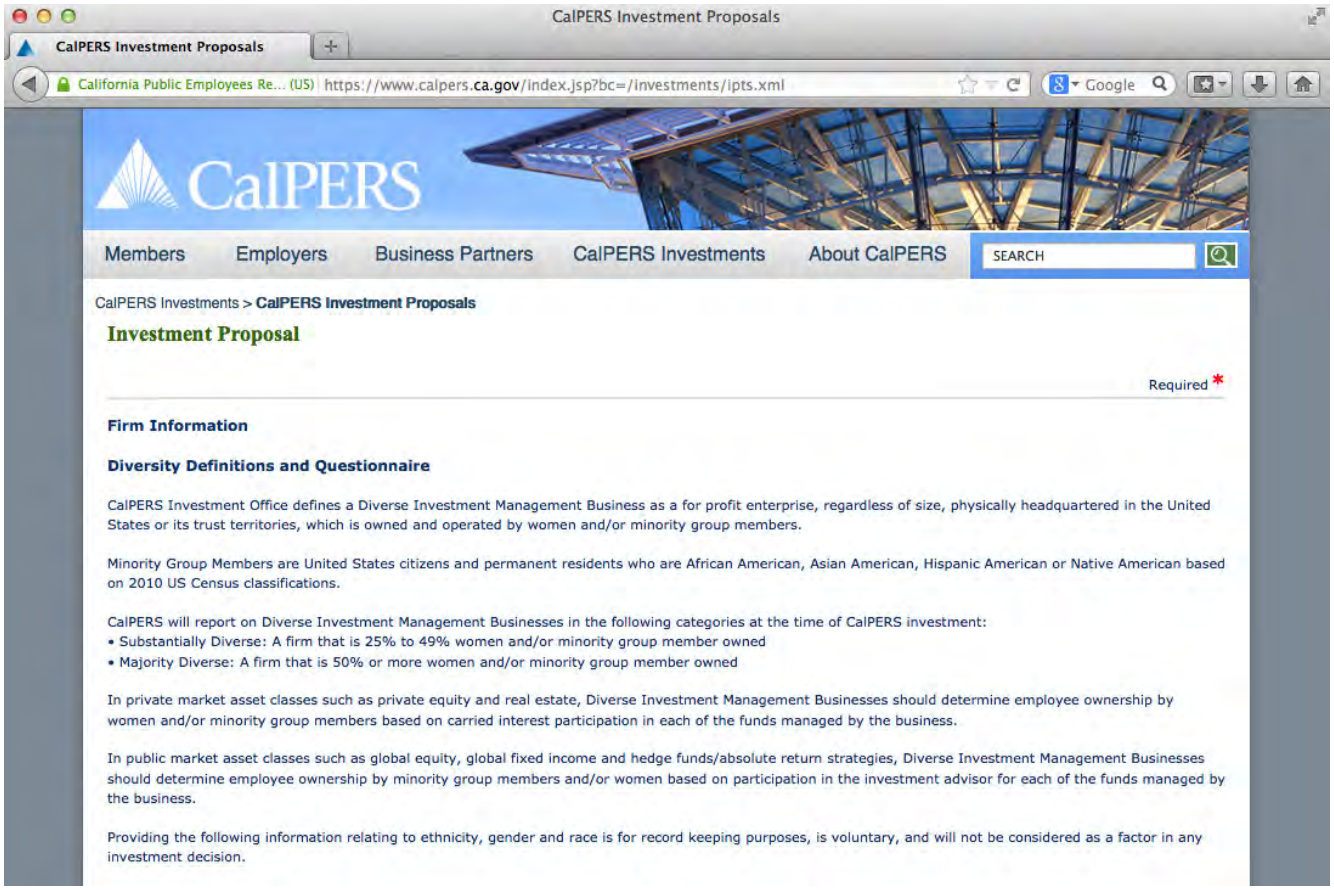
Providing the following information relating to ethnicity, gender and race is for record keeping purposes, is voluntary, and will not be considered as a factor in any investment decision.

A table and screen shot of all fields that apply to the *Diversity and Definitions* page is presented on the following pages:

Firm Information – Diversity Definitions & Questionnaire Field Instructions

Field Name	Explanation
Please indicate if your firm meets the definition referenced above of a Diverse Investment Management Business.*	Select Yes or No from the drop-down menu.
Is your firm physically headquartered in the United States or its trust territories?*	Select Yes or No from the drop-down menu.
Percent of the firm owned by women employees	Select the percentage of the firm owned by women from the drop-down menu.
Percent of the firm owned by employees representing specific ethnic and/or racial minority groups	For each of the four minority groups and Other, select the percentage of the firmed owned by employees from the drop-down menu: • 0-24% • 25-49% • 50-74% • 75-100%
Total percent owned combining gender, race, and ethnicity	Select from the drop-down menu, combined percentage of gender, race and ethnicity ownership: • 0-24% • 25-49% • 50-74% • 75-100%

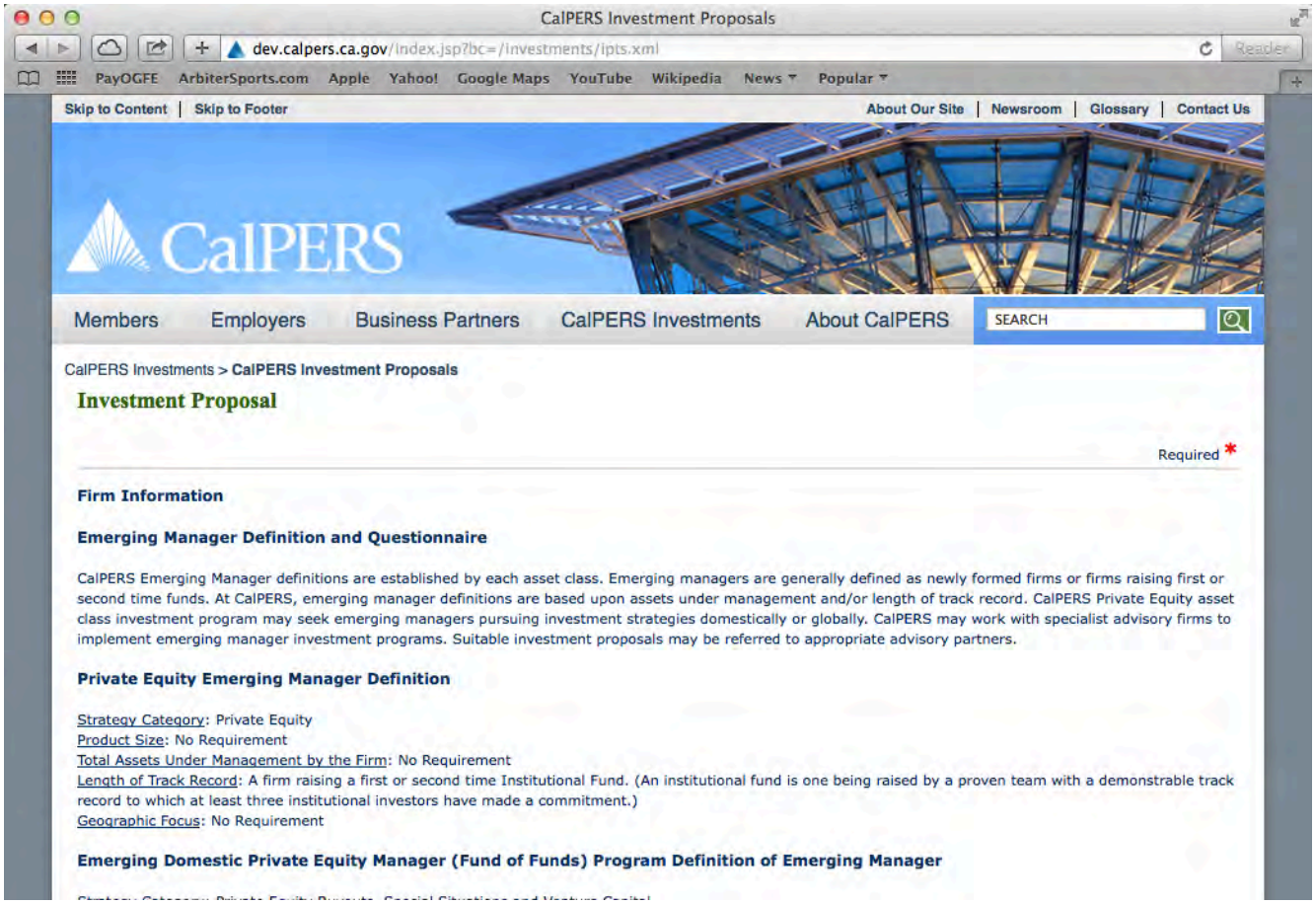
Firm information – Diversity Definitions & Questionnaire Page



5.3 Firm Information – Emerging Manager Definition & Questionnaire

CalPERS Emerging Manager definitions are established by each asset class. Emerging managers are generally defined as newly formed firms or firms raising first or second time funds. At CalPERS, emerging manager definitions are based upon assets under management and/or length of track record.
For more information on CalPERS Emerging Manager Five Year Plan, see the Emerging Manager Five-Year Plan link
Indicate "Yes" or "No" if your firm meets the CalPERS definition of an Emerging Manager based on the asset class.

Firm Information – Emerging Manager Definition & Questionnaire Page



5.4 CalPERS Emerging Manager Programs and Definitions

Refer to the table below for CalPERS definitions for Emerging Managers.

CalPERS Emerging Manager Programs and Definitions Table

Asset Class Parameters	Global Equity	ARS	Global Fixed Income		Private Equity		Real Assets
	Fund of Funds	Fund of Funds	Direct	Direct	Fund of Funds		Mentoring Manager
Emerging Manager Program Name	Emerging Manager Fund of Funds	Fund of Emerging Hedge Funds	None	None	Emerging Domestic Private Equity Managers		Real Estate Emerging Managers
Investment Strategy	Long Only – Publicly Traded Securities	Hedge Funds	All	Private Equity	Private Equity – Buyout and Special Situations	Venture Capital	Real Estate, Separate Accounts and Commingled Funds
Product Size	No Requirement	<$1B	No Requirement	No Requirement	<$1B	<$500M	No Requirement
Firm AUM	<$2B	<$2B	<$2B	No Requirement	No Requirement	No Requirement	<$1B
Length of Track Record	No Requirement	No Requirement	No Requirement	First or Second Institutional Fund	First or Second Institutional Fund	First or Second Institutional Fund	First, Second or Third Separate Account or Institutional Fund
Geographic Focus	No Requirement	No Requirement	No Requirement	No Requirement	Domestic U.S.	Domestic U.S.	Urban California

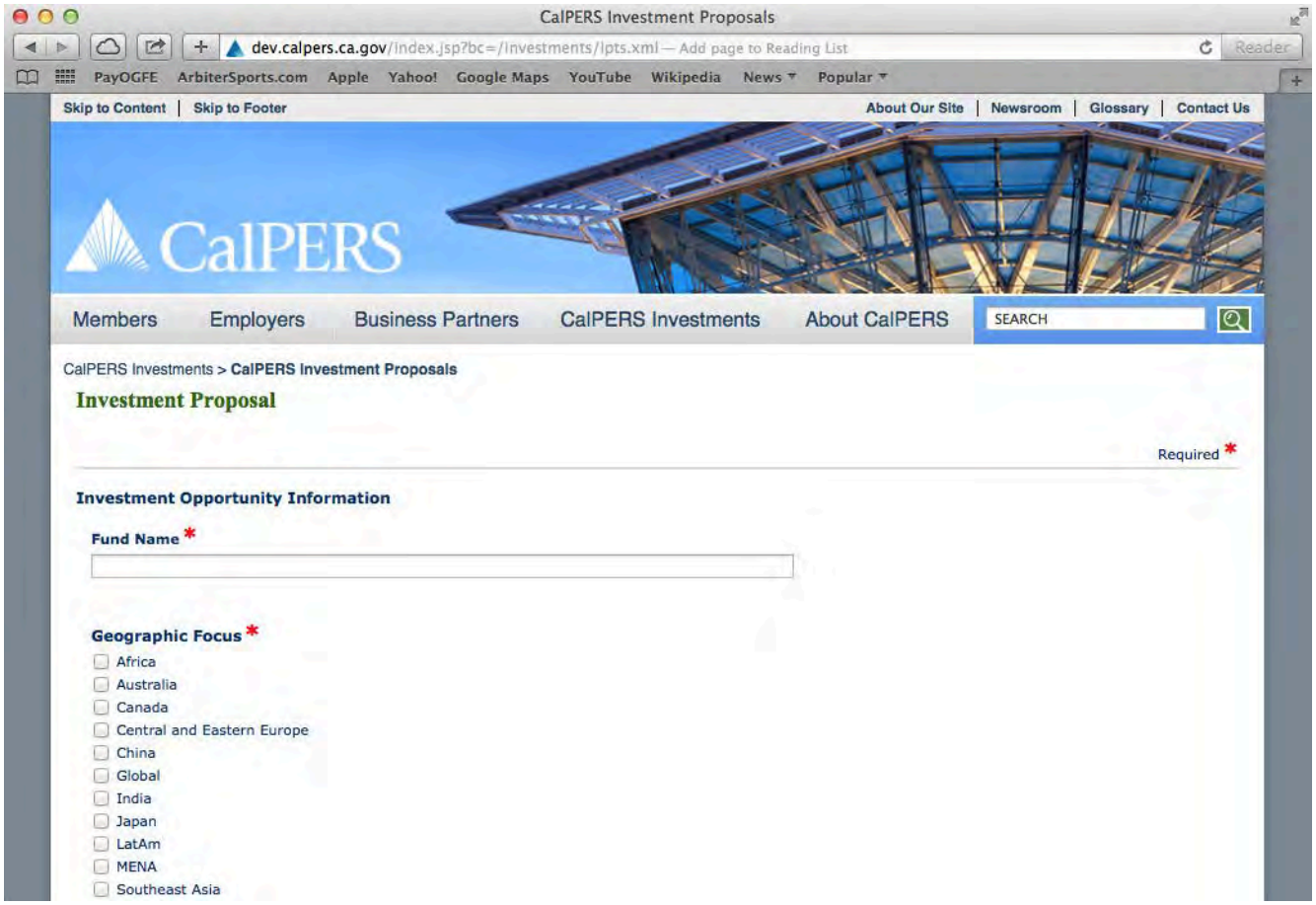
5.5 Investment Opportunity Information Page

Enter the details for the investment opportunity that is being proposed. A table and screen shot of all fields that apply to the *Investment Opportunity Information* page are presented on the following pages:

Investment Opportunity Information Field Instructions

Field Name	Explanation
Fund Name*	Please provide the name of the Partnership, Fund, or Investment opportunity. For a Direct or Co-Investment, please provide the name of the company or security that is being offered in a way that is intuitive for tracking. Please do NOT include the general strategy, description or other information in this field.
Geographic Focus*	Please select all that apply. Note – if your focus is in a region or sub-region, you do not need to select the larger geography.
Industry Focus*	Select any boxes that are applicable. For a Direct or Co-Investment opportunity, select one industry.
Strategy *	Select any boxes that are applicable. For Buyouts, use the following guidelines based on enterprise value of target companies: > $5 B = Mega, $1 billion - $5 billion = Large, $250 million - $1 billion = Mid, $50 million - $250 million = Small, < $50 million = Micro.
Total Investment Size in USD (In Millions – One billion entered as 1000)*	Please provide the Total Investment Size in millions – One billion entered as 1000.
Select Currency to be used for fields below*	Please select the Currency to be used.
Total Investment Size in Local Currency (In Millions – One billion entered as 1000)*	Please indicate the Total Investment Size in local Currency.
CA Focus*	Enter Yes if you have a mandate to invest in California or if greater than 50% of the assets are or will be located in California.
SBA/SBIC*	Funds that use financing, leverage, capital, or have any other relationship with the Small Business Administration (SBA) or that are classified as a Small Business Investment Company (SBIC) must mark this field “Yes”. Direct or Co-Investments that have SBA loans or other SBA involvement must also mark this field as “Yes”.
Executive Summary – 1000 character limit*	Provide a succinct summary of your investment opportunity. There is a 1,000 character limit.

Investment Opportunity Information Page



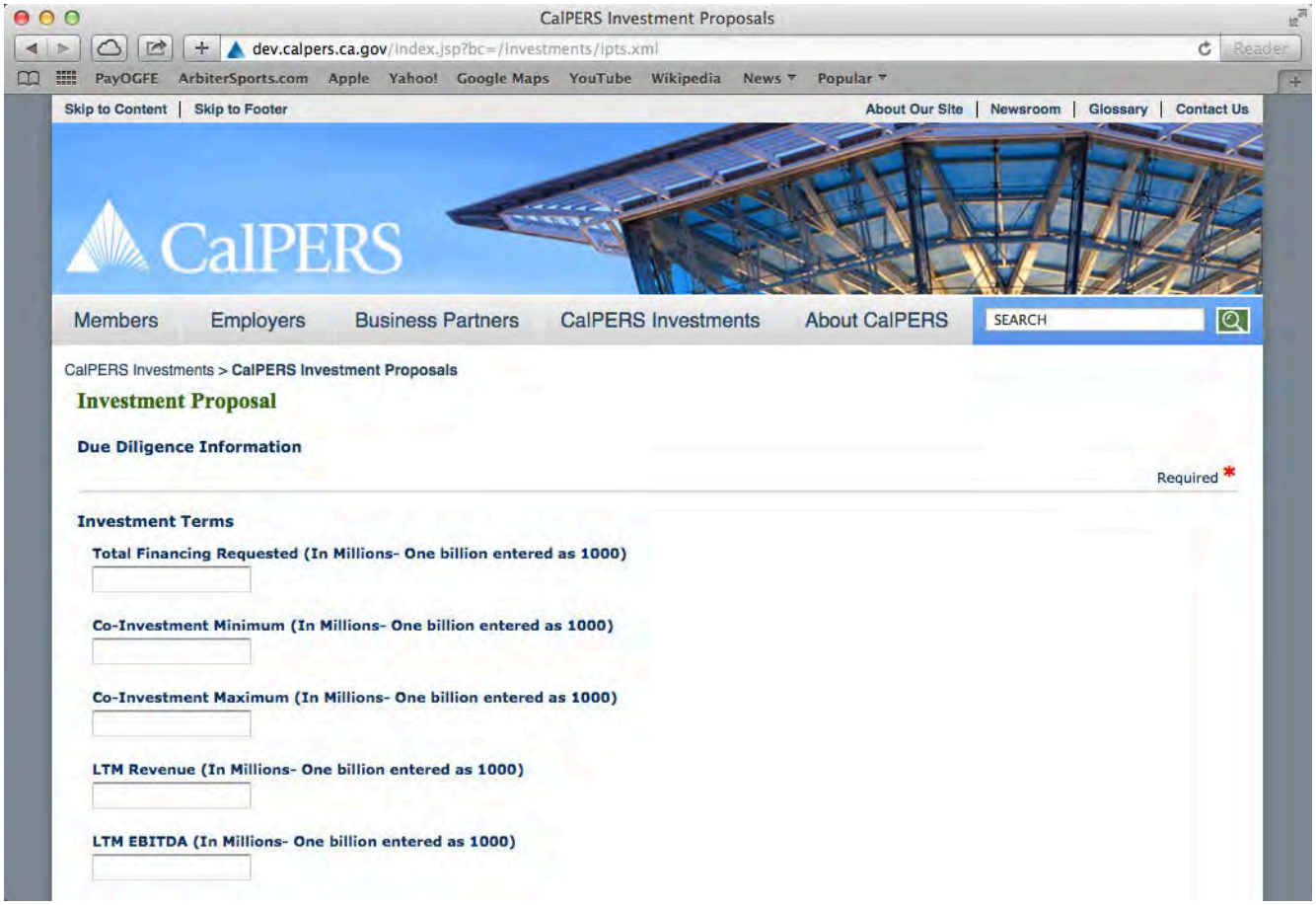
5.6 Due Diligence Information Page

Enter the due diligence information that is being proposed. A table and screen shot of all fields that apply to the *Due Diligence Information* page are presented on the following pages:

Due Diligence Information Field Instructions

Field Name	Explanation
Total Financing Requested	Please enter the amount of investment that you are requesting from CalPERS, in millions. This field is not mandatory.
Co-Investment Minimum	If a range is more applicable than a single amount, please enter the minimum amount of co-investment that you are requesting from CalPERS, in millions. This field is not mandatory.
Co-Investment Maximum	If a range is more applicable than a single amount, please enter the maximum amount of co-investment that you are requesting from CalPERS, in millions. This field is not mandatory.
LTM Revenue (In Millions – One billion entered as 1000)	Enter the last twelve months (LTM) Revenue for the company, holding, or asset, in millions. Use the same currency as one entered on the previous page. This field is not mandatory.
LTM EBITDA (In Millions- One billion entered as 1000)	Enter the last twelve months (LTM) EBITDA for the company, holding, or asset, in millions. Use the same currency as one entered on the previous page. This field is not mandatory.
Enterprise Value (In Millions- One billion entered as 1000)	Enter the current estimated Enterprise Value for the company, holding, or asset, in millions. Use the same currency as one entered on the previous page. Note that Enterprise Value is defined as the market value of the equity plus the market value of the net debt, where net debt is the debt minus cash on the balance sheet. If market value of debt is not available, use book value as a proxy. If the cash position is larger than the debt, use 0 for the net debt. This field is not mandatory.
Total Debt (In Millions- One billion entered as 1000)	Enter the current book value of debt on the company's balance sheet, in millions. This field is not mandatory.
Debt/EBITDA (Multiple)	Please enter the Debt/EBITDA multiple for the company. For Debt, use the net debt, defined as the book value of debt minus the cash on the balance sheet. If the cash position is larger than the debt, use 0 for the net debt. Enter as a multiple, for example, 4.5. This field is not mandatory.
Timing Considerations -1000 character limit	Provide a succinct summary of the timing considerations surrounding the investment opportunity. There is a 1000 character limit.

Due Diligence Information Page



5 Attachments Page

If a PPM or OM is not available, you may still attach a presentation or other relevant documents that will provide CalPERS Investment Staff with deeper insights into your investment proposal. Note that several CalPERS Asset Classes may have special instructions and requirements. Use the following steps to attach documents:

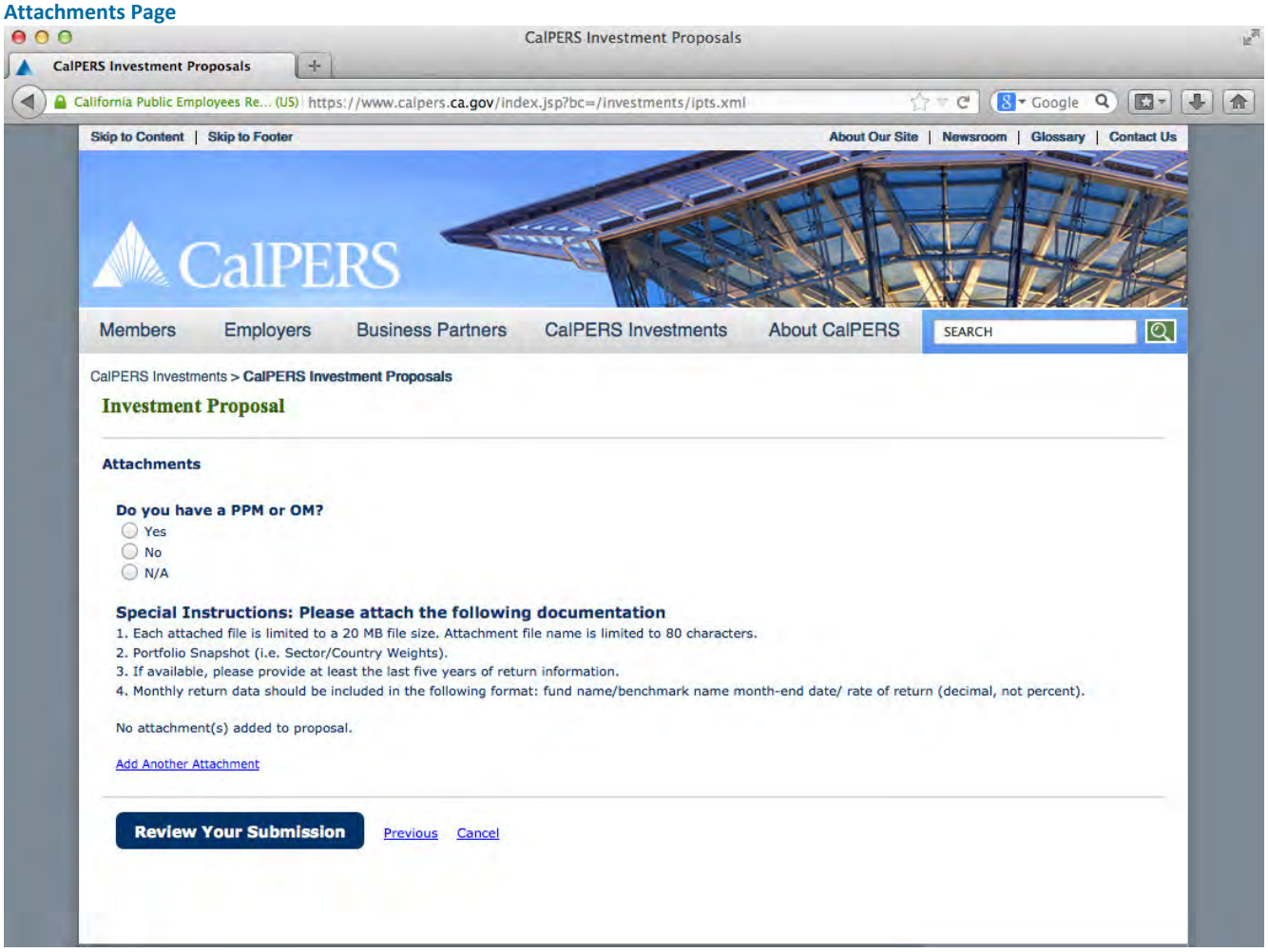
1. Click Add Another Attachment
2. Click the **Browse** button to the right of the *File Name* field
3. Browse and select the appropriate file through the "Open" pop-up window
4. Click **OK**

Repeat this process for additional attachments. You will see that each of the files that you add appears listed in the File Name section of the page as you continue to add files.

NOTE: Attachments must be under 20 MB in size.

A screenshot of the *Attachments* page is provided below. Note that the Special Instructions may differ depending on the Asset Class that you selected.

Attachments Page



6 Review Submission Page

A summary of the information that has been provided in the IPTS submission form appears.

- Carefully review the information to ensure that the details of the investment proposal have been captured accurately. Note that you will have an opportunity to print your submission in full on the next page.
- If you would like to change or review certain fields, select the Previous link at the bottom right of the page. You can continue to select Previous until you reach the page where you would like to change your data. All pages of information are saved so that you do not have to re-enter pages that you pass. Once you are finished changing fields, select the large blue buttons on the lower left of each page to return to the *Review Submission* page.
- If you are finished revising your submission, you must acknowledge that you have read the Notice on Confidentiality and understand that CalPERS is subject to disclosure laws, regulations, and policies that may require disclosure of some or all of the information you have submitted for consideration by CalPERS. Check this box to provide this Acknowledgment.
- Click Submit Proposal to complete the submission process.

Do not click "Submit Proposal" more than once. This will eliminate multiple records of submission.

- Click Save and Exit if you wish to save your proposal and complete it at a later date.

Your proposal is saved for 60 calendar days. You are given a confirmation number in order to access your incomplete proposal at a later date.

A sample screen shot of the bottom of the page is provided below.

Review Submission Page

Attachments

Do you have a PPM or OM
No Response Provided

No attachment(s) added to proposal.

Acknowledgment *

You acknowledge that you have read the Notes on Confidentiality and understand that CalPERS is subject to disclosure laws, regulations, and policies that may require disclosure of some or all of the information you have submitted for consideration by CalPERS.

☐ I have read and understand the above information

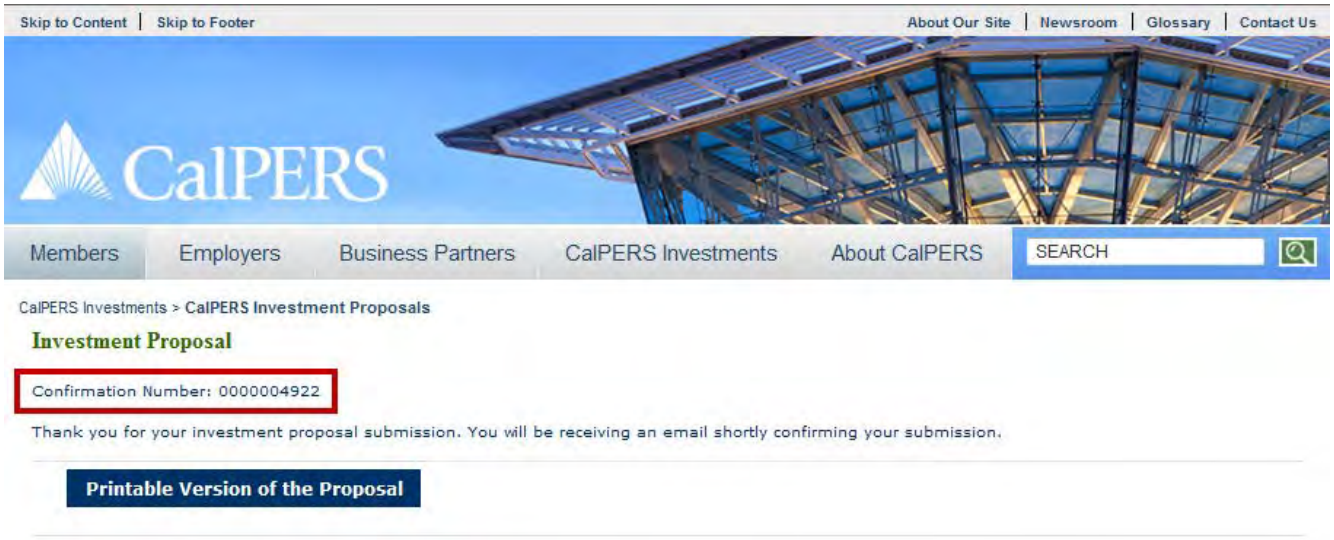
Note: Please click the "Submit Proposal" button only once to avoid duplicate entries. Please note it may take up to a minute for the page to refresh. You will have the opportunity to print your submitted proposal. After clicking 'Submit Proposal', you will no longer be able to review or make changes to this proposal.

Submit Proposal Previous **Save and Exit** Cancel

7 Confirmation Page

A confirmation number is provided for your records and an email confirmation is sent to the Primary Contact and Submitter email addresses you provided on the *Firm Information* page. If you would like to print your proposal, select the blue Printable Version of the Proposal button at the bottom of the page. A printable, PDF version of your proposal submission will appear, including your confirmation number. Save this for your records.

Confirmation Page



Your proposal is sent to the CalPERS Investment staff in the asset class that you selected. Each asset class maintains its own process for evaluation and approval of investment proposals, as illustrated in Figure 2.

Due to the volume of submissions that CalPERS receives each year, only a small percentage of proposals are actually approved for funding. CalPERS reserves the right to evaluate, approve, or decline proposals according to the internal policies of the CalPERS asset classes.

8 Contact Sheet

The CalPERS IPTS Helpdesk can answer typical questions or address issues you may have with your submittal. If the person you reach cannot solve the issue, they will make best efforts to locate someone within CalPERS that can. Note that the response times of the Helpdesk are dictated by the volume of incoming requests and the specific issue. Typical issues that may come to the Helpdesk include (but are not limited to):

- Web-Form submission questions
- Web-Form technical questions
- Proposal status
- Business Process requests
- Policy questions

To Access the CalPERS IPTS Helpdesk:
Send an email to: investmentporposals@calpers.ca.gov

9 Frequently Asked Questions (FAQs)

What is the CalPERS internal proposal evaluation process? What is the timeline for a response?
Your proposal is sent to the CalPERS Investment staff in the asset class that you selected. Each asset class maintains its own process for evaluation and approval of investment proposals. In general, the process follows the stages illustrated in Figure 2. Note that at each stage, only the most promising proposals are advanced to the next stage. Those proposals that are not advanced to the next stage are declined. Those proposals that actually receive funding are deemed "Committed". Note that each asset class sets its own timelines for evaluation of proposals, and response schedules will therefore vary.

What if I do not know which asset class to submit my proposal to?
Refer to the Asset Class Descriptions section. CalPERS recognizes that some asset classes may have small overlap within their focus areas. For example, Private Equity (PE) and Real Estate may both be interested in funds with a strategy related to hotel chains where the real estate component is complemented by innovative business solutions or operational improvement. Similarly, PE and Infrastructure may both be hypothetically interested in oil and gas mid-stream investments where heavy infrastructure build-outs may be complemented by new business methods. Finally, certain hedge funds may have a component, strategy, or partnership structure that makes them a more natural fit with PE. While these examples are meant to be merely illustrative, you should select that asset class that provides the best potential fit for your proposal. The Investment Staff of the various asset classes meet regularly to discuss potential cross-over opportunities. The Investment Staff also have the capability in the IPTS to instantly send a proposal to another asset class if in their judgment they believe that the investment opportunity will better fit in a different asset class.
If you need help with your submission, send an email to investmentproposals@calpers.ca.gov.

What if a CalPERS partner with a special mandate might be a better fit for my proposal than CalPERS directly? Should I submit my proposal to CalPERS, to the partner directly, or both?
CalPERS has approved and provided funding to various investment partners (known as "External Managers") with specific mandates that deploy capital in certain areas of emphasis. These areas are typically highlighted on the CalPERS Investment Office website, which can be found at:
http://www.calpers.ca.gov/eip-docs/investments/external-managers.pdf
These partners may operate as Fund-of-Funds, whereby they are evaluating investment proposals from fund and general partners and then make investment decisions, sometimes with the input of the CalPERS Investment staff. You may contact the IPTS Helpdesk for more information.
While there is no harm in submitting proposals to both the CalPERS asset class and the partner, we encourage you to do your research and select the organization that provides the best potential fit for your proposal.

Who should I contact to get information on the status of my proposal?
CalPERS Investment Office has set up a centralized Helpdesk for all requests and questions associated with the IPTS. Refer to the Contact Sheet in Section 10 for the appropriate means of contacting this Helpdesk. You may also contact any asset class representative you have a relationship with, however, please realize that requests sent via the methods in the Contact Sheet will receive centralized, active attention and be tracked accordingly. While CalPERS will make best efforts to respond to all requests, due to the volume and nature of the requests you may not receive an immediate response. This is particularly true if you contact your asset class relationships, as they may be traveling and/or have other responsibilities. Finally, note that to receive funding, all investment proposals must go through the IPTS. Do not assume that sending your proposal to an asset class representative directly will result in funding. The asset class will redirect you to submit your proposal via IPTS.

How will I be notified that my proposal has been reviewed, accepted, or declined?

CalPERS strives to provide prompt notification to all proposals of any decisions when they occur. The method of notification varies between asset classes. You will be contacted by a member of the CalPERS Investment staff for your asset class once a decision has been made, or if more information is required to reach a decision. The Primary contact and the Submitter of the proposal are both contacted.

My proposal information has changed. How can I edit my submission or provide additional detail / documents relevant to the proposal?
At the completion of your submission, you are provided with a Confirmation Number and given the option to save/print a pdf version of your submission, as outlined in Section 0 of the User Manual. Save this file for your records. Please re-enter the web submission form at:
http://www.calpers.ca.gov/index.jsp?bc=/investments/investment-proposals.xml
Once in the system, read and acknowledge that you have reviewed the acceptance information on the *Introduction* page. On the next page, there is a field at the top of the form that asks you to enter your Confirmation Number of your prior submission. The investment proposal must then be resubmitted in its entirety with your changes. The inclusion of the Confirmation Number will allow CalPERS to link the new, edited submission to your prior submission, and an update alert is sent to the CalPERS Investment staff of your asset class.

On the *Attachments* page, the web form provides instructions that I submit certain documents or tables, but they are not relevant to my proposal and/or I do not have the ability to create these documents. Will my submission still be considered?
Yes. CalPERS recognizes that certain proposers may not have historical information that fits in the parameters requested on the web submission form.

I am submitting from a foreign country, and I cannot figure out how to make my address/contact information fit into the provided fields. What should I do?
CalPERS considers investment proposals from all over the world, and you should not be discouraged from submitting. We are aware of this issue and striving to correct it in future versions of the IPTS. Make your best effort to put similar information into the fields provided. If this does not work, submit your entire foreign address into the “Street” field.

My investment opportunity is domiciled in a foreign country and uses a currency that is not listed as an option on the web form, what should I do?
CalPERS considers investment proposals from all over the world, and you should not be discouraged from submitting. We are aware of this issue and striving to correct it in future versions of the IPTS. We recommend that you select USD and convert your financial information into USD for the sake of submission into the web form. Place a note in one of the available text description fields with the actual currency of your fund and that you have converted all of the values as of the date of submission.

I lost the email that contains the link to my saved proposal, what should I do?
If you lost the email that contains the link to your saved proposal, please see the Investment Proposal Lost Link on the *Submit Your Investment Proposal* page.

10 Trouble-Shooting Guide

CalPERS strives to make the submission process as smooth and seamless as possible. We are making enhancements to the system, and acknowledge that the current version may have features or issues that delay or impede the submission. Outlined below are frequently encountered questions, along with suggestions for work around. Please contact the IPTS Helpdesk (refer to Section 11) with issues that you may encounter.

All Pages: Clicking the Previous Button deletes some of the fields already entered.
In certain cases when a submitter goes back to a previous page, certain fields may need to be reentered. This happens more frequently if you use successive Previous Buttons to go back 2 or more pages. The number of fields affected is small; please reenter these fields. You are alerted with pink error messages if required fields are blank when you try to advance to the next page.

11 Appendix A – Important Policies

CalPERS was created by statute in 1932 and is a unit of the California State and Consumer Services Agency. As a public agency, CalPERS is subject to a myriad of laws mandating the disclosure of certain types of information to the public. Many of these laws require CalPERS to make public information regarding its investment operations, its investment decision-making process, as well as the performance of its investments.

Notes on Confidentiality

CalPERS is subject to many laws mandating disclosure of certain information relating to its investment operations. Some but not all of those laws are discussed briefly below. CalPERS is subject to the Public Employees' Retirement Law (PERL) at Government Code section 20000 et seq. Some of the rules within the PERL relate to disclosure. For example, Government Code section 20232 mandates yearly disclosure of CalPERS investment holdings. As a public agency, CalPERS is subject to the Bagley-Keene Open Meeting Act at Government Code section 11120 et seq. See also the CalPERS Statement of Policy and Procedures relating to Closed Sessions. The Bagley-Keene Open Meeting Act requires, among other things, that decisions made by the CalPERS Board of Administration be made in a noticed meeting, primarily in open session. CalPERS is also subject to the Public Records Act at Government Code section 6200 et seq. The Public Records Act embodies the California Legislature's fundamental determination that all the state's business is presumptively subject to public scrutiny, by providing that every person has a right to inspect any public record. In addition, there are general Government Code provisions applicable to California public pensions, e.g., see Government Code section 7513.85 that requires information relating to placement agents to be disclosed by its prospective investment partners. Finally, there are CalPERS regulations and policies that relate to disclosure.
Notwithstanding the above, CalPERS is aware of its current and prospective investment partners' interests in maintaining the confidentiality of their proprietary and trade secret information. In that regard, CalPERS supported legislation that amended the Public Records Act to clarify what information is exempt or otherwise subject to disclosure with respect to its "alternative investments." Please see Government Code section 6254.26. In addition to Government Code section 6254.26, CalPERS may, depending on the facts, assert other exceptions for information qualifying for information qualifying as "official information," a "trade secret", as well as form information subject to the catch-all "balancing" exception to protect extremely sensitive investment information from disclosure. See Government Code sections 6254 and 6255. CalPERS attempts to confer with our investment partners before disclosing any information that might be considered confidential and proprietary and may allow time for the investment partner to assert its rights in court. However, CalPERS retains sole authority for determining which information held in its records is to be disclosed under applicable law and policies.

Notes on Placement Agents

AB 1743, Hernandez (2010) defines placement agent as lobbyists in accordance with the Political Reform Act 1974. The law prohibits a person and/or firm from acting as a placement agent in connection with any potential investment made by a public retirement system unless that person is registered as a lobbyist and is in full compliance with the Political Reform Act of 1974 as the act applies to lobbyists.
CalPERS is unable to facilitate a person and/or firm's registration as a lobbyist. Find information below on the administering agencies, in relation to both AB 1743 and the Political Reform Act of 1974. For complete bill information, please visit the Official California Legislative Information website (http://www.leginfo.ca.gov/).

Political Reform Act of 1974

The Fair Political Practices Commission (FPPC) has regulatory, interpretive and enforcement authority for provisions of the Political Reform Act. View the FPPC AB1743 Fact Sheet for more information on the regulation as well as contact detail. You can also call the FPPC at (866) 275-3772 (or 866-ASK-FPPC).

Administration of AB1743

The California Secretary of State is the filing officer for placement agents who are defined as lobbyists under AB1743. Find information about registration process and requirements on The Secretary of State's website (http://www.sos.ca.gov/).

12 Appendix B – List of Acronyms

Term	Explanation
AUM	Assets Under Management
CAP	Communications, Analysis, and Policy Development Section (a CalPERS organizational group in the Investment Office)
CA	California
CAD	Canadian Dollar
CalPERS	California Public Employee's Retirement System
dd	Day (two digits)
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortization
EUR	Euro
FAQs	Frequently Asked Question
GBP	Great Britain Pound
GP	General Partner
INVO	Investment Office (a CalPERS organizational group)
IPTS	Investment Proposal Tracking System
IRR	Internal Rate of Return
IT	Information Technology
JPY	Japanese Yen
LatAm	Latin America
LTM	Last Twelve Months
MENA	Middle East and North Africa
mm	Month (two digits)
RE	Real Estate (a CalPERS asset class)
REIT	Real Estate Investment Trust
RFP	Request for Proposal
RMARS	Risk Managed Absolute Return Strategies
OM	Offering Memorandum
PE	Private Equity (a CalPERS asset class)
PERL	Public Employees' Retirement Law
PPM	Private Placement Memorandum
S&P GSCI	Standard & Poors Goldman Sachs Commodity Index
SBA/SBIC	Small Business Administration / Small Business Investment Company
U.S.	United States
USD	United States Dollars
yyyy	Year (four digits)