



OREGON INVESTMENT COUNCIL

Notice of Special Meeting

**Tuesday, July 21, 2015 – 3:00pm
Oregon State Treasury
350 Winter Street NE, Suite 100
Salem, Oregon 97301
Columbia Room**

The Oregon Investment Council will hold a special meeting at the time, date and location listed above.

The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting to the Oregon State Treasurer's Office – Investment Division, Attention: Michelle Winegar at 503-378-4111.

Agenda

OPERF Alternatives Portfolio: Policy Waiver Request and Recommendation

Alternatives Portfolio Policy Variance Requests

Purpose

Staff is seeking OIC approval for policy variances to allow Committee consideration of a new manager relationship greater than \$150 million and to allow flexibility for due diligence materials dissemination.

Background

Under current OIC policy, proposed capital commitments for new relationships up to and including \$150 million may be presented by Staff to the relevant Portfolio Committee. Proposed capital commitments for new relationships greater than \$150 million are presented to the full OIC. Furthermore, OIC policy stipulates that due diligence materials must be furnished to the OIC at least two weeks prior to a Committee presentation.

At this time, Staff is conducting due diligence on a \$200 million commitment to a new manager relationship in the real assets space. A unique feature of the investment opportunity is that the key manager of the assets is a publicly-traded company. The materials and discussion regarding the opportunity are expected to include material, non-public information (MNPI) regarding the publicly-traded company. Staff has discussed with DOJ the possibility of presenting the opportunity to the full OIC (per policy) under Executive Session. However, DOJ believes there is significant MNPI disclosure risk with this approach as reporters and consultants are allowed to passively attend during Executive Session. Therefore, in order to preserve the confidentiality of the MNPI, Staff is seeking a variance to OIC policy to allow Alternatives Portfolio Committee consideration of the proposed capital commitment.

Furthermore, the targeted closing date for this opportunity is August 14 which introduces timing constraints relative to Staff's normal underwriting process. Accordingly, Staff is also now seeking OIC approval to allow dissemination of related due diligence materials one week prior to Committee presentation. As with any other Committee presentation, all due diligence materials (i.e., Staff memo, TorreyCove report, etc.) will be furnished to the OIC, and any OIC member has the ability to ask questions or seek a meeting with Staff and the manager. **However, please note that upon receipt of the due diligence materials, OIC members will be in possession of MNPI regarding the publicly-traded company.**