



## Secondary Fund Commitment

CS Strategic Partners IV, L.P.  
CS Strategic Partners IV RE, L.P.  
CS Strategic Partners IV VC, L.P.

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# CS Strategic Partners IV, L.P. – Secondary Fund

## Overview

- Fund size is \$2.5 billion in main fund, \$420 million to the real estate fund, and \$325 million to the venture capital fund
- Secondary investments in the US and Europe
- Collectively, CS Strategic Partners I, CS Strategic Partners II, CS Strategic Partners II RE, CS Strategic Partners III, CS Strategic Partners III RE, and CS Strategic Partners III VC have aggregate commitments of \$5.2 billion

## Fund Strategy

- To maximize risk-adjusted investment returns by focusing on fundamental analysis
- The Fund will pursue secondary opportunities in mezzanine funds, buyout funds, real estate, venture capital, and distressed securities
- Pennsylvania Presence – N/A

# CS Strategic Partners IV, L.P. – Secondary Fund

## Investment Team

- A team of 19 investment professionals
- Has offices in New York, San Francisco, and London

## GP “Value Add”

- Strategic Partners have developed relationships with a majority of the top financial sponsors and is considered to be an attractive purchaser of secondary interests

## Performance

- CS Strategic Partners I, CS Strategic Partners II, and CS Strategic Partners III have generated a combined net IRR of 32.4% and a return multiple of 1.66x

# CS Strategic Partners IV, L.P. – Secondary Fund

## Market Opportunity

- Staff values the sourcing capabilities, investment returns of prior funds, and the strong relationships Credit Suisse has with private equity funds
- Allocations to CS Strategic Partners IV, CS Strategic Partners IV RE, and CS Strategic Partners IV VC gives PSERS additional exposure to the secondary market where we believe there will be ample investment opportunities

## History with PSERS

- This would be PSERS fourth secondary fund to the main fund, third to the secondary RE fund, and second to the VC fund

## Recommendation

- Staff, together with Portfolio Advisor's, recommends that the Board invest an amount equal to 25 percent of the committed capital, but not to exceed \$100 million to the main fund, \$75 million to the RE fund, and \$50 million to the VC fund plus reasonable normal investment expenses.