

Recommendation on Hastings Equity IV Co-Investment Fund

To: RISIC
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The purpose of this memo is to provide RISIC with a summary of Cliffwater's recommendation on Hastings Equity IV Co-Investment Fund.

ERSRI committed to \$25 million to Hastings Equity Fund IV, L.P. ("Hastings IV") in 2018 after investment and operational due diligence by Cliffwater. As of March 31, 2020, Hastings IV was approximately 35% invested and performing at expectations. Hastings Equity Partners, the manager of the Hastings IV, is now forming a co-investment fund to allow ERSRI to co-invest in future investments in Hastings IV that require more capital than is available based on the size and concentration limits of Hastings IV. The investments will be made at the discretion of the manager and the terms of the co-investment fund will be similar to Hastings IV with the exception that no investment fees or carried interest will be charged to investors in the co-investment fund.

Cliffwater recommends a commitment of up to \$7.5 million or 30% of ERSRI's commitment to Hastings IV to the Hastings Equity IV Co-Investment Fund.

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