Motion:
That the Nebraska Investment Council General Endowment Funds make a $15 million commitment and the Health Care Fund make a $5 million commitment to Ironsides Co-Investment Fund VI. This $20 million total commitment is subject to completion of a legal review and satisfactory agreement of terms.

The Council’s current Ironsides investments: $20 million commitment to Ironsides Partnership IV (GE/HC) (Fund of Funds investment)

Staff is recommending Co-investment Fund VI based on FIT and FUND. Regarding fit, this fund’s strategy is to complete co-investment transactions in middle market of private equity. Co-investments offer lower fees, exposure to high conviction managers and faster deployment of capital.

From a fund perspective, Staff likes the fund manager’s combination of People, Process and Performance:

People
- Staff knows the team well as the Council is an investor in the fund of funds Ironsides IV for the endowments. So, this is a re-up of sorts, as we recommend a commitment to the co-investment companion fund this time and not the fund of funds option.
- The senior team has been together for 32 years and together at Constitution Capital Partners since 2008. The managing partners and partners are a stable team. No one at this level has left the firm.
- Constitution currently employs 36 professionals. 17 are investment people. 14 focus on private equity.

Process (Strategy and Platform)
- We like Constitution’s strategy, especially its strong GP relationships, systematic approach and its position as a value-added partner.
- The team enjoys a good industry network and strong General Partner relationships, resulting in good co-investment access. Access includes sector-focused managers in the consumer, healthcare, industrial, and business services sectors.
- Constitution has a systematic approach which features a multiple person and multiple step due diligence process.
- Constitution is an engaged investor, serving on the advisory boards of 49 of its 53 funds and 49 of its 73 co-investment companies. The team is viewed as a value-added partner as this engagement allows the team to assist funds and/or companies quickly and directly.
- Fund VI’s investment period is 3 years versus the usual 5 year period.
- The Management Fee is 1% on committed/invested versus the usual buyout rate of 2%.
- Target Geography will be primarily North America.
- The team plans on completing 25-30 investments in the fund.
- Constitution is a risk-controlled investor. The cumulative loss ratio for the last three funds, as of 3.31.2021 is 3.6% of committed capital.

Performance (As of 6.30.2020)
- Here is performance of recent co-investment funds:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Vintage</th>
<th>Fund Net IRR</th>
<th>All PE Quartile</th>
<th>Fund Net TVPI</th>
<th>All PE Quartile</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund V</td>
<td>2018</td>
<td>23.3%</td>
<td>1st</td>
<td>1.3x</td>
<td>1st</td>
</tr>
<tr>
<td>Fund IV</td>
<td>2016</td>
<td>12.4</td>
<td>2nd</td>
<td>1.3</td>
<td>2nd</td>
</tr>
<tr>
<td>Fund III</td>
<td>2013</td>
<td>18.0</td>
<td>2nd</td>
<td>1.8</td>
<td>2nd</td>
</tr>
<tr>
<td>Fund II</td>
<td>2011</td>
<td>19.7</td>
<td>2nd</td>
<td>1.6</td>
<td>3rd</td>
</tr>
</tbody>
</table>

Terms and Conditions
- The Management Fee is 1.0% on committed capital in the commitment period and 1% on invested capital thereafter.
- Preferred rate is 8% and the GPs share of the Carry is 15%.