

**NOTE:** These minutes were approved and executed at the April 9, 2024, Independent Investment Committee meeting.

**Independent Investment Committee Meeting  
February 13, 2024  
Public Minutes**

**New Hampshire Retirement System  
54 Regional Drive  
Concord, NH 03301**

*Committee Members:*

- Maureen Kelliher, CFA, *Chair*
- Brian Bickford, CFA, CFP®, *Member (absent)*
- Christine Clinton, CFA, *Member (by video conference)*
- Mike McMahon, *Non-Voting Member (by video conference)*
- Paul Provost, CFP®, *Member (by video conference)*

*Staff:*

- Jan Goodwin, *Executive Director*
- Raynald Leveque, *Chief Investment Officer*
- Gregory Richard, CFA, CAIA, *Senior Investment Officer*
- Jonathan Diaz, *Investment Officer*
- Jesse Pasierb, *Investment Operations Analyst (by video conference)*
- Eileen Demers, *Consultant, Robert Half (by video conference)*
- Tim Crutchfield, *Deputy Director, and Chief Legal Counsel (by video conference)*
- Heather Hoffacker, *Internal Auditor (by video conference)*
- Marty Karlon, *Director of Communications (by video conference)*

*Guests:*

- Rahul Vinnakota, *Managing Director, H.I.G. Capital LLC*
- Benjam Charon, *Managing Director, H.I.G. Capital LLC*
- Dyice Ellis-Beckham, *Managing Director, H.I.G. Capital LLC*
- Pete Keliuotis, CFA, *Executive Vice President, Callan LLC*
- David Smith, CFA, CTP, *Senior Vice President, Callan, LLC*
- Britt Murdoch, *Vice President, Callan LLC (by video conference)*
- Vinod Pakianathan, *Managing Director, Abel Noser LLC*
- Brian Greene, *Senior Vice President, Abel Noser LLC*

Chair Kelliher called the meeting to order at 12:30 PM.

On a motion by Ms. Clinton, seconded by Mr. Provost, the Independent Investment Committee (Committee) unanimously approved the public minutes of the January 9, 2024, Committee meeting as presented.

Mr. Leveque reviewed investment returns through recent periods and referred to the Callan Monthly Review for the period ending December 31, 2023. He shared an update on holdings within the NHRS portfolio. He confirmed that all allocations are in line with their approved ranges. Mr. Leveque updated the Committee on total plan liquidity, Russian holdings, and the Work Plan.

Next, Mr. Leveque, Mr. Richard and Mr. Smith provided an overview of H.I.G. Capital Partners LLC (HIG). They discussed the opportunity to invest in H.I.G. Advantage Buyout Fund II and H.I.G. Capital Co-Investment Separately Managed Account (SMA) provided NHRS Investment Staff's recommendation. Following this, the Committee heard from representatives of HIG.

Ms. Ellis-Beckham and Mr. Charon introduced HIG to the committee. Mr. Vinnakota gave an overview of HIG and its organizational structure. He detailed HIG's investment philosophy and process. He discussed case studies and the performance of investments in H.I.G Advantage Fund I and closed by discussing Fund II key terms.

The Committee discussed the presentation made by HIG and the opportunity to invest in Advantage Fund II. On a motion by Mr. Provost, seconded by Ms. Clinton, the Committee unanimously voted to commit \$50 million to H.I.G. Advantage Fund II and \$50 million to an SMA to co-invest alongside Fund II, subject to contract and legal review.

Next, Callan representatives presented the Calendar Year 2024 Pacing Plan. They discussed the expected pacing schedule of the private equity and private credit portfolio and outlined their modeled assumptions for an allocation target change of 5% to 10% for private credit. The pacing model projects that the System will remain net cash flow positive. They closed with a ten-year projection of the total additional partnerships needed to meet target allocation goals. After the committee's deliberation, Mr. Leveque articulated NHRS's objective of focusing allocations on a reduced number of strategic partnerships, each with larger investment sizes, in order to meet new allocation targets and to account for increases to NHRS assets under management.

On a motion by Ms. Clinton, seconded by Mr. Provost, the Committee unanimously voted to approve the Private Credit & Private Equity Pacing Plan for Calendar Year 2024.

Following Callan's presentation, the Committee heard from Abel Noser.

Mr. Greene provided an overview of the trading cost analysis services Abel Noser performs for the System. Mr. Pakianathan reviewed an analysis of the one-year period ending December 31, 2023. He noted that the System's active U.S. equity managers, active non-U.S. equity managers and passive U.S. equity manager achieved favorable trading costs relative to their peer universes.

On a motion by Mr. Provost, seconded by Ms. Kelliher, the Committee unanimously voted to appoint Ms. Christine Clinton as Chair of the Independent Investment Committee, effective February 13, 2024.

On a motion by Ms. Clinton, seconded by Mr. Provost, the Committee unanimously voted to adjourn the meeting.

The meeting adjourned at 2:30PM.