



Annual Statement

changes in store for **2018**

Cheryl Johnson, CFA | Compliance Analyst





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Commonwealth of Massachusetts

Public Employee Retirement Administration Commission

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Schedule No. 7
Annual Statement of the _____ Retirement System for the Year Ended _____

Summary of Investment Related Fees

| | Q1 | Q2 | Q3 | Q4 | Accrued Payable at Year End | Total Paid or Accrued in _____ | Market Value as of 12/31/____ | *Payment Method (N/C/W) | #4701 Carried Interest Exp. | #4702 Equalization Expense | #4703 Misc Investment Expense |
|---|-------------|-------------|-------------|----|-----------------------------------|--------------------------------------|-------------------------------------|-------------------------------|-----------------------------------|----------------------------------|-------------------------------------|
| 5304 Management Fees | | | | | | | | | | | |
| ABC LP | | | \$15,482.57 | | | \$ 15,482.57 | | | \$ 78,213.37 | | \$10,035.37 |
| DEF LP | | \$11,702.41 | \$11,702.41 | | | \$ 23,404.82 | | | \$ (63,847.01) | | \$ 4,104.55 |
| GHI LP | | | \$ - | | | \$ - | | | \$ 53,187.36 | | \$ 9,719.98 |
| JKL LP | | | \$18,904.11 | | | \$ 18,904.11 | | | \$ (1,653.47) | | \$ 9,022.77 |
| MNO LP | | | \$20,794.52 | | | \$ 20,794.52 | | | \$ (10,907.06) | | \$ 3,294.00 |
| PQR LP | | | \$ - | | | \$ - | | | \$ 14,359.00 | | |
| STU LP | | | \$11,344.00 | | | \$ 11,344.00 | | | | \$388,309.79 | |
| VWX LP | | | | | | | | | | | |
| 5304 Management Fees Total | | | | | | \$ 89,930.02 | | | | | |
| 5305 Custodial Fees | | | | | | | | | | | |
| Y Bank | \$ 5,000.00 | \$ 5,000.00 | \$ 5,000.00 | | | \$ 15,000.00 | | | | | |
| 5305 Custodial Fees Total | | | | | | \$ 15,000.00 | | | | | |
| 5307 Investment Consultant/OCIO Fees | | | | | | | | | | | |
| Z Investment Consultants | \$ 2,500.00 | \$ 2,500.00 | \$ 2,500.00 | | | \$ 7,500.00 | | | | | |
| 5307 Investment Consultant Fees Total | | | | | | \$ 7,500.00 | | | | | |
| Total Investment Related Fees and Expenses | | | | | | \$112,430.02 | | | \$ 69,352.19 | \$388,309.79 | \$36,176.67 |

ABC, LLP

Quarterly Investor Account Statement for Third Quarter 2017

statement date: Tuesday, November 28, 2017

| | | | |
|-----------------|------------|-----------------|-----|
| account number: | ██████████ | broker firm: | N/A |
| federal tax id: | ██████████ | representative: | N/A |

| date | description | cost | fair market value |
|----------|--|-----------------|-------------------|
| 07/01/17 | beginning capital balance | \$ 2,345,305.10 | \$ 4,509,699.23 |
| | capital contributions | - | - |
| | capital distributions | (177,568.05) | (177,568.05) |
| | unrealized gains (losses) | - | (33,495.37) |
| | management fees | (12,482.57) | (12,482.57) 5304 |
| | partnership income (expenses) | 53,296.73 | 53,296.73 |
| | realized gains (losses) | - | - |
| 09/30/17 | ending capital balance before provisional carried interest | \$ 2,208,551.21 | \$ 4,339,449.97 |
| | provisional carried interest allocation to GP | - | (450,222.69) 4701 |
| 09/30/17 | ending capital balance | \$ 2,208,551.21 | \$ 3,889,227.28 |

The provisional carried interest allocation to GP accrual is an estimate based on the known value of the investments as of this statement date. It is possible that the value of the investments may differ significantly from the amounts ultimately realized, and the carried interest could be materially different.

| | | |
|-------------------|-----------------------|---------------|
| 01/01 to 09/30/17 | distribution payments | \$ 177,568.05 |
|-------------------|-----------------------|---------------|

| Fair Value at 09/30/17 | | | | |
|------------------------|-----------|----|----------|----------------|
| | Units | | Per Unit | Fair Value |
| Fund | 5,917,616 | \$ | 18.70 | \$ 110,656,152 |
| Investor | 232,063 | \$ | 18.70 | \$ 4,339,450 |

DEF, LLP

Quarterly Investor Account Statement for Third Quarter 2017

statement date: Tuesday, November 28, 2017

| | | | |
|-----------------|--|-----------------|-----|
| account number: | | broker firm: | N/A |
| federal tax id: | | representative: | N/A |

| date | description | cost | fair market value | |
|----------|---|-----------------|-------------------|------|
| 07/01/17 | beginning capital balance | \$ 2,982,292.06 | \$ 5,637,128.55 | |
| | capital contributions | - | - | |
| | capital distributions | (222,010.66) | (222,010.66) | |
| | unrealized gains (losses) | - | (57,859.03) | |
| | management fees | (11,702.41) | (11,702.41) | 5304 |
| | affiliate income credit | 11,702.41 | 11,702.41 | |
| | partnership income (expenses) | 67,058.28 | 67,058.28 | |
| | realized gains (losses) | - | - | |
| | ending capital balance before provisional | | | |
| 09/30/17 | carried interest | \$ 2,827,339.68 | \$ 5,424,317.14 | |
| | provisional carried interest allocation to GP | - | (566,472.99) | 4701 |
| 09/30/17 | ending capital balance | \$ 2,827,339.68 | \$ 4,857,844.15 | |

The provisional carried interest allocation to GP accrual is an estimate based on the known value of the investments as of this statement date. It is possible that the value of the investments may differ significantly from the amounts ultimately realized, and the carried interest could be materially different.

| | | |
|-------------------|-----------------------|---------------|
| 01/01 to 09/30/17 | distribution payments | \$ 222,010.66 |
|-------------------|-----------------------|---------------|

| Fair Value at 09/30/17 | | | | |
|------------------------|-----------|----|----------|----------------|
| | Units | | Per Unit | Fair Value |
| Fund | 5,917,616 | \$ | 18.70 | \$ 110,656,152 |
| Investor | 290,079 | \$ | 18.70 | \$ 5,424,317 |

DEF, LLP

Quarterly Investor Account Statement for Second Quarter 2017

statement date: Tuesday, August 29, 2017

| | | | |
|-----------------|--|-----------------|-----|
| account number: | | broker firm: | N/A |
| federal tax id: | | representative: | N/A |

| date | description | cost | fair market value | |
|----------|---|-----------------|-------------------|------|
| 04/01/17 | beginning capital balance | \$ 2,954,523.61 | \$ 5,618,642.15 | |
| | capital contributions | - | - | |
| | capital distributions | - | - | |
| | unrealized gains (losses) | - | (9,282.05) | |
| | management fees | (11,702.41) | (11,702.41) | 5304 |
| | affiliate income credit | 11,702.41 | 11,702.41 | |
| | partnership income (losses) | 31,013.23 | 31,013.23 | |
| | realized gains (losses) | (3,244.78) | (3,244.78) | |
| 06/30/17 | ending capital balance before provisional | | | |
| | carried interest | \$ 2,982,292.06 | \$ 5,637,128.55 | |
| | provisional carried interest allocation to GP | - | (488,259.62) | 4701 |
| | ending capital balance | \$ 2,982,292.06 | \$ 5,148,868.93 | |

The provisional carried interest allocation to GP accrual is an estimate based on the known value of the investments as of this statement date. It is possible that the value of the investments may differ significantly from the amounts ultimately realized, and the carried interest could be materially different.

| | | | |
|-------------------|-----------------------|----|---|
| 01/01 to 06/30/17 | distribution payments | \$ | - |
|-------------------|-----------------------|----|---|

| Fair Value at 06/30/17 | | | | |
|------------------------|-----------|----|----------|----------------|
| | Units | | Per Unit | Fair Value |
| Fund | 6,366,112 | \$ | 18.06 | \$ 114,997,538 |
| Investor | 312,064 | \$ | 18.06 | \$ 5,637,129 |

GHI, LLP Account Statement

| | | | |
|---------------|--------------------|---------------------|---------------|
| Partner Name: | | Total Fund: | \$ 26,815,000 |
| Fund: | | % of Total Fund: | 18.646 % |
| Period End: | September 30, 2017 | % of LP Commitment: | 18.786 % |
| Currency: | USD | | |

Summary of Capital Commitments

| | |
|------------------------------------|----------------------|
| Capital Commitment | \$ 5,000,000.00 |
| Less: Cumulative contributions | (5,110,953.40) |
| Plus: Recallable distributions | 461,444.30 |
| Unfunded Capital Commitment | \$ 350,490.90 |

Partner's Capital Account Activity in accordance with GAAP

| | <u>Quarter to Date</u> | <u>Year to Date</u> | <u>Inception to Date</u> |
|---|------------------------|------------------------|--------------------------|
| Beginning Capital | \$ 1,469,929.30 | \$ 2,617,994.50 | \$ - |
| Contributions/(Distributions) | | | |
| Contributions | 5,374.89 | 25,877.39 | 5,110,953.40 |
| Distributions | (443,816.48) | (1,278,308.58) | (7,432,690.26) |
| Net Contributions/(Distributions) | (438,441.59) | (1,252,431.19) | (2,321,736.86) |
| Income/(Loss) Allocation | | | |
| 5304 Management fees (net) | - | - | (188,273.03) |
| 4703 Professional fees and other expenses | (10,035.37) | (37,204.05) | (420,687.09) |
| Portfolio income/(loss) | 14,914.39 | 42,986.89 | 969,779.42 |
| Realized gain/(loss) | (79,054.55) | 655,413.41 | 3,850,327.19 |
| Unrealized gain/(loss) | (351,471.20) | (1,479,909.27) | (691,966.90) |
| Total Income/(Loss) | (425,646.73) | (818,713.02) | 3,519,179.59 |
| 4701 Carried Interest | 63,847.01 | 122,837.70 | (527,754.74) |
| Ending Capital | \$ 669,687.99 | \$ 669,687.99 | \$ 669,687.99 |

Contributions and Distributions as stated above include all amounts due and payable as of period end.

JKL, LLP Account Statement

| | | | |
|---------------|--------------------|---------------------|----------------|
| Partner Name: | | Total Fund: | \$ 144,566,000 |
| Fund: | | % of Total Fund: | 5.188 % |
| Period End: | September 30, 2017 | % of LP Commitment: | 5.275 % |
| Currency: | USD | | |

Summary of Capital Commitments

| | |
|------------------------------------|------------------------|
| Capital Commitment | \$ 7,500,000.00 |
| Less: Cumulative contributions | (8,082,057.40) |
| Plus: Recallable distributions | 1,918,781.74 |
| Unfunded Capital Commitment | \$ 1,336,724.34 |

Partner's Capital Account Activity in accordance with GAAP

| | <u>Quarter to Date</u> | <u>Year to Date</u> | <u>Inception to Date</u> |
|---|------------------------|------------------------|--------------------------|
| Beginning Capital | \$ 9,408,812.52 | \$ 9,132,470.83 | \$ - |
| Contributions/(Distributions) | | | |
| Contributions | 373,573.93 | 475,589.61 | 8,082,057.40 |
| Distributions | (1,770,554.26) | (2,070,844.11) | (2,819,217.71) |
| Net Contributions/(Distributions) | (1,396,980.33) | (1,595,254.50) | 5,262,839.69 |
| Syndication Costs | (134.32) | (176.07) | (176.07) |
| Income/(Loss) Allocation | | | |
| 5304 Management fees (net) | (18,904.11) | (56,095.89) | (290,753.43) |
| 4703 Professional fees and other expenses | (4,104.55) | (13,758.53) | (145,812.32) |
| Portfolio income/(loss) | 16,590.41 | 350,147.63 | 558,055.48 |
| Realized gain/(loss) | 1,305,456.47 | 1,305,456.47 | 1,305,456.47 |
| Unrealized gain/(loss) | (944,321.52) | (672,619.62) | 2,161,913.66 |
| Total Income/(Loss) | 354,716.70 | 913,130.06 | 3,588,859.86 |
| 4701 Carried Interest | (53,187.36) | (136,943.11) | (538,296.27) |
| Ending Capital | \$ 8,313,227.21 | \$ 8,313,227.21 | \$ 8,313,227.21 |

Contributions and Distributions as stated above include all amounts due and payable as of period end.

MNO, LLP Account Statement

| | | | |
|---------------|--------------------|---------------------|----------------|
| Partner Name: | | Total Fund: | \$ 204,485,000 |
| Fund: | | % of Total Fund: | 5.379 % |
| Period End: | September 30, 2017 | % of LP Commitment: | 5.380 % |
| Currency: | USD | | |

Summary of Capital Commitments

| | |
|------------------------------------|------------------------|
| Capital Commitment | \$ 11,000,000.00 |
| Less: Cumulative contributions | (10,370,589.49) |
| Plus: Recallable distributions | 1,280,289.51 |
| Unfunded Capital Commitment | \$ 1,909,700.02 |

Partner's Capital Account Activity in accordance with GAAP

| | <u>Quarter to Date</u> | <u>Year to Date</u> | <u>Inception to Date</u> |
|---|------------------------|------------------------|--------------------------|
| Beginning Capital | \$ 7,123,335.93 | \$ 7,491,436.00 | \$ - |
| Contributions/(Distributions) | | | |
| Contributions | 165,605.61 | 499,239.05 | 10,370,589.49 |
| Distributions | (615,750.28) | (1,747,315.29) | (9,510,388.83) |
| Net Contributions/(Distributions) | (450,144.67) | (1,248,076.24) | 860,200.66 |
| Income/(Loss) Allocation | | | |
| 5304 Management fees (net) | (20,794.52) | (61,705.48) | (515,794.51) |
| 4703 Professional fees and other expenses | (9,719.98) | (25,701.49) | (223,272.07) |
| Portfolio income/(loss) | 7,560.79 | 39,023.36 | 937,626.26 |
| Realized gain/(loss) | 279,013.04 | 726,450.81 | 5,268,059.08 |
| Unrealized gain/(loss) | (289,128.64) | (258,682.29) | 619,249.43 |
| Total Income/(Loss) | (33,069.31) | 419,384.91 | 6,085,868.19 |
| 4701 Carried Interest | 1,653.47 | (20,969.25) | (304,293.43) |
| Ending Capital | \$ 6,641,775.42 | \$ 6,641,775.42 | \$ 6,641,775.42 |

Contributions and Distributions as stated above include all amounts due and payable as of period end.

PQR, LLP Account Statement

| | | | |
|---------------|--------------------|---------------------|----------------|
| Partner Name: | | Total Fund: | \$ 135,162,000 |
| Fund: | | % of Total Fund: | 5.549 % |
| Period End: | September 30, 2017 | % of LP Commitment: | 5.557 % |
| Currency: | USD | | |

Summary of Capital Commitments

| | |
|------------------------------------|------------------------|
| Capital Commitment | \$ 7,500,000.00 |
| Less: Cumulative contributions | (2,857,789.23) |
| Plus: Recallable distributions | 374,147.02 |
| Unfunded Capital Commitment | \$ 5,016,357.79 |

Partner's Capital Account Activity in accordance with GAAP

| | Quarter to Date | Year to Date | Inception to Date |
|--|------------------------|------------------------|------------------------|
| Beginning Capital | \$ 2,761,798.39 | \$ 1,555,513.22 | \$ - |
| Contributions/(Distributions) | | | |
| Contributions | - | 1,380,486.55 | 2,857,789.23 |
| Distributions | - | (215,647.18) | (375,501.56) |
| Net Contributions/(Distributions) | - | 1,164,839.37 | 2,482,287.67 |
| Income/(Loss) Allocation | | | |
| 5304 Management fees (net) | - | - | - |
| 4703 Professional fees and other expenses | (9,022.77) | (31,851.70) | (142,976.80) |
| Portfolio income/(loss) | 6,649.45 | 28,391.94 | 78,681.01 |
| Realized gain/(loss) | 113,489.91 | 113,489.91 | 113,489.91 |
| Unrealized gain/(loss) | (120,139.38) | (75,425.78) | 236,004.90 |
| Total Income/(Loss) | (9,022.79) | 34,604.37 | 285,199.02 |
| 4701 Carried Interest | 10,907.06 | 8,725.70 | (3,804.03) |
| Ending Capital | \$ 2,763,682.66 | \$ 2,763,682.66 | \$ 2,763,682.66 |

Contributions and Distributions as stated above include all amounts due and payable as of period end.

STU, LLP

Partner Statement | For the period ended September 30, 2017

Unaudited Statement For: [REDACTED]

PARTNER COMMITMENT SUMMARY

| | |
|---|-------------|
| Commitment Date (1) | 4/7/2010 |
| Commitment Amount | \$7,500,000 |
| Commitment in the Fund as a % of Total Fund Commitments | 0.71 % |

COMMITMENT ROLL FORWARD

| | Current Quarter | Year-to- Date | Since Inception |
|-----------------------------------|--------------------|------------------|--------------------|
| Beginning Unfunded Commitment | \$3,475,873 | \$3,475,873 | \$0 |
| Capital Commitments | 0 | 0 | 7,500,000 |
| Less Contributions | 0 | 0 | (4,928,017) |
| Plus Recallable Distributions | 0 | 0 | 903,890 |
| Transfers | 0 | 0 | 0 |
| Other Commitment Transactions (2) | 0 | 0 | 0 |
| Ending Unfunded Commitment | \$3,475,873 | \$3,475,873 | \$3,475,873 |

DERIVATION OF VALUE (3)

| | Current Quarter | Year-to- Date | Since Inception |
|--|--------------------|------------------|--------------------|
| Balance - Beginning of Period | \$3,711,405 | \$3,738,695 | \$0 |
| Contributions (4) | 0 | 0 | 4,928,017 |
| Distributions to LP - Capital (4) | 0 | 0 | (3,880,372) |
| Distributions to LP - Income (4) | 0 | 0 | (13,652) |
| 4701 Distributions - Incentive Paid to GP (5) | (14,359) | (55,160) | (205,569) |
| Transfers | 0 | 0 | 0 |
| Net Capital Change | (14,359) | (55,160) | 828,424 |
| Net Realized Gain/(Loss) | (50,315) | (17,523) | 1,529,933 |
| Net Change in Unrealized Appreciation/(Depreciation) (6) | 61,411 | 41,610 | 698,188 |
| Net Realized and Unrealized Gain/(Loss) | 11,096 | 24,088 | 2,228,121 |
| Income | (3,655) | (530) | 1,290,238 |
| 4703 Expenses (7) | (3,294) | (5,084) | (67,905) |
| 5304 Management Fees | (11,344) | (23,916) | (656,302) |
| Management Fee Offsets (8) | 0 | 11,756 | 67,272 |
| Net Investment Income | (18,293) | (17,774) | 633,303 |
| Balance - End of Period, Before Potential Incentive Allocation | \$3,689,848 | \$3,689,848 | \$3,689,848 |
| Potential Incentive Allocation | (366,716) | (366,716) | (366,716) |
| Balance - End of Period, After Potential Incentive Allocation | \$3,323,132 | \$3,323,132 | \$3,323,132 |

FUND PERFORMANCE SUMMARY

| | Time-Weighted Rate of Return | | Since Inception (Total) (9) | | |
|--|---------------------------------|-----------------|-----------------------------|---|----------------------------|
| | Current Quarter | Year-to Date | Multiple of Capital (12) | Multiple of Capital Returned (13) | Internal Rate of Return |
| Before Management Fees, Expenses, and Potential Incentive Allocation (10) | 0.2 % | 0.6 % | 1.7 | NR | 20.8 % |
| After Management Fees and Expenses, but before Potential Incentive Allocation (10) | -0.2 % | 0.2 % | 1.6 | NR | NR |
| After Management Fees, Expenses and Potential Incentive Allocation (11) | -0.2 % | 0.2 % | 1.5 | 0.8 | 12.9 % |

VWX, LLP

Inception to 06/30/2016 Investor Statement

Statement Date: August 31, 2016

Account Number:
Federal Tax Id:

Investor's Total Subscription Balance \$ 9,611,690.21
Ownership % of Fund at 06/30/2016 8.99%

| Date | Description | Cash Received | True-ups Paid | Subscription Amount | Partnership Income (Loss) | Management Fees** | Amounts Due to Investor | Amounts Refunded to Investor | Total Account Activity | Cumulative Balance |
|----------|---|------------------|---------------|---------------------|---------------------------|-------------------|-------------------------|------------------------------|------------------------|--------------------|
| 01/11/16 | Subscription investment | \$ 10,000,000.00 | (388,309.79) | 9,611,690.21 | \$ - | \$ - | \$ - | \$ - | 9,611,690.21 | \$ 9,611,690.21 |
| 03/31/16 | Allocation of profit/loss for the quarter ended | - | - | - | (134,133.01) | (272,121.56) | - | - | (406,254.57) | 9,205,435.64 |
| 06/07/16 | GP paid interest | - | - | - | - | - | 3,039.59 | (3,039.59) | - | 9,205,435.64 |
| 06/07/16 | True-ups from other investors | - | - | - | - | - | 260,032.51 | (260,032.51) | - | 9,205,435.64 |
| 06/30/16 | Allocation of profit/loss for the quarter ended | - | - | - | (12,267.91) | (86,215.62) | - | - | (98,483.53) | 9,106,952.11 |
| | Ending balance | \$ 10,000,000.00 | (388,309.79) | \$ 9,611,690.21 | \$ (146,400.92) | \$ (358,337.18) | \$ 263,072.10 | \$ (263,072.10) | \$ 9,106,952.11 | \$ 9,106,952.11 |

** Management fees recorded in Q2 2016 reflect any changes that may have occurred in your account from inception to 6/30/2016. These changes are a result of the elections that were made earlier this year.

| Net Asset Value | |
|----------------------|-----------------|
| | 6/30/2016 |
| Fund Fair Value | \$ 110,508,596 |
| Investor Ownership % | 8.99% |
| Investor Fair Value | \$ 9,930,574.30 |

| ACCOUNT NUMBER | DEBIT | CREDIT |
|-----------------------------|----------------|-----------------|
| 1040 - Cash | | \$10,000,000.00 |
| 1194 - Pooled RE Fund | \$9,611,690.21 | |
| 4701 - Equalization Expense | \$388,309.79 | |

EXHIBIT A

INVESTOR PROFILE

INVESTOR NAME: _____

CAPITAL COMMITMENT: \$10,000,000.00

• **INDIVIDUAL INVESTORS**

Date of Birth: _____ Nationality: _____

Place of Birth: _____ Occupation: _____

Residential Address: _____

Social Security Number: _____

• **ENTITY INVESTORS**

Address of Investor for Fund Records: _____

U.S. Tax Identification Number: _____

Approximate number of beneficial or equity owners: _____

Type of Legal Entity: GOVERNMENT PENSION PLAN

Date of Formation: _____

Jurisdiction of Formation: MASSACHUSETTS

Name and Title of Authorized Person Completing the Questionnaire: _____

• **PRIMARY CONTACT**

Mailing Address: _____ Attention: _____

Telephone: _____

Facsimile: _____

E-mail: _____

INVESTOR PROFILE

GENERAL LEDGER ACCOUNTS

Existing accounts:

- **#5304:** Investment Management Fees only
- **#5305:** Custodial Fees
- **#5307:** Investment Consultant/OCIO Fees

New investment related accounts: These accounts will close to #4820

- **#4701:** Carried Interest Expense - Carried interest or incentive fees charged against the LP.
- **#4702:** Equalization Expense – also called true-ups. The payment by new investors to earlier investors to compensate them for having their equity tied up for longer.
- **#4703:** Miscellaneous Investment Expenses – sometimes listed as Professional Fees and Other Expenses. All other expenses charged against the market value of the fund that do not fit into Management Fees, Carried Interest or Equalization Expense.

New Expense Account: This account will close to #3298

#5120: Benefits – Employer share of fringe benefits

[illegible]

