

**NC STATE INVESTMENT FUND, INC.
BOARD OF DIRECTORS
CLOSED SESSION MEETING MINUTES
Rizzo Center, Chapel Hill
May 23, 2023**

The closed meeting of the Board of Directors of the NC State Investment Fund, Inc. (Fund) met in regular session in a hybrid format on May 23, 2023. Six of the Board of Directors attended in person. Alex Wallace called the meeting to order at 10:15 am. Marly Lee proceeded with Roll Call. A quorum was present.

Board Members/Officers:

Alex Wallace, Chair
Jeff Brock, Vice Chair – *absent*
Rob Nelson
Craig Demko
Jeff Smith
Ty Huggins – *absent*
Bob Newell – *absent*
Nan Strader
Randall Dishmon
Charles Maimone, Treasurer
Dana Harris, Assistant Treasurer
Erin Delehanty, Secretary

Others:

Christopher Ip, Office of Investments, CIO
Anthony Allen, Office of Investments, Investment Analyst
Chris Pinkus, Office of Investments, Investment Analyst
Julia Snyder, Office of Investments, Reporting Specialist
Ashley Dockery, FAI
Marly Lee, FAI
Sarah Joyce, FAI
Ben Eckroth, Hamilton Lane

Conflicts of Interest Reminder

Mr. Wallace reminded all Board members to disclose any conflicts of interest. After determining there were no conflicts, the meeting continued.

Approval of Minutes

The minutes from the February 27, 2023, Board of Directors closed session meeting were provided via Office of Investments website and a paper copy was provided at the meeting. The Chair asked for a motion to approve the minutes. Rob Nelson motioned to approve the minutes, seconded by Craig Demko. Mr. Wallace asked if there were any questions or discussion. With no further discussion, the motion passed.

Private Assets Investment Recommendations

Mr. Wallace revisited the Private Asset Mandate, which entails the strategic planning, sourcing, due diligence, closing and monitoring of private asset investments. Mr. Wallace asked if there were any questions, and with no further discussion turned the meeting over to Mr. Eckroth.

Hamilton Lane investment recommendations can be found in the meeting presentation materials. Mr. Eckroth provided an overview of the following three funds: Wing Venture Fund IV, Avista Healthcare Partners Fund IV, Gridiron Fund V. Mr. Eckroth recommended a \$10M commitment size for Wing Venture Fund IV, \$5M commitment sizes for Avista Healthcare Partners Fund IV and Gridiron Fund V. After no further discussion, Mr. Eckroth was asked to leave the meeting. The investment team provided their analysis of the three funds. Mr. Wallace asked if the Board had any further questions. After no further discussion, Mr. Wallace asked if anyone would like to veto the recommendations made by Hamilton Lane regarding Wing Venture Fund IV, Avista Healthcare Partners Fund IV, and Gridiron Fund V. None of the board accepted this option. All of the funds recommendations were accepted.

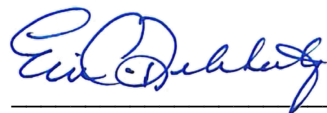
Administrative Update

Mr. Ip informed the board that the Graystone MS contract terms and negotiation have been agreed upon. FAI senior management is reviewing the contract. The fee structure was explained and how Graystone would be used to replace BlackRock LPP, advise on ITF and to give feedback on asset allocation gaps, in regard to UNCIF and Hamilton Lane positions. A kick-off meeting is being held with Graystone this week. The initial review of recommendations of the IPS for asset allocations and fund managers will be discussed and feedback solicited at the August meeting. The November Members board meeting will review and vote on the IPS recommendations. New fund manager approvals may be at both meetings or the use of delegated authority may be required. Graystone will also be reviewing and providing feedback on the SRI portfolio's asset allocation and making manager recommendations. Mr. Ip also informed the board of directors of a fund that Hamilton Lane has already recommended, KPS Special Situations Fund VI. The decision was made not to vote on this fund due to time constraints at this meeting. Mr. Ip will confirm with Hamilton Lane that the first and final close is at the end of June. If this is correct, the team plans to use delegated authority for the \$5M re-up commitment to this fund prior to the next board meeting in August. Mr. Ip asked if there were any questions. The Hamilton Lane deal team process was explained. KPS fund materials and investment team analysis will be provided to the board.

Wrap Up Discussions

Mr. Wallace provided the opportunity to ask questions to the investment teams and provide feedback on the new meeting format. The change of the format and sequence of the meeting was agreed upon. The review of the private equity funds and the investment team analysis were well received. Mr. Ip was complimented on these changes, his leadership, and the confidence in the staff. The Board appreciated being informed of the use of delegated authority in upcoming investment opportunities. As a token of appreciation, an engraved pen made from Hoffman Forest wood was presented to the board of directors from the staff. With no additional questions, Mr. Wallace adjourned the meeting at 11:36am and stated that it would reconvene at UNCMC offices at 2:00pm.

Submitted by: _____



Secretary