ARTRS
Arkansas Teacher Retirement System

November 4, 2026

Senator Justin Boyd
Representative Les D. Eaves
Arkansas Legislative Council
State Capitol, Room 315
Little Rock, AR 72201

Re: Submission of Investments for Review Under Act 1211 of 2009 (A.C.A. §19-11-1302)
Investments: Gainline Equity Fund III, LP
Wolverine Flagship Fund, LLC
Long Wharf Real Estate Partners VIII, LP

Dear Senator Boyd and Representative Eaves:

By means of the enclosed Investment Summaries, Arkansas Teacher Retirement System (ATRS) is submitting three investments for review by the Arkansas Legislative Council (ALC) as required under ACA §19-11-1302 et seq., otherwise referred to as Act 1211 of 2009.

The ATRS Board (Board) recently approved an investment of up to $50 million to be made in Gainline Equity Fund III, LP, a private equity buyout fund that will focus on smaller companies with high growth potential. This investment was recommended by Franklin Park Associates, private equity consultants for ATRS, and ATRS staff concurs.

In addition, an investment of up to $70 million was authorized in Wolverine Flagship Fund, LLC, a fund focused on creating absolute returns using relative value, structural arbitrage, credit equity, commodity, and volatility strategies. Aon Hewitt Investment Consulting, alternative assets consultants for ATRS recommended this investment, and ATRS staff concurs.

An investment of up to $75 million in Long Wharf Real Estate Partners VIII, LP was also approved. This is a closed-end value added fund that will focus on domestic real estate investing. Aon Hewitt Investment Consulting, real assets consultants for ATRS recommended the investment, and ATRS staff concurs.

The ATRS Board approved each of the investments described above at its regular quarterly meeting on September 28, 2026, and closings are planned for each by late November. A summary of each investment including key terms and investment strategy is enclosed for review by ALC. If any additional information is needed, please feel free to contact me on my direct line at 501-621-8853 or by email at: markw@artrs.gov

Respectfully,



Mark White
Executive Director

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Arkansas Teacher Retirement System
Private Equity Investment
Executive Summary

Investment	Gainline Equity Fund III, L.P. (the "Fund")
Managing Party	Gainline Capital Partners (the "General Partner")
ATRS Legal Interest	ATRS will be a limited partner.
Report Date	November 2026
Expected Closing Date	ATRS is expected to close in late November 2026.
ATRS Commitment & Reason for Entry	The investment of up to $50 million is to help achieve the 12% target allocation to private equity. The fund was recommended by the ATRS private equity consultant, Franklin Park Associates.
Placement Agent	William Blair was used for fundraising. However, the allocation for ATRS was sourced directly from the General Partner.
Key Terms	Management Fee: The Fund will charge an annual management fee of 2.0% of capital commitments during the five-year investment period. Thereafter, management fees will equal 2.0% of actively invested capital. Carried Interest: The General Partner will be entitled to receive 20% of the fund's profits after the limited partners have received their capital contributions, realized investments and an 8% preferred return.
Justification of Investment Term & Anticipated Termination Date	The term is ten years (anticipated termination in 2036) plus two one-year extensions which is common for private equity funds due to the time required for buying, improving and selling underlying companies.
Investment Strategy	The Fund will make value-oriented, control investments in small, quality companies that have not previously taken institutional capital. Sectors that will be targeted are business services, niche consumer and niche manufacturing.
Management Team	Gainline was founded in 2015 in Stamford, CT by three professionals who previously worked together at Lincolnshire Management. Today the firm is led by two of its founders, Allan Weinstein and Rick Sullivan, along with Kerri McNicholas and Rob Dellinger (principals). The principals average twenty-one years of private equity experience and twelve years working together at the general partner and their prior firm.
Historical Performance	The firm has raised two prior funds that generated aggregate gross returns of 2.0X cost and 27.2% IRR as of December 31, 2025.

Arkansas Teacher Retirement System
Alternative Assets/Opportunistic Investment
Executive Summary

Investment	Wolverine Flagship Fund, LLC
Managing Party	Wolverine Asset Management, LLC
ATRS Legal Interest	ATRS will be a limited partner.
Report Date	November 2026
Expected Closing Date	November 2026
ATRS Commitment & Reason for Entry	The investment of up to $70 million is to help achieve the 5% target allocation to Alternative Assets. The investment was recommended by the ATRS alternative assets consultant, Aon Hewitt Investment Consulting.
Placement Agent	No placement agent was utilized.
Key Terms	Management Fee: 1.45% per annum based on NAV. Carried Interest: 20% of profits above a high-water mark
Justification of Investment Duration Term & Anticipated Termination Date	The fund is an open-end fund and has no maturity date. After an 18-month lock-up period there is quarterly liquidity.
Investment Strategy	The investment strategy is to generate absolute returns primarily through the use of arbitrage and relative value strategies that are uncorrelated to the direction of financial markets. This is implemented across four different sub-strategies: capital structure arbitrage, event-driven, volatility arbitrage, and NAV arbitrage. The firm employs a clear investment process that shifts portfolio allocation between the various strategies dependent upon the best risk/return expectations, with the main edge being the use of options and trading around positions.
Management Team	Executive Chairman Chris Gust, together with Wolverine's senior management team, oversees the Fund. The investment team is led by chief investment officer Andrew Sujdak. Each strategy in the portfolio has a dedicated team of investment professionals with several years of experience trading that strategy.

Historical Performance	Performance of the fund averaged a net 10.4% IRR over the last 10 years.

Arkansas Teacher Retirement System
Real Assets Investment
Executive Summary

Investment	Long Wharf Real Estate Partners VIII, LP
Managing Party	Long Wharf Capital, LLC
ATRS Legal Interest	ATRS will be a limited partner.
Report Date	November 2026
Expected Closing Date	November 2026
ATRS Commitment & Reason for Entry	The investment of up to $75 million is to help achieve the 14% target allocation to real assets. The fund was recommended by the ATRS real assets consultant, Aon Hewitt Investment Consulting.
Placement Agent	No placement agent was utilized.
Key Terms	Management Fee: 1.50% of capital committed during the investment period, and 1.50% of invested commitments thereafter. Carried Interest: 20% of profits after LP's receive a 9% IRR preferred return.
Justification of Investment Duration Term & Anticipated Termination Date	The strategy requires a period of time to germinate, mature and harvest the value added real estate equity investments. The fund is closed-end with an eight-year term. Anticipated maturity is in 2035. Two one-year extensions are available if market conditions warrant.
Investment Strategy	Long Wharf Real Estate Partners VIII is a closed-end fund focused on domestic real estate investing. The strategy will be to pursue a diversified portfolio of properties with a focus on acquiring assets at significant discounts to peak values with positive fundamental trends that offer the opportunity to increase returns through the execution of a value added strategy. The Fund will target a 12-15% net IRR.
Management Team	The investment team is led by Michael Elizondo, who has 41 years of real estate industry experience of which twenty-three years have been affiliated with the firm or its predecessor organization. The team is comprised of nineteen investment professionals, of which seven are considered senior members.

Historical Performance	Long Wharf's previous seven funds have averaged a 6% net IRR with Fund VII being too early for measurable performance. If approved, this will be ATRS's fourth investment in the Long Wharf series of funds.