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DiNapoli Expands State Pension Fund's In-State Investment Program.

New York State Comptroller Thomas P. DiNapoli today announced the creation of the \$200 million New York Credit Small Business Investment Company (SBIC) Fund to provide credit financing to eligible companies and deliver attractive returns to the state pension fund.

New York's \$184.5 billion state pension fund, the third largest public pension fund in the country, is one of the first to offer credit financing through an in-state-focused fund. The new fund will be managed by Hamilton Lane. Additional investors in the SBIC fund are TD Bank, Bank of NY Mellon, HSBC Bank, Deutsche Bank and First Niagara Bank.

"The state pension fund is helping New York's growing businesses move to the next level," said DiNapoli. "By working with Hamilton Lane, we've joined with five major banks to bridge the gap between New York's companies and the financing they need to excel. These investments are in line with our priority of generating returns for the pension fund, while helping to boost our state's economy."

Many banks have been reluctant to lend smaller businesses capital due to scale, efficiency and risk requirements. The SBIC fund will provide capital to businesses that are implementing growth strategies, expanding operations or transitioning ownership. The state pension fund has committed \$50 million to the program, which, combined with funding from Hamilton Lane and participating banks, will deliver \$200 million in debt and mezzanine financing. The program is targeted at New York companies with revenue between \$5 million and \$50 million. Capital for the program is leveraged by the U.S. Small Business Administration.

New York's state pension fund is now one of few public pension funds across the country offering multiple sources of capital for in-state companies, which include credit (SBIC), equity (In-State Private Equity Investment Program) and small business loans (New York Business Development Corporation).

"Through the continued support of and partnership with State Comptroller Thomas DiNapoli and the New York State Common Retirement Fund, Hamilton Lane is excited about the expansion and growth of our investment mandates," said Hamilton Lane CIO Erik Hirsch. "We see significant, attractive opportunities to support growing businesses in the state through both equity and debt investments."

Hamilton Lane has a long-standing relationship with the state pension fund. The firm has invested in 27 companies on behalf of the state pension fund through the In-State Private Equity Investment Program. Investments managed by Hamilton Lane's Hudson River Co-Investment Fund include Sleepy's and Autotask.

Companies interested in the SBIC program can contact
NYSCRFInvestmentproposals@osc.state.ny.us.

About the In-State Private Equity Investment Program

The In-State Private Program partners with private equity managers investing in New York-based companies. The program provides investment returns consistent with the risk of private equity while also expanding the availability of capital for New York businesses. As of June 2015, the In-State Program has invested \$820 million in 310 companies, created or supported more than 4,500 jobs, and achieved \$322 million in returns for the state pension fund. There is \$472 million available for new investments. [Learn more about the In-State Program.](#)

About the New York Business Development Corporation Partnership (NYBDC)

The state pension fund provides the NYBDC with funds to make loans to New York small businesses for working capital, equipment or real property. With its focus on small business lending, NYBDC can frequently offer more favorable terms than other financial lenders. To date, \$362 million has been loaned to 1,082 small businesses across the state. Almost \$50 million remains available. [Learn more about the partnership with NYBDC.](#)

About the New York State Common Retirement Fund (CRF)

The New York State Common Retirement Fund is the third largest public pension fund in the United States (\$184.5 billion, as of March 31, 2015). The Fund holds and invests the assets of the New York State and Local Retirement System on behalf of more than one million state and local government employees and retirees and their beneficiaries. The Fund has consistently been ranked as one of the best managed and best funded plans in the nation. The Fund's fiscal year ends March 31, 2016. [Learn more about the CRF.](#)

About Hamilton Lane

Hamilton Lane is an independent alternative investment management firm providing innovative private markets solutions to sophisticated investors around the world. The firm has been dedicated to private markets investing for more than two decades and currently has more than 250 employees operating in offices throughout the U.S., Europe, Asia, Latin America and the Middle East. With more than \$239 billion in total assets under management and supervision*, Hamilton Lane offers a full range of investment products and services that enable clients to participate in the private markets asset class on a global and customized basis. [Learn more about Hamilton Lane.](#)

As of September 30, 2015