



TEACHER RETIREMENT SYSTEM OF TEXAS AND CIFIC CREATE A FUND PLATFORM TO INVEST IN SENIOR SECURED LOANS

Texas Public Pension Backs Innovative Lending Program

AUSTIN, TEXAS & NEW YORK – October 4, 2021 – Teacher Retirement System of Texas (“TRS”) and CIFIC Asset Management LLC (“CIFIC”) have announced the creation of a new leveraged loan investment fund platform known as Texas Debt Capital LP (“TDC”). A CIFIC affiliate is the general partner and investment manager of TDC. TRS is the anchor investor limited partner and has committed significant equity to the fund. The fund will initially provide for up to \$2 billion loan purchasing capacity in U.S. and Europe.

TDC will invest in high quality senior secured loans, including loans issued by TRS’s private equity investment partners and other sponsors. Returns are expected to be enhanced by term and non-mark-to-market leverage, including through the opportunistic issuance of collateralized loan obligations (“CLOs”).

Jase Auby, Chief Investment Officer at TRS, said, “As TRS is already one of the nation’s top private equity investors, the creation of this platform to invest in sponsored loans represents an exciting strategic innovation for TRS. We are pleased to leverage CIFIC’s track record as a best-in-class alternative credit manager to gain long-term exposure to this attractive total return.”

Steve Vaccaro, Chief Executive Officer and Chief Investment Officer of CIFIC, added, “We are honored TRS selected CIFIC for this innovative mandate and are excited for the opportunity to develop a unique partnership. This recognition from one of the nation’s largest public pension plans marks a pivotal point in CIFIC’s continued evolution and is a testament to the strength of our platform and the expertise of our team. We look forward to a successful long-term partnership and to delivering value to TRS and its beneficiaries.”

About TRS

The Teacher Retirement System of Texas is a public pension plan providing retirement and related benefits to those employed by public schools, colleges, and universities supported by the State of Texas. The system’s core mission is to make a positive difference in the lives of Texas educators by prudently investing and managing trust assets and delivering member benefits. Nearly 1.7 million public education and higher education employees and retirees participate in the system. As of June 30, 2021, TRS managed \$193.1 billion of assets, making TRS the 6th largest public pension fund in America both by participants and assets. As of the same period, TRS’ private equity portfolio is an estimated \$31.5 billion. For more information, visit www.trs.texas.gov.

About CIFIC

Founded in 2005, CIFIC Asset Management LLC is a global credit specialist offering investment solutions across CLOs, corporate, structured, and opportunistic credit strategies, designed to deliver consistently attractive risk-adjusted returns to investors. The firm leverages its fundamentals-based research and deep experience investing across a wide variety of credit cycles and interest rate environments to target investment opportunities that generate alpha while preserving investor principal. CIFIC currently manages over \$33 billion in assets and employs more than 130 professionals in the U.S. and Europe. For more information, visit www.cific.com.

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