



TITLE: Private Funds Disclosure Exemption Policy

EFFECTIVE DATE: June 12, 2025

BOARD ADOPTION: June 12, 2025

I. PURPOSE

The City of Seattle and its Seattle City Employees' Retirement System ("SCERS") are subject to the Public Records Act ("PRA") as provided in chapter 42.56 of the Revised Code of Washington (RCW). The PRA requires that Washington agencies "...shall make available for public inspection and copying all public records, unless the record falls within the specific exemptions" provided in the RCW. SCERS fully supports transparency as required by the PRA and will make its records available, except as exempted by the PRA, including the following subsection:

RCW 42.56.270(26): Financial and commercial information submitted to or obtained by the retirement board of any city that is responsible for the management of an employees' retirement system pursuant to the authority of chapter 35.39 RCW, when the information relates to investments in private funds, to the extent that such information, if revealed, would reasonably be expected to result in loss to the retirement fund or to result in private loss to the providers of this information except that (a) the names and commitment amounts of the private funds in which retirement funds are invested and (b) the aggregate quarterly performance results for a retirement fund's portfolio of investments in such funds are subject to disclosure.

This Policy provides guidance as to how SCERS will apply this and other exemptions contained in RCW 42.56. Specifically, RCW 42.56.270(26), as recognized by the Washington State Legislature, serves the public interest by protecting certain private fund information from disclosure and by doing so allows SCERS access to top-tier private funds which, without this exemption, might otherwise be unavailable to SCERS. In addition, the exemption will enable greater access to information which SCERS needs to appropriately and effectively assess and monitor its private fund investments.

II. POLICY

SCERS will withhold from public disclosure certain information related to a private fund where the divulgence of such information is reasonably expected to result in a loss to either SCERS or to the provider of such information. This exemption pertains to all private funds in which SCERS has made or considered making an investment. Private funds are likely to represent the vast majority of investments in SCERS's Private Equity, Private Credit (as a subcomponent of Credit Fixed Income), Real Estate, and Infrastructure asset classes.

Examples of the types of records that SCERS considers to be exempt from public disclosure under RCW 42.56.270(26) include, but are not limited to:

- Portfolio-company-level information
- Legal documents (e.g., limited partnership agreement, etc.)
- Proprietary technologies, research, and strategies

SCERS will work with the Seattle City Attorney's Office when SCERS receives a public records request for information that it believes is exempt under RCW 42.56.270(26).

The following information will continue to be disclosed:

- Names and commitment amounts of the private funds in which retirement funds are invested; and
- Aggregate quarterly performance results for SCERS's portfolio of investment in such funds

The PRA provides several other exemptions from disclosure that may also be applicable.

SCERS will exercise good faith in responding to public-records requests, and will work with counsel to comply fully with the PRA. In some instances, the party best able to raise and assert the application of an exemption from disclosure will be the party providing the records to SCERS. In those instances, and in accord with the provisions of the PRA, SCERS will notify the provider of a requested record of the public-records request prior to disclosure to enable the provider to seek appropriate legal action regarding such disclosure, if any.