San Diego City Employees’ Retirement System
Table of Contents

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Global and Diversified Alternative Asset Management

GCM Grosvenor is one of the world’s largest and most diversified independent alternative asset management firms.

$47.7 bn
Assets under management

What defines us:

- Delivering comprehensive alternative investment solutions
- Global investment expertise that spans alternative asset classes
- Partnering with institutional clients worldwide
- Our position as a leader in customized solutions
- Our breadth of turn-key investment portfolios
- Seeking to align our interests with clients by investing alongside them
- Ongoing commitment to the community, to diversity and to responsible investing

1971
First year of investing

471
Employees

133
Investment professionals

94%
Institutional client base

75%
Of AUM in customized client portfolios

$444 mm
Capital invested and committed alongside our clients

1 Includes investments and commitments to investments made by the firm, its affiliates, and employees and employees’ relatives.
Employee data as of November 1, 2016; AUM data as of September 30, 2016.
Differentiated and Broad Investment Platform

We source opportunities globally...

133 Investment Professionals

Chicago • New York • Los Angeles
London • Tokyo • Hong Kong • Seoul

...across the full range of alternative strategies...

- Hedge Fund Strategies: $25.0 bn
- Private Equity: $17.6 bn
- Infrastructure: $3.5 bn
- Real Estate: $0.9 bn
- Strategic Investments: $0.6 bn

Breadth of investment strategies

...and implement investments through what we believe to be the optimal structure

- Fund investments
- Custom structures
- Co-investments
- Secondary transactions
- Direct investments
- Seed investments

Employee data as of November 1, 2016; AUM data as of September 30, 2016.
Customized Solutions for Clients

Customized programs

**Tailored**
Bespoke investment portfolio developed specifically for each client.

**Flexible**
The client defines the mandate with the flexibility to evolve it as needs change.

**Collaborative**
The client determines the level of involvement in investment and implementation decisions.

**Economically efficient**
Each client benefits from our size and global scale. Clients access investments with favorable structures; they also leverage our staff and services.

**Service-oriented**
Designated coverage team includes investor relations and portfolio management staff.

A market leader in customized alternative investment solutions

- Total assets under management: $47.7 billion
- Customized 75%
- Commingled 25%
- $35.9 bn

Value-add services

- Program design
- Knowledge transfer and education
- Staff augmentation
- Program evolution support
- Access to due diligence
- Reporting and technology
- Operational support

Data as of September 30, 2016.

First customized portfolio: 1996
Customized portfolio clients: 137
Customized portfolios: 211
Our client base is **diverse**

- 43% of AUM
- Public Pensions
- Corporate Pensions
- Union Pensions
- Sovereign Entities
- Financial Institutions
- High Net Worth/Family Office
- Other Institutional
- Endowments & Foundations

Our client base is **global**

- North America 70%
- Europe 6%
- Asia 21%
- Other 3%

Our client base is **loyal**

Of our **50** largest clients:

- 66% have added capital over the last 3 years
- 10 years is their average relationship with GCM Grosvenor

Data as of September 30, 2016. Data updated quarterly.
Client Update
<table>
<thead>
<tr>
<th>Strategy</th>
<th>Opportunistic credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investor</td>
<td>San Diego City Employees’ Retirement System</td>
</tr>
<tr>
<td>Inception</td>
<td>June 1, 2014</td>
</tr>
<tr>
<td>AUM</td>
<td>$131.6 million</td>
</tr>
<tr>
<td>Concentrated</td>
<td>16 manager funds</td>
</tr>
<tr>
<td></td>
<td>13 investment managers</td>
</tr>
<tr>
<td></td>
<td>5 largest investment manager allocations: 72.4%</td>
</tr>
<tr>
<td>Structural benefits(^1)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>74.0% of capital allocated to customized funds available only to GCM Grosvenor advised capital</td>
</tr>
<tr>
<td></td>
<td>94.6% of capital invested in funds with preferential fee terms</td>
</tr>
</tbody>
</table>

\(^1\) As a percentage of the Fund’s net asset value.
Strategy and Geographical Exposure
GCM Grosvenor Windandsea Fund, LLC (December 1, 2016)

The Notes and Disclosures following this presentation are an integral part of this presentation and must be read in connection with your review of this presentation.

Strategy/sub-strategy look-through exposure1,2
Percent of capital (gross)

Geographical look-through exposure1
Percent of capital (gross)

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1 “Cash” may include: cash, bank loans, and net receivables/payables.
2 “Other” includes relative value and macro exposure.
### Key Exposure Themes

**GCM Grosvenor Windandsea Fund, LLC (December 1, 2016)**

<table>
<thead>
<tr>
<th>Theme</th>
<th>% allocation</th>
<th>Comments</th>
</tr>
</thead>
</table>
| Emerging Markets Stressed and Distressed Credit | 23%          | - Fundamental stress as a result of declining commodity prices and technical factors, including global interest rate volatility, EM credit mutual fund outflows and geopolitical uncertainty have created opportunities  
- Geographies: Latin America: (Mexico, Brazil, and Argentina), Eastern Europe, and Asia  
- Sector exposure: diversified: coal, steel, sugar, and oil and gas and non-commodity sectors such as housing and consumer products.  
- Many positions involved distressed companies where the manager is actively engaged in restructuring the balance sheet of the company. |
| U.S. and European corporate credit          | 20%          | - Various opportunities in stressed and distressed corporate credit. Positions are typically ‘event-driven’ with many of them involving various catalysts such as restructurings or bankruptcy.  
- One theme is securities issued by banks. Banks need to refinance certain preferred (‘hybrid’) securities which will no longer be considered ‘Tier 1’ capital under the Basel III framework. These are event-driven opportunities as managers are focused on those securities where the bank is likely to tender for the securities. |
| European Mortgage and Structured Credit    | 12%          | - Primarily debt and equity tranches in European collateralized loan obligations (CLOs).  
- Residential mortgage backed securities and commercial mortgage backed securities. (RMBS and CMBS)  
- Opportunities are focused on 2005-2007 vintage securities as well as new issue securities issued from 2011 – 2015. |
| European Commercial Real Estate Loans      | 11%          | - Bank deleveraging opportunity where hedge funds fill the void caused by banks reducing exposure to real estate lending.  
- Senior and mezzanine real estate loans predominately in the U.K. and Germany.  
- Investments often times include a share of property appreciation upon sale or refinace. |
| U.S. Mortgage and Structured Credit        | 10%          | - Residential mortgage backed securities and commercial mortgage backed securities. (RMBS and CMBS)  
- Debt and equity tranches in European collateralized loan obligations (CLOs).  
- Opportunities are focused on 2005-2007 vintage securities as well as new issue securities issued from 2011 – 2015.  
- Much of the RMBS exposure is event driven and is focused on ‘put back’ trades related to litigation associated with breach of reps and warranties. |
| U.S. and European Regulatory Capital Trades and Loan Portfolios | 7%           | - Financial institutions, particularly European banks, are selling assets as a result of two main factors: the need for better regulatory capital ratios and a strategic plan to sell assets that are outside of ‘core’ geographies or competencies. They are also engaging in ‘risk sharing’ transactions where the assets remain on the balance sheets of the banks.  
- Opportunities are available across a wide range of asset classes including: i) performing and non-performing residential mortgage loans; ii) performing and non-performing consumer loans (credit card, auto, student loans); and iii) select non-syndicated stressed and distressed corporate loans. |
| Relative Value                             | 4%           | - Select convertible bond arbitrage and capital structure arbitrage positions. |

These opinions represent our good-faith expectations concerning future actions, events or conditions, and should not be viewed as indications of whether particular actions, events or conditions will occur.
Emerging Markets Stressed and Distressed Credit
Opportunity Set (4th Quarter 2016)

Select risks include: macroeconomic risk, capital markets risk, jurisdiction risk, liquidity risk and certain commodity risks. Additional risks that result in losses may be present.

Strategy
- Purchasing the debt of stressed and distressed companies in emerging markets

Opportunity set
- The potential opportunities result from several fundamental and technical factors:
  - Geopolitical issues and changes
  - Declining commodity prices
  - Idiosyncratic issues
  - China-related volatility
  - Investor outflows
  - General market illiquidity

Investment characteristics
- Geographies: Latin America (Mexico, Brazil, Argentina), Eastern Europe and Asia
- Sector exposure: diversified – coal, steel, sugar, and oil and gas and non-commodity sectors such as housing and consumer products
- Currency exposure: “hard currency” – primarily the U.S. Dollar, British Pound and Euro; not taking local currency exposure; hedged back to the U.S. Dollar
- Many positions involve distressed companies where the manager is actively engaged in restructuring the balance sheet of the company

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Commercial Real Estate (CRE) Debt
Opportunity Set (4th Quarter 2016)

Select risks include: macroeconomic risk, credit risk, real estate values and liquidity risk. Additional risks that result in losses may be present.

Strategy
- Provide flexible financing solutions to owners of European commercial real estate properties

Opportunity set
- In a situation similar to regulatory capital strategies, the Basel III and Solvency II regulatory regimes continue to impose stricter capital adequacy and liquidity requirements for banks and insurance companies
- This regulatory pressure has caused banks and insurance companies to pull back from CRE lending except in the ‘cleanest’ properties; banks will only lend at modest loan-to-values, creating potential opportunities for flexible lenders to fill their void
- In an environment of significant QE with negative rates in much of the developed world, we believe CRE debt offers an attractive risk/reward proposition

Investment characteristics
- Property types: office, multi-family, student housing, retail and hotels
- Geographies: primarily United Kingdom and Germany
- Loan terms/structure: typically five-year maturities; loan-to-values range from 50% to 80%; loans are typically floating rate

1 Data source: CBRE Ltd.

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Regulatory Capital Strategies
Opportunity Set (4th Quarter 2016)

Select risks include: macroeconomic risk, credit risk, asset values, asset management, counterparty risks and liquidity risk. Additional risks that result in losses may be present.

Strategy
- Whole-loan portfolio acquisitions of performing and non-performing assets from banks
- Risk-sharing transactions of banks’ core credit exposure

Opportunity set
- Basel III, Dodd-Frank, and other regulatory requirements continue to put pressure on the balance sheets of banks globally
- There are still over $1 trillion of non-performing loans on the balance sheets of European banks highlighting the size of the current opportunity
- From a geographic standpoint, opportunities in Europe are beginning to shift; much of the deal flow over the last couple of years came from the U.K. and Ireland, but prospectively, more deal flow is anticipated to come from countries such as Portugal and Italy
- U.S. residential mortgage loan opportunities, particularly related to smaller banks

Investment characteristics
- The underlying assets associated with loan portfolio purchases vary, but include credit cards, consumer loans, corporate bank loans, commercial mortgage loans and residential mortgage loans
- Loan portfolio purchases include both performing and non-performing collateral
- Key geographies include the U.S., U.K., Ireland, Spain and Portugal

Bank asset sales increasing across the Eurozone¹
€ in Billions

1 Data source: Portfolio Advisory Group – Market Update (Q4 2015), PricewaterhouseCoopers, March 2016. The estimates and/or projections presented herein are hypothetical in nature and are shown for illustrative purposes only.

Note: Bank asset sales transactions include corporate and consumer loans but exclude sovereign debt holdings. Country diversification based on selling bank’s location of headquarters.

These opinions represent our good-faith expectations concerning future actions, events or conditions, and should not be viewed as indications of whether particular actions, events or conditions will occur.
### Historical Net Performance
GCM Grosvenor Windandsea Fund, LLC (November 30, 2016)

<table>
<thead>
<tr>
<th>Year</th>
<th>GCM Grosvenor Windandsea Fund, LLC</th>
<th>Credit Suisse High Yield/ Credit Suisse Distressed Loan Blend Index</th>
<th>Credit Suisse High Yield Index</th>
<th>Credit Suisse Distressed Loan Index</th>
<th>Credit Suisse Leveraged Loan Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014 (7 months)</td>
<td>-0.16%</td>
<td>-6.82%</td>
<td>-2.67%</td>
<td>-10.88%</td>
<td>-0.09%</td>
</tr>
<tr>
<td>2015</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1st Quarter</td>
<td>1.41%</td>
<td>0.45%</td>
<td>2.60%</td>
<td>-1.70%</td>
<td>2.07%</td>
</tr>
<tr>
<td>2nd Quarter</td>
<td>0.80%</td>
<td>-0.44%</td>
<td>0.30%</td>
<td>-1.20%</td>
<td>0.79%</td>
</tr>
<tr>
<td>3rd Quarter</td>
<td>-1.86%</td>
<td>-9.90%</td>
<td>-5.17%</td>
<td>-14.47%</td>
<td>-1.23%</td>
</tr>
<tr>
<td>4th Quarter</td>
<td>-1.39%</td>
<td>-6.74%</td>
<td>-2.58%</td>
<td>-10.79%</td>
<td>-1.97%</td>
</tr>
<tr>
<td>Year</td>
<td>-1.08%</td>
<td>-15.97%</td>
<td>-4.93%</td>
<td>-25.90%</td>
<td>-0.39%</td>
</tr>
<tr>
<td>2016</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>January</td>
<td>-1.48%</td>
<td>-3.07%</td>
<td>-1.66%</td>
<td>-4.49%</td>
<td>-0.73%</td>
</tr>
<tr>
<td>February</td>
<td>-1.43%</td>
<td>-0.88%</td>
<td>0.31%</td>
<td>-2.06%</td>
<td>-0.56%</td>
</tr>
<tr>
<td>March</td>
<td>1.80%</td>
<td>5.30%</td>
<td>4.52%</td>
<td>6.08%</td>
<td>2.64%</td>
</tr>
<tr>
<td>April</td>
<td>1.28%</td>
<td>5.04%</td>
<td>3.87%</td>
<td>6.21%</td>
<td>1.90%</td>
</tr>
<tr>
<td>May</td>
<td>1.46%</td>
<td>1.14%</td>
<td>0.77%</td>
<td>1.52%</td>
<td>0.91%</td>
</tr>
<tr>
<td>June</td>
<td>1.01%</td>
<td>1.14%</td>
<td>1.19%</td>
<td>1.09%</td>
<td>0.03%</td>
</tr>
<tr>
<td>July</td>
<td>1.42%</td>
<td>2.40%</td>
<td>2.45%</td>
<td>2.36%</td>
<td>1.41%</td>
</tr>
<tr>
<td>August</td>
<td>2.10%</td>
<td>2.29%</td>
<td>2.35%</td>
<td>2.23%</td>
<td>0.79%</td>
</tr>
<tr>
<td>September</td>
<td>0.97%</td>
<td>1.33%</td>
<td>0.76%</td>
<td>1.91%</td>
<td>0.87%</td>
</tr>
<tr>
<td>October</td>
<td>2.17%</td>
<td>2.08%</td>
<td>0.51%</td>
<td>3.65%</td>
<td>0.77%</td>
</tr>
<tr>
<td>November</td>
<td>1.42%</td>
<td>-0.07%</td>
<td>-0.07%</td>
<td>-0.07%</td>
<td>0.32%</td>
</tr>
<tr>
<td>Year-to-Date (11 months)</td>
<td>11.17%</td>
<td>17.71%</td>
<td>15.88%</td>
<td>19.47%</td>
<td>8.62%</td>
</tr>
</tbody>
</table>

**Since 06/2014**

<table>
<thead>
<tr>
<th></th>
<th>Cumulative Return</th>
<th>Annualized Return</th>
<th>Annualized Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>9.79%</td>
<td>3.81%</td>
<td>3.70%</td>
</tr>
<tr>
<td>Cumulative Return</td>
<td>-7.83%</td>
<td>-3.21%</td>
<td>9.00%</td>
</tr>
<tr>
<td>Annualized Return</td>
<td>7.23%</td>
<td>2.83%</td>
<td>6.51%</td>
</tr>
<tr>
<td>Annualized Standard Deviation</td>
<td>-21.11%</td>
<td>-9.05%</td>
<td>12.09%</td>
</tr>
</tbody>
</table>

1 Credit Suisse High Yield/Credit Suisse Distressed Loan Blend Index represents a blend of 50% Credit Suisse High Yield Index / 50% Credit Suisse Distressed Loan Index with rebalancing on a monthly basis.

Data source: Credit Suisse.

Past performance is not necessarily indicative of future results.
YTD 2016 Strategy Attribution
GCM Grosvenor Windandsea Fund, LLC (November 30, 2016)

YTD strategy returns summary¹,²

<table>
<thead>
<tr>
<th>Strategy</th>
<th>1/1/2016 allocation³</th>
<th>Rate of return</th>
<th>Contribution to return</th>
<th>12/1/2016 allocation³</th>
</tr>
</thead>
<tbody>
<tr>
<td>Credit</td>
<td>87.6%</td>
<td>12.24%</td>
<td>10.68%</td>
<td>91.7%</td>
</tr>
<tr>
<td>Long-Biased Credit</td>
<td>41.7%</td>
<td>19.02%</td>
<td>7.89%</td>
<td>46.3%</td>
</tr>
<tr>
<td>Structured Credit</td>
<td>45.9%</td>
<td>6.09%</td>
<td>2.78%</td>
<td>45.5%</td>
</tr>
<tr>
<td>Relative Value</td>
<td>6.3%</td>
<td>11.44%</td>
<td>0.68%</td>
<td>4.6%</td>
</tr>
<tr>
<td>Event Driven⁴</td>
<td>4.6%</td>
<td>17.00%</td>
<td>0.56%</td>
<td>2.9%</td>
</tr>
<tr>
<td>Cash/receivables</td>
<td>1.3%</td>
<td>0.00%</td>
<td>0.7%</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>0.2%</td>
<td>-0.75%</td>
<td>0.0%</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>11.17%</strong></td>
<td><strong>100.0%</strong></td>
<td></td>
</tr>
</tbody>
</table>

YTD contribution to return by strategy

- **Long-Biased Credit**: 7.89%
- **Structured Credit**: 2.78%
- **Relative Value**: 0.68%
- **Event Driven**: 0.56%

¹ “Cash and receivables” may include: cash, bank loans, and net receivables/payables.
² “Other” (if present) may include: accrued fees and expenses, residual positions with underlying funds from which the Fund has redeemed, foreign exchange hedges, general trades, and aggregated prior period adjustments (“APPA”).
³ As a percentage of the Fund’s net asset value.
⁴ Excludes event-driven exposure from credit, equity, and other strategy classifications.

Past performance is not necessarily indicative of future results.
## Performance Drivers

**GCM Grosvenor Windandsea Fund, LLC (November 30, 2016)**

### Year-to-date

<table>
<thead>
<tr>
<th>Positives</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Emerging markets distressed corporate credit</td>
</tr>
<tr>
<td>- European regulatory capital and loan portfolios</td>
</tr>
<tr>
<td>- European commercial real estate loans</td>
</tr>
<tr>
<td>- U.S. and European credit</td>
</tr>
<tr>
<td>- U.S. residential mortgage backed securities</td>
</tr>
<tr>
<td>- European collateralized debt obligations</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Negatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>- No material detractors</td>
</tr>
</tbody>
</table>

*Past performance is not necessarily indicative of future results.*
Key Portfolio Highlights
GCM Grosvenor Windandsea Fund, LLC (November 30, 2016)

- **Increased emerging markets credit exposure**
  - Increased allocation to Pathfinder
  - Allocation to EM credit has increased from 11% in late 2015 to 23% now

- **Increased core allocation to CarVal International Credit, a diversified, multi-strategy credit fund exclusively for clients of GCM Grosvenor**

- **Added new funds**
  - Wellspring: European CLO debt and equity-focused fund
  - Magnetar Structured Credit: regulatory capital and structured credit focused fund

- **Reduced exposure to funds investing in more ‘liquid’ strategies**
  - Canyon, Marathon, OZ Global, and Linden
  - Raised 8% cash in October from these funds to reallocate to other strategies

- **Redeemed from underperforming funds**
  - Beltway Strategic: financials and structured credit
  - Beltway Direct: concentrated position in securities of monoline insurer

There can be no assurance that any investment will achieve its objectives or avoid losses.
Appendix

Additional Information
Performance by Theme
GCM Grosvenor Windandsea Fund, LLC (November 30, 2016)

<table>
<thead>
<tr>
<th>Theme</th>
<th>% Allocation</th>
<th>Performance</th>
<th>Underlying funds / YTD return</th>
</tr>
</thead>
</table>
| Emerging Markets                          | 23%          |  ▪ Idiosyncratic restructuring situations has resulted in outperformance on a year-to-date basis.  
                                                                                                                                                                                                                                                                                                                                                   | Pathfinder 32.6% Envoy 15.2%  |
| Stressed and Distressed Credit            |              |  ▪ Performance has been diversified across sectors with positive contributions coming from investments in oil and gas, steel, and sugar.                                                                                          |                               |
| U.S. and European credit                  | 20%          |  ▪ Corporate restructurings and liquidations have been the largest drivers of performance.  
                                                                                                                                                                                                                                                                                                                                                   | CVI Intl Credit 10.4%  
|                                            |              |  ▪ European financial performance has been flat.  
                                                                                                                                                                                                                                                                                                                                                   | Canyon Opp 9.7%  
|                                            |              | Blue Mtn Strategic -0.2%  
|                                            |              | Verto 20.3%  
|                                            |              | Beltway Direct 125.8%  
| European Mortgage and Structured Credit   | 12%          |  ▪ Despite the positive technical created by ECB quantitative easing, European structured products, in general, have underperformed year-to-date, trading down sharply during Q1 volatility and lagging during the subsequent rally.                                                                                                                     | Chenavari Struct Cred 0.8%  
|                                            |              |  ▪ European CLOs have rallied substantially since the 1st quarter.  
                                                                                                                                                                                                                                                                                                                                                   | Wellspring 13.9%  
| U.S. Mortgage and Structured Credit       | 10%          |  ▪ Continued fundamental improvement in the underlying properties combined with interest accrual has led to positive performance year-to-date.  
                                                                                                                                                                                                                                                                                                                                                   | Cheyne RE Credit 3 6.5%  
|                                            |              |  ▪ We do not anticipate that ‘Brexit’ will materially impact the performance of the strategy in the near term.                                                                                                                              | Chenavari Euro OCF 5.6%  
| U.S. Mortgage and Structured Credit       | 10%          |  ▪ Despite fundamental improvements in the housing market, U.S. legacy mortgage credit has generally underperformed as assets have lagged the broad rally since mid-February.  
                                                                                                                                                                                                                                                                                                                                                   | Marathon Secur Cred 2.7%  
|                                            |              |  ▪ Investments related to litigation-related RMBS trades where the investments benefit from financial settlements with banks have been accretive this year.                                                                                                                                         | OZ GC Opportunities 14.5%  
| U.S. and European Regulatory Capital       | 7%           |  ▪ Positive year-to-date, with limited correlation to broader markets. Performance driven by U.S. residential portfolios and European residential and commercial portfolios.  
                                                                                                                                                                                                                                                                                                                                                   | CVI Intl Credit 10.4%  
| Trades and Loan Portfolios                |              |  ▪ Investments provided a “ballast-like” return profile, as portfolios have benefitted from continued interest accrual and successful asset resolutions.                                                                                                                                          | Chenavari Euro OCF 5.6%  
| Relative Value                             | 4%           |  ▪ Convertible bond arbitrage and credit arbitrage are the main drivers of performance.                                                                                                                                                                                                                               | Linden 11.4%  

Past performance is not necessarily indicative of future results.
## YTD Fund Attribution

GCM Grosvenor Windandsea Fund, LLC (November 30, 2016)

### YTD fund returns summary\(^1,2\)

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Hedge fund</th>
<th>1/1/2016 allocation</th>
<th>Rate of return</th>
<th>Contribution to return</th>
<th>12/1/2016 allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Long-Biased Credit</strong></td>
<td>Canyon Opp Cred GRF Ltd</td>
<td>5.9%</td>
<td>9.69%</td>
<td>0.55%</td>
<td>4.3%</td>
</tr>
<tr>
<td></td>
<td>CVI Intl Credit Ltd</td>
<td>14.0%</td>
<td>10.38%</td>
<td>1.48%</td>
<td>17.0%</td>
</tr>
<tr>
<td></td>
<td>Envoy Opp Credit LP</td>
<td>5.9%</td>
<td>15.22%</td>
<td>0.90%</td>
<td>6.1%</td>
</tr>
<tr>
<td></td>
<td>Pathfinder Strat Cred Ld</td>
<td>14.0%</td>
<td>32.60%</td>
<td>4.58%</td>
<td>16.7%</td>
</tr>
<tr>
<td></td>
<td>Verto Direct Opp Off Lp</td>
<td>1.9%</td>
<td>20.25%</td>
<td>0.39%</td>
<td>2.1%</td>
</tr>
<tr>
<td></td>
<td><strong>Total Long-Biased Credit</strong></td>
<td>41.7%</td>
<td>19.02%</td>
<td>7.89%</td>
<td>46.3%</td>
</tr>
<tr>
<td><strong>Structured Credit</strong></td>
<td>Blue Mtn Strategic Ltd</td>
<td>4.5%</td>
<td>-0.24%</td>
<td>-0.06%</td>
<td>1.6%</td>
</tr>
<tr>
<td></td>
<td>Chenavari Euro OCF Ltd</td>
<td>12.7%</td>
<td>5.57%</td>
<td>0.73%</td>
<td>12.5%</td>
</tr>
<tr>
<td></td>
<td>Chenavari Struct Cred Ltd</td>
<td>5.2%</td>
<td>0.79%</td>
<td>0.04%</td>
<td>4.7%</td>
</tr>
<tr>
<td></td>
<td>Cheyne RE Cred 3 Inc</td>
<td>10.3%</td>
<td>6.54%</td>
<td>0.67%</td>
<td>9.8%</td>
</tr>
<tr>
<td></td>
<td>Magnetar Struct Cred LP</td>
<td>0.0%</td>
<td>0.25%</td>
<td>0.01%</td>
<td>5.4%</td>
</tr>
<tr>
<td></td>
<td>Marathon Secur Cred Ltd</td>
<td>6.1%</td>
<td>2.74%</td>
<td>0.15%</td>
<td>3.9%</td>
</tr>
<tr>
<td></td>
<td>OZ GC Opportunities Ltd</td>
<td>7.1%</td>
<td>14.48%</td>
<td>0.97%</td>
<td>5.5%</td>
</tr>
<tr>
<td></td>
<td>Wellspring Opp Cred Ltd</td>
<td>0.0%</td>
<td>13.88%</td>
<td>0.27%</td>
<td>2.0%</td>
</tr>
<tr>
<td></td>
<td><strong>Total Structured Credit</strong></td>
<td>45.9%</td>
<td>6.09%</td>
<td>2.78%</td>
<td>45.5%</td>
</tr>
<tr>
<td><strong>Diversified Relative Value</strong></td>
<td>Linden International Ltd</td>
<td>6.3%</td>
<td>11.44%</td>
<td>0.68%</td>
<td>4.6%</td>
</tr>
<tr>
<td><strong>Diversified Event Driven(^4)</strong></td>
<td>Beltway Direct Opp Ltd</td>
<td>0.4%</td>
<td>125.75%</td>
<td>0.47%</td>
<td>0.8%</td>
</tr>
<tr>
<td></td>
<td>Beltway Strategic Opp Ltd</td>
<td>4.2%</td>
<td>5.77%</td>
<td>0.09%</td>
<td>2.2%</td>
</tr>
<tr>
<td></td>
<td><strong>Total Diversified Event Driven</strong></td>
<td>4.6%</td>
<td>17.00%</td>
<td>0.56%</td>
<td>2.9%</td>
</tr>
<tr>
<td><strong>Cash and Other</strong></td>
<td>Cash/receivables</td>
<td>1.3%</td>
<td>0.00%</td>
<td>0.7%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Other</td>
<td>0.2%</td>
<td>-0.75%</td>
<td>0.0%</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td>100.0%</td>
<td>11.17%</td>
<td>100.0%</td>
<td></td>
</tr>
</tbody>
</table>

### YTD contribution to return

<table>
<thead>
<tr>
<th>Hedge fund</th>
<th>Contribution to return</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canyon Opp Cred GRF Ltd</td>
<td>0.55%</td>
</tr>
<tr>
<td>CVI Intl Credit Ltd</td>
<td>1.48%</td>
</tr>
<tr>
<td>Envoy Opp Credit LP</td>
<td>0.90%</td>
</tr>
<tr>
<td>Pathfinder Strat Cred Ld</td>
<td>4.58%</td>
</tr>
<tr>
<td>Verto Direct Opp Off Lp</td>
<td>0.39%</td>
</tr>
<tr>
<td>Blue Mtn Strategic Ltd</td>
<td>0.04%</td>
</tr>
<tr>
<td>Chenavari Euro OCF Ltd</td>
<td>0.73%</td>
</tr>
<tr>
<td>Chenavari Struct Cred Ltd</td>
<td>0.67%</td>
</tr>
<tr>
<td>Cheyne RE Cred 3 Inc</td>
<td>0.01%</td>
</tr>
<tr>
<td>Magnetar Struct Cred LP</td>
<td>0.15%</td>
</tr>
<tr>
<td>Marathon Secur Cred Ltd</td>
<td>0.97%</td>
</tr>
<tr>
<td>OZ GC Opportunities Ltd</td>
<td>0.27%</td>
</tr>
<tr>
<td>Wellspring Opp Cred Ltd</td>
<td>0.68%</td>
</tr>
<tr>
<td>Linden International Ltd</td>
<td>0.47%</td>
</tr>
<tr>
<td>Beltway Direct Opp Ltd</td>
<td>0.09%</td>
</tr>
</tbody>
</table>

---

1. “Cash and receivables” may include: cash, bank loans, and net receivables/payables.
2. “Other” (if present) may include: accrued fees and expenses, residual positions with underlying funds from which the Fund has redeemed, foreign exchange hedges, general trades, and aggregated prior period adjustments (“APPA”).
3. As a percentage of the Fund’s net asset value.
4. Excludes event-driven exposure from credit, equity, and other strategy classifications.

Past performance is not necessarily indicative of future results.
Lower Effective Fees
GCM Grosvenor Windandsea Fund, LLC (the “Fund”) (July 1, 2016)

The Notes and Disclosures immediately below this analysis and the Notes and Disclosures following this presentation are an integral part of this analysis and must be read in order for you to properly evaluate this analysis, and understand its significant limitations.

- GCM Grosvenor Public Markets-advised capital generally pays lower effective fees due to our:
  - **Negotiating expertise and industry leverage:** Preferential fees obtained through side letters and separate account structuring
  - **Scale:** Lower fees based on the aggregate level of advised capital allocated to an investment manager

- All fee savings are passed directly through to our clients

### Our terms versus managers’ standard terms

<table>
<thead>
<tr>
<th></th>
<th>Management fee</th>
<th>Performance fee</th>
<th>Hurdle rate</th>
<th>Preferred return</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managers' standard terms</td>
<td>1.70%</td>
<td>19.63%</td>
<td>0.74%</td>
<td>1.35%</td>
</tr>
<tr>
<td>Our terms</td>
<td>1.14%</td>
<td>16.84%</td>
<td>1.37%</td>
<td>3.42%</td>
</tr>
<tr>
<td>Benefit to our clients</td>
<td>0.56%</td>
<td>2.79%</td>
<td>0.63%</td>
<td>2.07%</td>
</tr>
</tbody>
</table>

### 1-year potential fee savings analysis

Based on fund gross annual return assumptions

<table>
<thead>
<tr>
<th>Gross ROR</th>
<th>Fee savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>12%</td>
<td>87 bp</td>
</tr>
<tr>
<td>10%</td>
<td>76 bp</td>
</tr>
<tr>
<td>8%</td>
<td>88 bp</td>
</tr>
<tr>
<td>0% or any negative Gross ROR</td>
<td>56 bp</td>
</tr>
</tbody>
</table>

References herein to “we”, “us”, and “our” are to GCM Grosvenor Public Markets.

This information is provided to present the potentially lower effective fees that apply to GCM Grosvenor Public Markets-advised assets in certain underlying funds. The analysis is presented, and assumes certain gross return rates for the underlying funds, for illustrative purposes only; it is not intended to imply that any GCM Grosvenor Public Markets-advised assets will achieve a specific return or “fee savings” over any period. A number of assumptions were made in preparing this analysis, some of which are discussed in the slide following this presentation entitled “Fee Savings Notes and Disclosures”. Additional detail concerning the methodology used and assumptions made to calculate potential fee savings is available upon request.
## Portfolio Roster Descriptions

**GCM Grosvenor Windandsea Fund, LLC (December 1, 2016) (page 1 of 4)**

The Notes and Disclosures following this presentation are an integral part of this presentation and must be read in connection with your review of this presentation.

<table>
<thead>
<tr>
<th>Underlying fund</th>
<th>Current allocation</th>
<th>Strategy allocation (%)</th>
<th>Fund description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beltway Direct Opp Ltd</td>
<td>0.8%</td>
<td>100</td>
<td><strong>Strategy:</strong> A direct opportunity fund that invests in notes issued by a distressed subsidiary of a monoline insurance company; the manager will seek to affect a transaction in which the insurance company buys back the notes at a premium, which would eliminate a high cost liability for the company prior to the notes’ 2033 maturity. <strong>Geographic focus:</strong> U.S.</td>
</tr>
<tr>
<td>Beltway Strategic Opp Ltd</td>
<td>2.2%</td>
<td>39, 61</td>
<td><strong>Strategy:</strong> A global event-driven fund focused on highly-regulated industries in which changing regulatory standards and government intervention creates potential trading opportunities; the manager utilizes a catalyst-driven strategy to identify and/or influence specific events/recapitalizations to drive value realization. <strong>Geographic focus:</strong> Global; the fund will be concentrated in the U.S., but will also invest in developed European regions</td>
</tr>
<tr>
<td>Blue Mtn Strategic Ltd</td>
<td>1.7%</td>
<td>45, 55</td>
<td><strong>Strategy:</strong> A relative value, structured credit fund that focuses primarily on directionally long investments across structured credit, distressed credit and asset-backed securities; the fund may opportunistically take short positions. <strong>Geographic focus:</strong> U.S. and, to a lesser extent, Europe</td>
</tr>
<tr>
<td>Canyon Opp Cred GRF Ltd</td>
<td>4.3%</td>
<td>34, 44</td>
<td><strong>Strategy:</strong> An event-driven, long-biased credit fund focused primarily on bank debt, high yield and distressed securities and securitized assets. <strong>Geographic focus:</strong> U.S. and, to a lesser extent, Europe</td>
</tr>
<tr>
<td>Chenavari Euro OCF Ltd</td>
<td>12.5%</td>
<td>17, 26, 57</td>
<td><strong>Strategy:</strong> A structured credit fund that invests primarily in mortgage securities (residential and commercial mortgage-backed securities), commercial real estate debt, structured credit securities (collateralized loan obligations, collateralized debt obligations and collateralized synthetic obligations) and regulatory capital trades. <strong>Geographic focus:</strong> Europe</td>
</tr>
</tbody>
</table>

1 “Other” may include: event-driven, equities, macro, and commodities strategies, cash, and reinsurance and real estate (hard assets).

2 “Strategy allocation (%):” is for illustrative purposes only and reflects GCM Grosvenor Public Markets’ belief of strategy allocations of each hedge fund once the Fund is fully invested. The estimates do not indicate actual or future allocations, as allocations are expected to change as the opportunity set changes.

No assurance can be given that any investment will achieve its objective or avoid losses.
<table>
<thead>
<tr>
<th>Underlying fund</th>
<th>Current allocation (%)</th>
<th>Strategy allocation (%)</th>
<th>Fund description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chenavari Struct Cred Ltd</td>
<td>4.7%</td>
<td>17 16 52</td>
<td>Strategy: A structured credit fund that invests primarily in mortgage securities (residential and mortgage mortgage-backed securities) and corporate securities (collateralized loan obligations, collateralized debt obligations and structured corporate credit securities). Geographic focus: Europe</td>
</tr>
<tr>
<td>Cheyne RE Cred 3 Inc</td>
<td>9.8%</td>
<td>100</td>
<td>Strategy: A real estate-focused fund that invests directionally long across European senior and junior commercial mortgage-backed securities (CMBS) and residential mortgage-backed securities (RMBS), and extends loans on commercial real estate (CRE) debt. Geographic focus: Developed Europe, with a bias toward U.K., Germany and the Netherlands</td>
</tr>
<tr>
<td>CVI Intl Credit Ltd</td>
<td>17.0%</td>
<td>22 53 2 53</td>
<td>Strategy: A long-biased corporate and structured credit fund that invests primarily in bank debt, high yield and distressed debt, trade claims, loan portfolios and mortgage-backed securities. Geographic focus: U.S., Europe and, to a lesser extent, Emerging Markets</td>
</tr>
<tr>
<td>Envoy Opp Credit LP</td>
<td>6.1%</td>
<td>2 98</td>
<td>Strategy: A long-biased corporate credit fund that opportunistically invests in public and private corporate securities, corporate restructurings and other special situation investments in the Emerging Markets, primarily expressed through bank debt and high yield distressed securities. Geographic focus: Emerging Markets, including peripheral Europe</td>
</tr>
<tr>
<td>Linden International Ltd</td>
<td>4.6%</td>
<td>21 79</td>
<td>Strategy: A multi-strategy fund that employs three core strategies: i) convertible bond strategy, including traditional convertible arbitrage, event-driven and catalyst-driven opportunities expressed through convertible securities and synthetic puts created using convertible securities; ii) credit strategy; and iii) equity volatility strategy. Geographic focus: Global</td>
</tr>
</tbody>
</table>

1 “Other” may include: event-driven, equities, macro, and commodities strategies, cash, and reinsurance and real estate (hard assets).
2 “Strategy allocation (%):” is for illustrative purposes only and reflects GCM Grosvenor Public Markets’ belief of strategy allocations of each hedge fund once the Fund is fully invested. The estimates do not indicate actual or future allocations, as allocations are expected to change as the opportunity set changes.

No assurance can be given that any investment will achieve its objective or avoid losses.
## Portfolio Roster Descriptions

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<table>
<thead>
<tr>
<th>Underlying fund</th>
<th>Current allocation</th>
<th>Strategy allocation (%)</th>
<th>Fund description</th>
</tr>
</thead>
</table>
| *Magnetar Struct Cred LP* | 5.4% | | **Strategy:** The fund invests opportunistically in a number of credit strategies including both corporate and structured credit. Strategies include commercial lending activity as well as regulatory capital relief transactions for financial institutions. The fund has a broad mandate to pursue investments across the spectrum of credit securities globally, ranging from pooled vehicles, such as CLOs and CDOs, to single-name and indexed securities and derivatives.  
**Geographic focus:** U.S. and Europe |
| *Marathon Secur Cred Ltd* | 3.9% | | **Strategy:** A long-biased, opportunistic credit fund that invests primarily in residential mortgage-backed securities (RMBS), commercial mortgage-backed securities (CMBS), collateralized debt obligations (CDOs), collateralized loan obligations (CLOs) and other asset-backed securities (ABS).  
**Geographic focus:** U.S. and, to a lesser extent, Europe |
| *OZ GC Opportunities Ltd*  
**Separate account** | 5.5% | | **Strategy:** An opportunistic, corporate and structured credit fund that invests primarily in securitized products (residential mortgage-backed securities, commercial mortgage-backed securities and collateralized loan obligations) and stressed and distressed corporate debt.  
**Geographic focus:** U.S. and Europe |
| *Pathfinder Strat Cred Ltd*  
**Separate account** | 16.7% | | **Strategy:** A closed-end, long-biased corporate credit fund that opportunistically invests in public and private corporate securities, corporate restructurings and other special situation investments in the Emerging Markets.  
**Geographic focus:** Emerging Markets (including peripheral Europe) |

---

1 “Other” may include: event-driven, equities, macro, and commodities strategies, cash, and reinsurance and real estate (hard assets).

2 “Strategy allocation (%):” is for illustrative purposes only and reflects GCM Grosvenor Public Markets’ belief of strategy allocations of each hedge fund once the Fund is fully invested. The estimates do not indicate actual or future allocations, as allocations are expected to change as the opportunity set changes.

No assurance can be given that any investment will achieve its objective or avoid losses.
## Portfolio Roster Descriptions

### GCM Grosvenor Windandsea Fund, LLC (December 1, 2016) (page 4 of 4)

The Notes and Disclosures following this presentation are an integral part of this presentation and must be read in connection with your review of this presentation.

<table>
<thead>
<tr>
<th>Underlying fund</th>
<th>Current allocation</th>
<th>Strategy allocation (%)</th>
<th>Fund description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Verto Direct Opp Off LP</td>
<td>2.1%</td>
<td></td>
<td><strong>Strategy:</strong> A long-only, event driven fund that holds term loans of a distressed company that provides advertising solutions to small businesses across the U.S.; the manager will seek to build a blocking position in the company’s loans and to influence a restructuring process. <strong>Geographic focus:</strong> U.S.</td>
</tr>
<tr>
<td>Wellspring Opp Cred Ltd Separate account</td>
<td>2.0%</td>
<td></td>
<td><strong>Strategy:</strong> A structured credit fund that invests in European structured credit securities, primarily through mezzanine and equity tranches of collateralized loan obligations (CLOs). <strong>Geographic focus:</strong> Europe</td>
</tr>
</tbody>
</table>

1 “Other” may include: event-driven, equities, macro, and commodities strategies, cash, and reinsurance and real estate (hard assets).

2 “Strategy allocation (%)” is for illustrative purposes only and reflects GCM Grosvenor Public Markets’ belief of strategy allocations of each hedge fund once the Fund is fully invested. The estimates do not indicate actual or future allocations, as allocations are expected to change as the opportunity set changes.

No assurance can be given that any investment will achieve its objective or avoid losses.
In reviewing this presentation, you should consider the following:

The Fund commenced operations on June 1, 2014. Returns are calculated net of all fees and expenses.

Figures for 2015 are derived from books and records of the Fund that have been audited by the Fund’s independent public accountants. Figures for 2016 are estimated based on unaudited books and records of the Fund.
Grosvenor has presented you with an analysis of potential fee savings of investing in a Grosvenor Fund. Please consider the following when reviewing this analysis:

1. Grosvenor-advised assets may obtain a potentially lower effective fee on assets managed by a particular Investment Manager by investing in a Portfolio Fund managed by such Investment Manager that has been specifically created for investment by Grosvenor-advised assets (a “Grosvenor Separate Account”). As further described in #2 below, Grosvenor has compared the fees borne in a Grosvenor Separate Account to the fees borne in another commingled fund managed by the same Investment Manager pursuant to the same or similar mandate (“Manager’s Commingled Fund”). In cases where the Investment Manager does not manage a commingled fund pursuant to the same or similar mandate, another commingled fund managed by the Investment Manager may be used for comparison purposes. The Grosvenor Separate Account may differ from the relevant Manager’s Commingled Fund in material respects, including, but not limited to: risk/return profile, investor liquidity and investment mandate and guidelines. The Grosvenor Separate Account may incur operating expenses (excluding the impact of management and performance fees) that exceed those paid by investors in the Manager’s Commingled Fund.

2. For Portfolio Funds that are Grosvenor Separate Accounts, Grosvenor has compared the fee rates borne by Grosvenor Separate Accounts to the maximum fee that an investor would bear in the Manager’s Commingled Fund. For Portfolio Funds other than Grosvenor Separate Accounts, Grosvenor has compared the fee rates borne by Grosvenor-advised assets to the maximum fee that an investor would bear in the same Portfolio Fund (or share class) in which such Grosvenor-advised assets invest.

3. The analysis may include investments in vehicles designed to participate in a specific investment theme (which may represent a single investment or group of related investments) (a “Direct Opportunity”). In such cases, the analysis compares the fee terms of a Direct Opportunity to the maximum fee terms of a commingled fund managed by the same Investment Manager that manages such Direct Opportunity that may or may not participate in such Direct Opportunity. The Direct Opportunity materially differs from a commingled fund in numerous material respects, including investment mandate and guidelines, risk/return profile, concentration, type of investment services provided, and liquidity.

4. Grosvenor has conducted this analysis using fee rates based on the amount of Grosvenor-advised assets allocated as of the date above. Because of timing differences between investments/redemptions in Portfolio Funds, and the date on which the fee rate is reset to reflect such investments/redemptions, this analysis may include rates not currently being received by Grosvenor-advised assets.

5. Certain underlying funds do not charge management fees, but instead pass through operating expenses that are typically borne by the investment manager (e.g., employee salaries and bonuses, rent) to investors in the fund. For the purpose of calculating the weighted average fee terms, this analysis ignores the impact of operating expenses. The inclusion of such pass through operating expenses would result in significantly higher Standard and Grosvenor weighted average management fee terms, but would not result in a change to the potential fee savings. Additional information on the expenses paid is available upon request.

6. In order to demonstrate potential fee savings relating to incentive compensation, this analysis assumes, for illustrative purposes only, certain gross return rates for the Portfolio Funds; it is not intended to imply that any Portfolio Fund or portfolio of Portfolio Funds will achieve a specific return over any performance period; there can be no assurance that a Portfolio Fund or portfolio of Portfolio Funds will achieve its investment objective or avoid significant losses. In presenting potential fee savings for a portfolio of Portfolio Funds, this analysis assumes that in each portfolio experienced the same gross return, which is unlikely to occur.

In assessing the impact of certain hurdle rates and/or preferred returns, this analysis assumes the following rates of return (“Assumed Benchmark Returns”):

- 1-month LIBOR (annual return) = 3.01%  
- 3-month LIBOR (annual return) = 3.05% 
- S&P 500 Index (annual return) = 9.07%

The annual returns are based on the actual compound annual return of each figure from January 1, 1993 through June 30, 2016. The actual returns for LIBOR and/or S&P 500 Index likely will differ from the Assumed Benchmark Returns and such difference will affect this analysis (perhaps materially). This analysis does not account for any correlation between the Assumed Benchmark Returns and those achieved by the Portfolio Funds; it is likely that Portfolio Funds will have some correlation with the LIBOR and/or S&P 500 Index and such correlation could have a material impact on the fees paid to the Investment Managers and thus on the fee savings realized.

7. The more successful Investment Managers may not agree to potentially favorable fee structures. As of July 1, 2016, approximately 72% of Portfolio Funds in which Grosvenor Funds invest (representing approximately 70% of the aggregate AUM of such Grosvenor Funds), excluding Portfolio Funds that have been terminated by Grosvenor, provide potential fee savings. No assurance can be given that Grosvenor-advised assets will invest in any Portfolio Fund that provides potential fee savings.

8. Additional detail concerning the methodology used and assumptions made to calculate potential fee savings in the foregoing analysis is available upon request. Data is as of the date above.
GCM Grosvenor
Notes and Disclosures

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