

Private Equity Fund: Outline Structure for Limited Partnership

December 2015

FUND VEHICLE

Limited Partnership.

PLACEMENT AGENT

Assists with the promotion of the Fund to select Investors.

GENERAL PARTNER

The GP is responsible for carrying on the business of the Fund. There must be at least one GP. Usually a Company.

INVESTMENT OBJECTIVE AND STRATEGY

To achieve returns through capital appreciation, by investing in equity or equity-related securities in defined sectors and countries.

INVESTORS / LIMITED PARTNERS

There must be at least one LP. Usually institutional or sophisticated investors.

If the Investors are located in the U.S.A., European Union or other major jurisdictions, consider applicable regulations in those jurisdictions such as the EU Alternative Investment Fund Managers Directive and the U.S. Advisers Act.

CO-INVESTMENTS

Usually offered at the discretion of the Investment Manager with disclosure to all Investors.

INVESTMENT MANAGER

Usually a company or limited partnership appointed by the Fund.

TARGET FUND SIZE

Specified maximum and minimum aggregate commitments from Investors.

INVESTMENT ADVISER

Usually a company or partnership appointed by the Investment Manager. May be located in Singapore or elsewhere.

INVESTMENT MANAGER'S COMMITMENT

To align the Investment Manager's interests with those of the Investors.

ADMINISTRATOR

Carries out valuation and other reporting for the Investment Manager and Investors, holds the Fund's books and records and provides corporate services.

TERM OF FUND

Usually 10 years, with specified periods for accepting further commitments from Investors and drawing down moneys for investment.

COSTS AND EXPENSES

Borne by the Fund where related to its activities.

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MANAGEMENT FEE

Percentage of total commitments, for example 2% per annum payable quarterly.

PERFORMANCE FEE

Percentage of profits payable after Investors have received a specified threshold return, for example 20% of profits above a 10% per annum threshold.

ADVISORY BOARD

Key Investors may wish to have more oversight of the Fund's investments, valuation and resolution of conflicts of interest.

CONFLICTS OF INTEREST

Provisions to ensure arm's length dealings between the Investment Manager and the Fund, such as related party transactions and managing other funds.

REPORTING

Annual audited financial statements, performance and other reports as requested by Investors.

TERMINATION OF FUND

At end of life or in circumstances where key investment managers leave or breach their contractual obligations or become insolvent.

For more information please contact:



Wayne Atkinson

Partner // Guernsey

t: +44 (0) 1481 734225 // e: wayne.atkinson@collascrill.com

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