Private Investment Funds

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Stradley Ronon

Our Private Investment Funds Practice

In a time of heightened regulatory oversight and investor scrutiny, funds and their investors need guidance from lawyers who can offer sophisticated, comprehensive and effective advice on private investment fund issues, from creative structuring, regulatory and tax guidance to management and operations throughout a fund's life cycle to providing legal due diligence, advising on market practices and negotiating side letters.

Stradley Ronon's private investment funds practice provides both fund sponsors and institutional investors with practical, high-quality service tailored to the specific needs of our clients.

Comprehensive Integrated Service

Our private fund professionals understand the needs of our clients. We provide more than just "private fund advice," taking an integrated, multidisciplinary approach. We couple the resources of our nationally recognized investment management practice with Stradley attorneys who focus on securities, commodities, derivatives, corporate, real estate, structured finance, tax and ERISA matters to provide comprehensive and seamless service.

Multifaceted Experience

In addition to providing high-quality legal work, our attorneys leverage their wealth of experience in the private fund space, including prior regulatory and in-house experience such as SEC, CFTC, risk, legal compliance and operations. Far from an "ivory tower" approach, our attorneys have seen the private fund arena from the trenches and can provide practical advice honed by years of experience.

Our experience includes working with both private fund sponsors and institutional investors, providing customized advice for each type of client.

For Private Fund Sponsors

We represent fund sponsors of all sizes – from large, institutional global money managers to small, entrepreneurial investment advisers.

OUR CLIENT REPRESENTATIONS

comprise funds focused on a wide variety of strategies, including:

- Absolute Return
- Balanced Risk
- Commodities and Technology
- Distressed Residential Real Estate
- Emerging Markets Debt
- Emerging Markets Equity
- Global Innovations
- Global Opportunities
- Health Care
- High-yield Municipal Securities
- International Fixed Income
- Investment-grade Municipal Securities
- Managed Futures
- Multi-strategy
- Private Credit
- Private Equity
- Private Equity Fund-of-funds
- Real Estate Absolute Return
- SBIC Investing in Senior and Mezzanine Debt
- Senior Bank Loans
- Short-term Municipal Securities
- Small- and Micro-cap Equity
- Small-cap Long-short
- Structured Credit

Our substantial experience includes providing the full range of legal services to fund sponsors, such as investment advisers, general partners, managing members, banks and brokerage firms in the formation, structuring, operation and governance of private investment funds, both in the United States and offshore.

In addition, our Special Situations Group provides proven and effective legal counsel to private funds in the areas of challenged debt and/or equity investments, partner dispute resolution, investor dispute resolution, restructuring or liquidating existing investments, structuring strategic investments or acquisitions and preservation of equity.

Our representation of funds and fund sponsors includes:

- Representing emerging fund managers and providing related fund structuring advice as well as regulatory guidance and general market insights.
- Creative and flexible fund structuring advice, including domicile selection, master-feeder arrangements and fund-of-funds arrangements, multiple series/fund structures and stand-alone vehicles.
- Preparation of fund and related entity documentation, including formation and organizational documents, private placement memoranda, subscription documents and other offering materials.
- Regulatory and ongoing compliance advice related to the securities and commodities laws and rules, Dodd-Frank, Volcker Rule, anti-money laundering and know-your-customer rules, FINRA rules and other regulatory restrictions.
- Structuring advice related to the management company of the private investment fund and other special-purpose vehicles.
- Federal and state tax analyses and advice on tax strategies and FATCA.
- Structuring private investment funds for investment by ERISA plan assets.
- Transactional and regulatory support for established funds, including advising on investments, secondary market transactions, leveraged financing, workouts for troubled assets, and recent and impending regulatory developments.
- Establishing funds in offshore jurisdictions.
- Reviewing and negotiating agreements with custodians, prime brokers, futures commission merchants, administrators, auditors and other service providers to private investment funds.
- Reviewing and negotiating a wide variety of trading agreements, including agreements for trading over-the-counter instruments such as swaps, bank loans, foreign exchange forwards and repos and exchange-traded derivatives.
- Preparation of regulatory filings, including, but not limited to, Form D, state blue sky filings, entity formation/qualification in various jurisdictions, CFTC/NFA filings related to commodity pool operator and commodity trading adviser registration or exemption, Form PF and Form ADV.
- Review and revisions of compliance policies to incorporate requirements related to the operation of private investment funds.
- Transactional advice related to private equity and venture capital investments in equity, debt, loans, real estate and other assets.

For Institutional Investors

Institutional investors are presumed to either have the requisite experience and sophistication to evaluate the unique investment risks of private fund investments or the ability to seek expert advice. Stradley Ronon's experienced legal professionals help institutional investors evaluate the risks and rewards of investing in private funds.

We represent a wide array of institutional investors, including bank platforms, university endowments, pension funds, family offices, trusts/trustees, nonprofit institutions, as well as funds-of-funds and other investment advisors, seeking guidance on their investments in various types of private investment funds.

We have provided guidance to our clients on the unique attributes of hedge funds, private equity funds, venture capital funds, funds-of-funds, real estate funds and similar vehicles. We have successfully negotiated investments in excess of $4 billion for our clients, including:

- Reviewing and analyzing offering memoranda, governing and organizational documents, subscription documents and any related documents proposed by the fund.
- Analyzing market terms, providing insight into market terms and conditions, and advising on developments throughout the world.
- Creating an issues list with an emphasis on each client's particular sensitivities.
- Preparing and negotiating side letters to address particular client sensitivities and to provide for more favorable terms for our clients' investments.

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For more information on our Private Investment Funds practice, visit ***www.stradley.com/privatefunds.***

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ABOUT STRADLEY RONON

For over 95 years, Stradley Ronon has helped private and public companies – from small businesses to Fortune 500 corporations – achieve their goals. With nine offices and more than 200 attorneys, Stradley Ronon is proud to help companies manage their legal challenges and grow their businesses.

www.stradley.com

LOCATIONS

Pennsylvania
Washington, D.C.
New York
California
New Jersey
Illinois
Delaware