

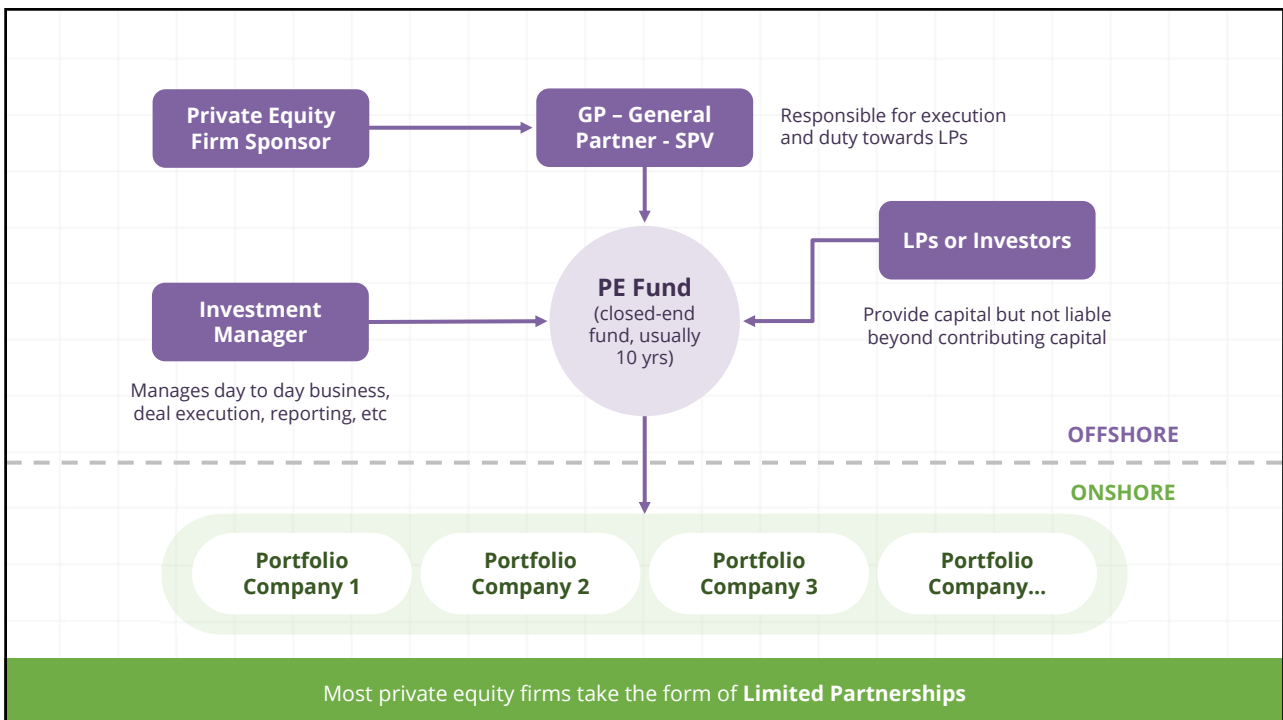
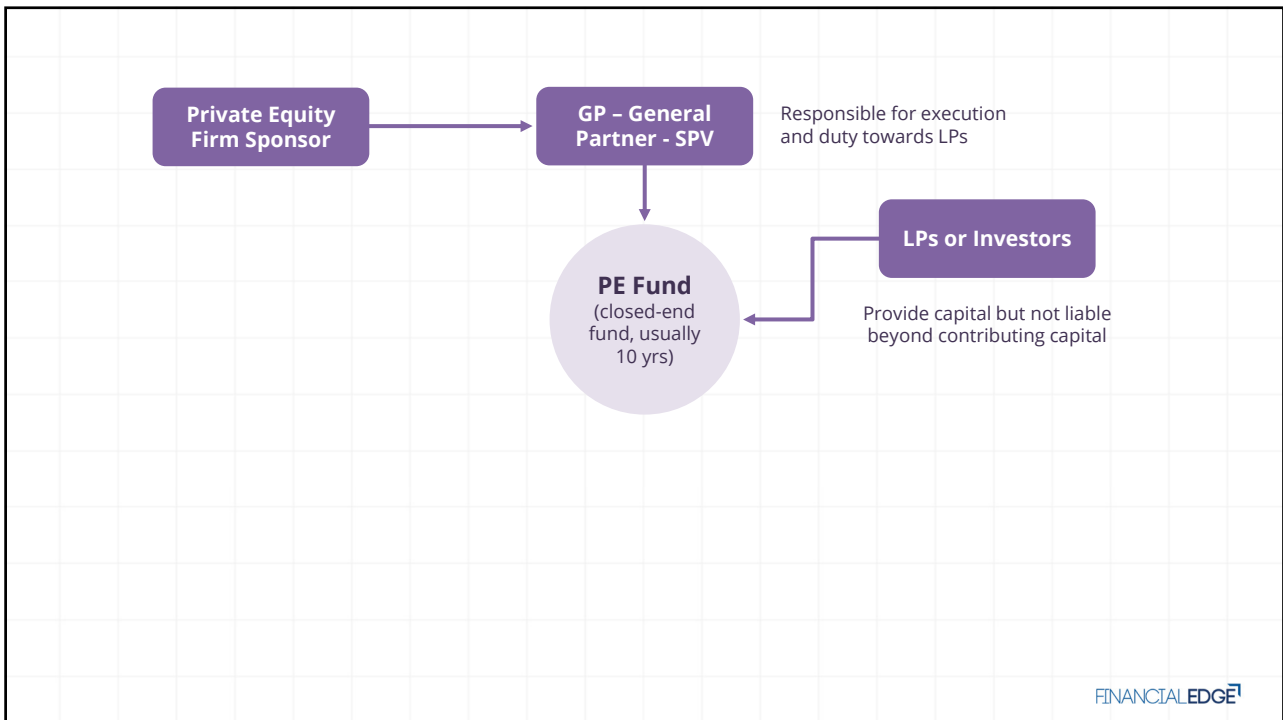


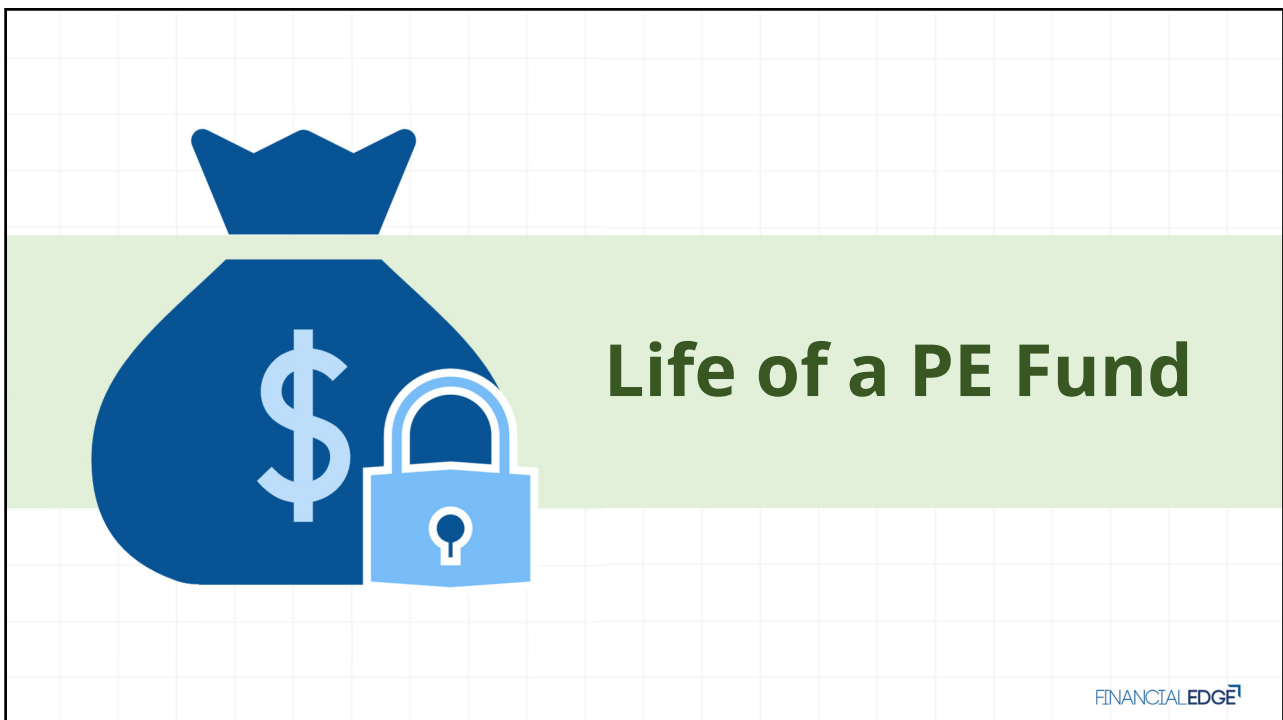
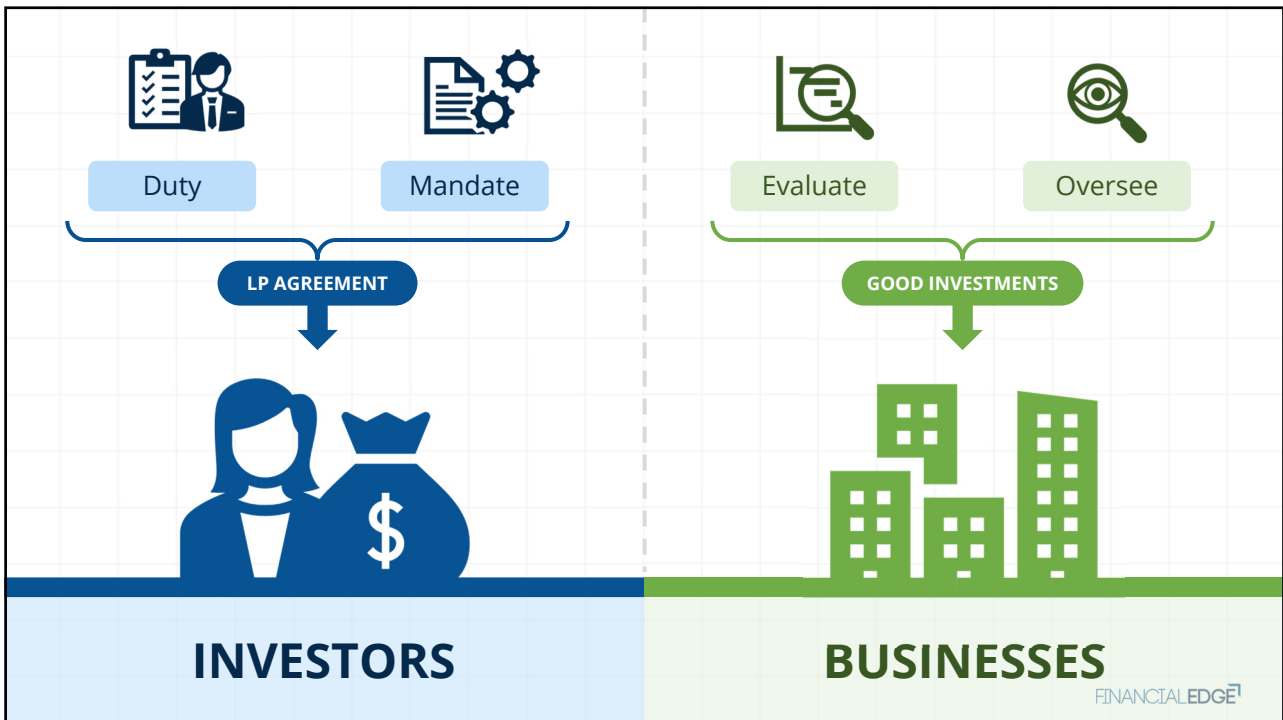
How Does a PE Fund Work

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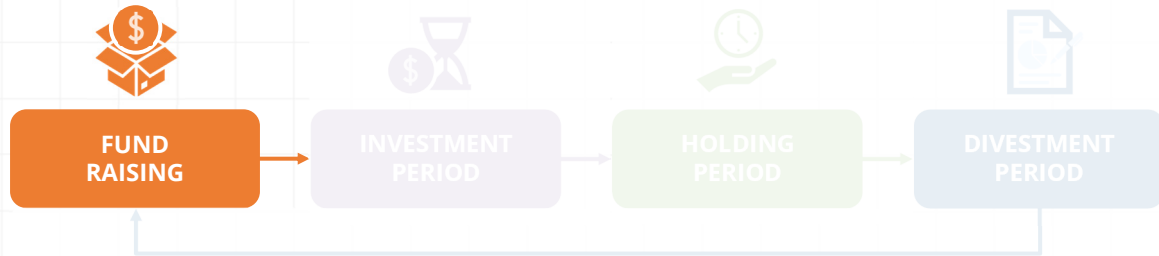
Structure of a PE Fund

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Life of a PE Fund



The period during which the **fund raises capital** from LPs

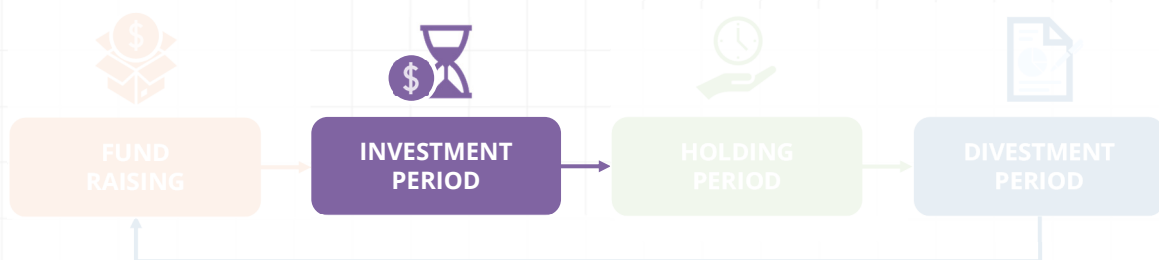
Can last between **1-2 years**

Advisors are normally **used to help** with the process

Most funds have **investor relations teams** that lead the process internally

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Life of a PE Fund



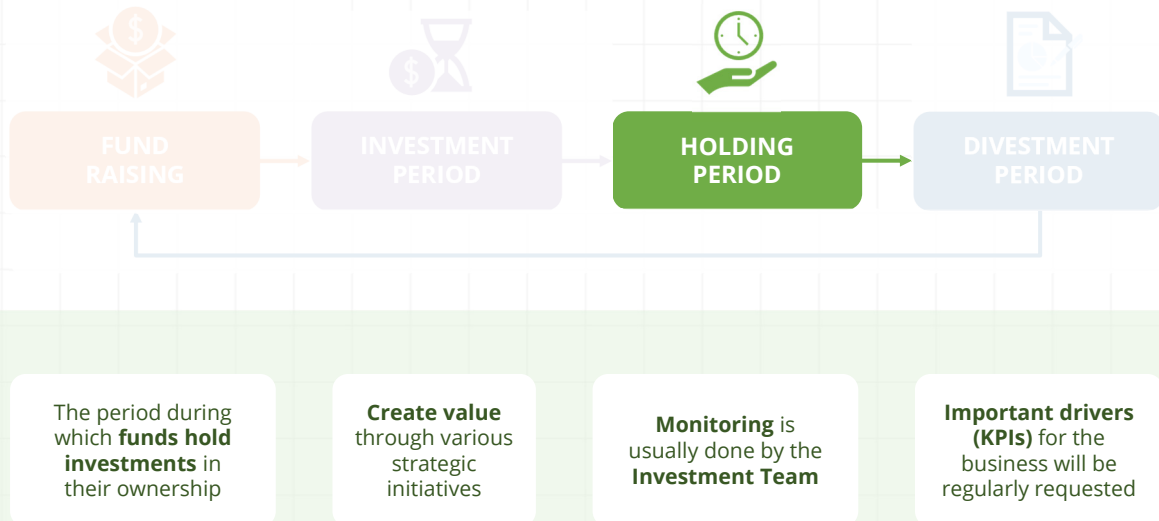
The period during which the **fund deploys capital** into new investments

Often **4-5 years** in a **10 year duration fund**

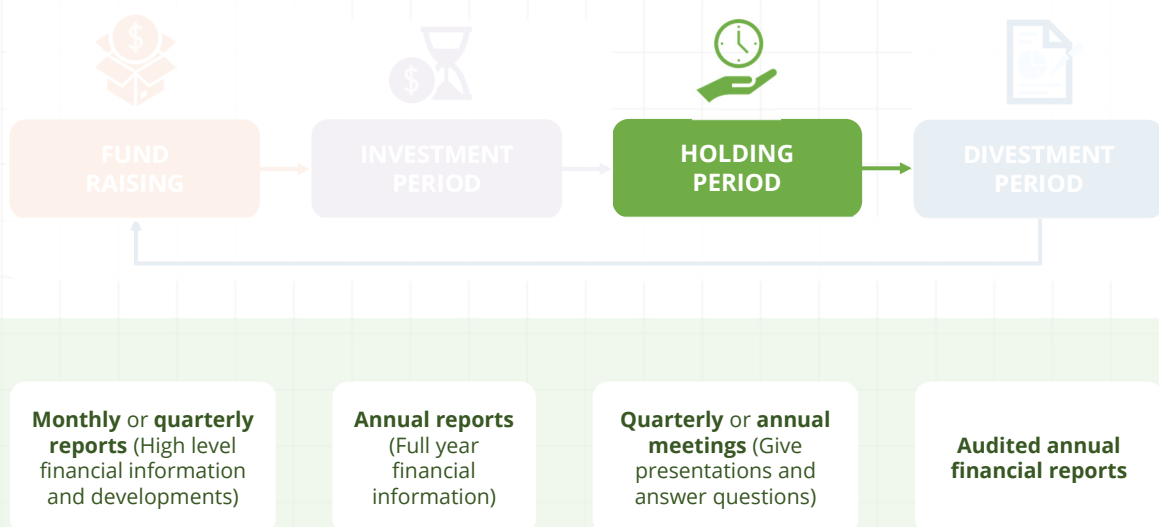
During this period **capital is called from LPs** whenever the PE firm needs to pay for an investment

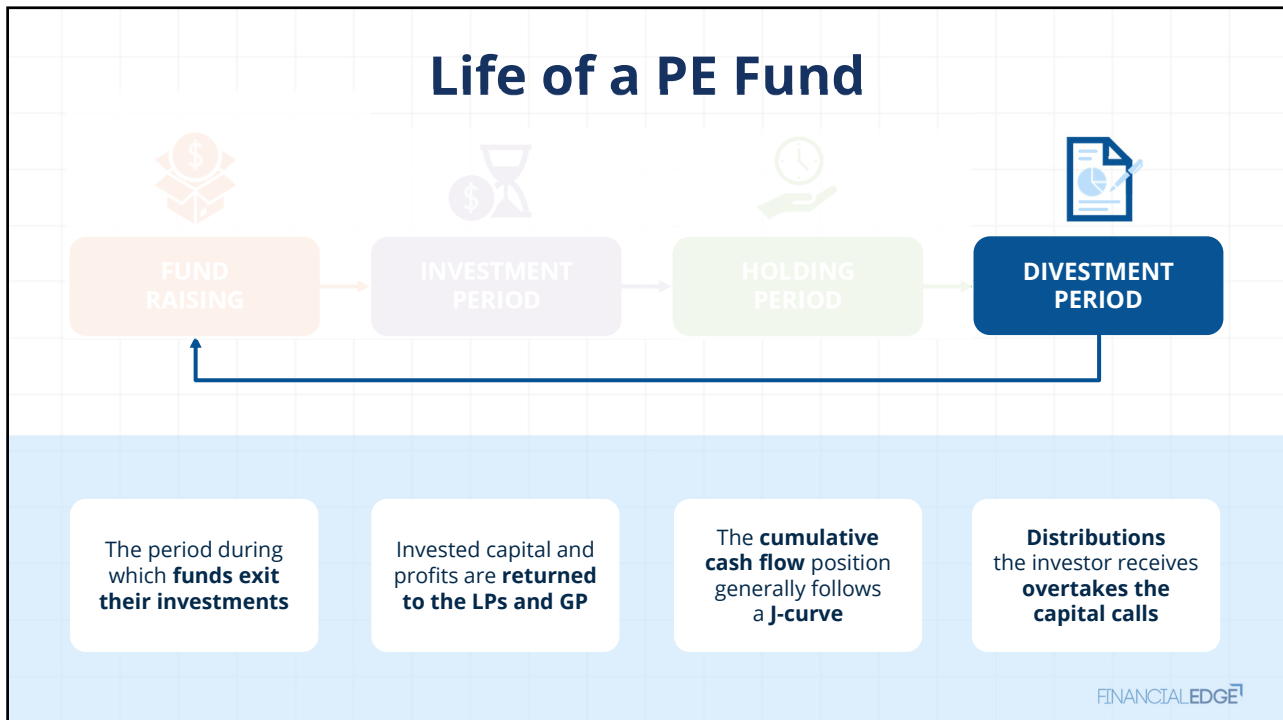
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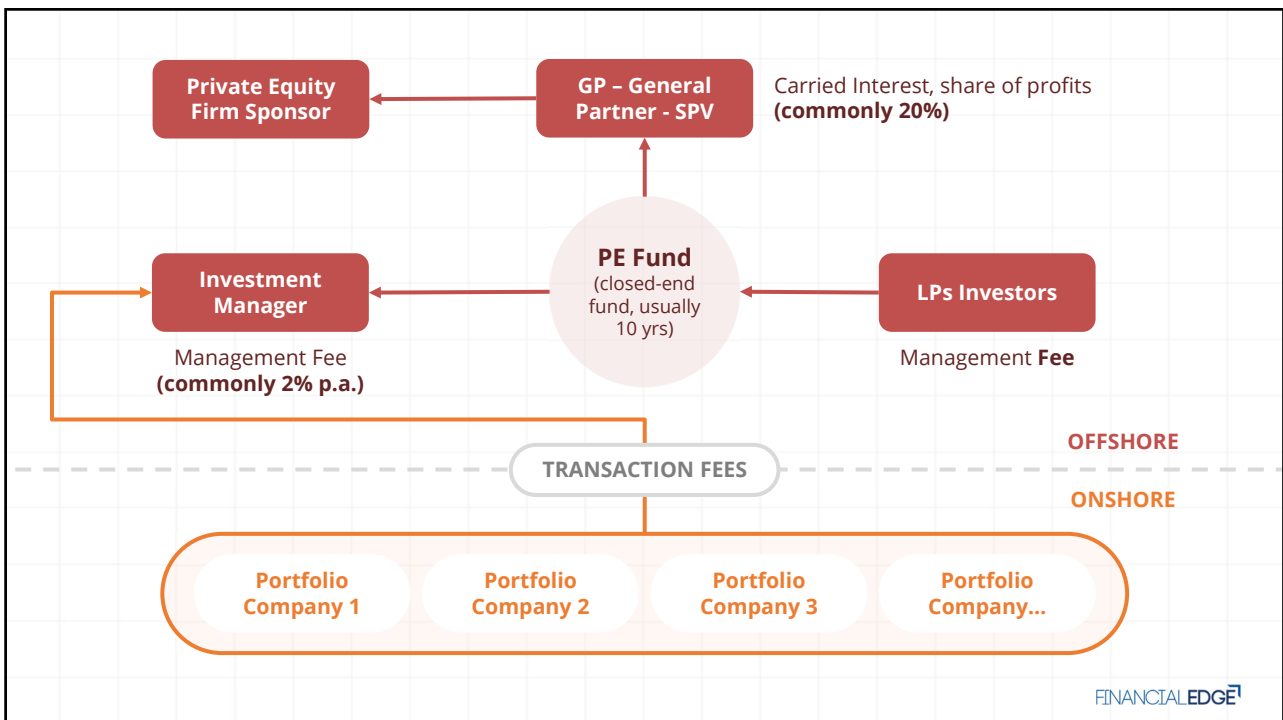
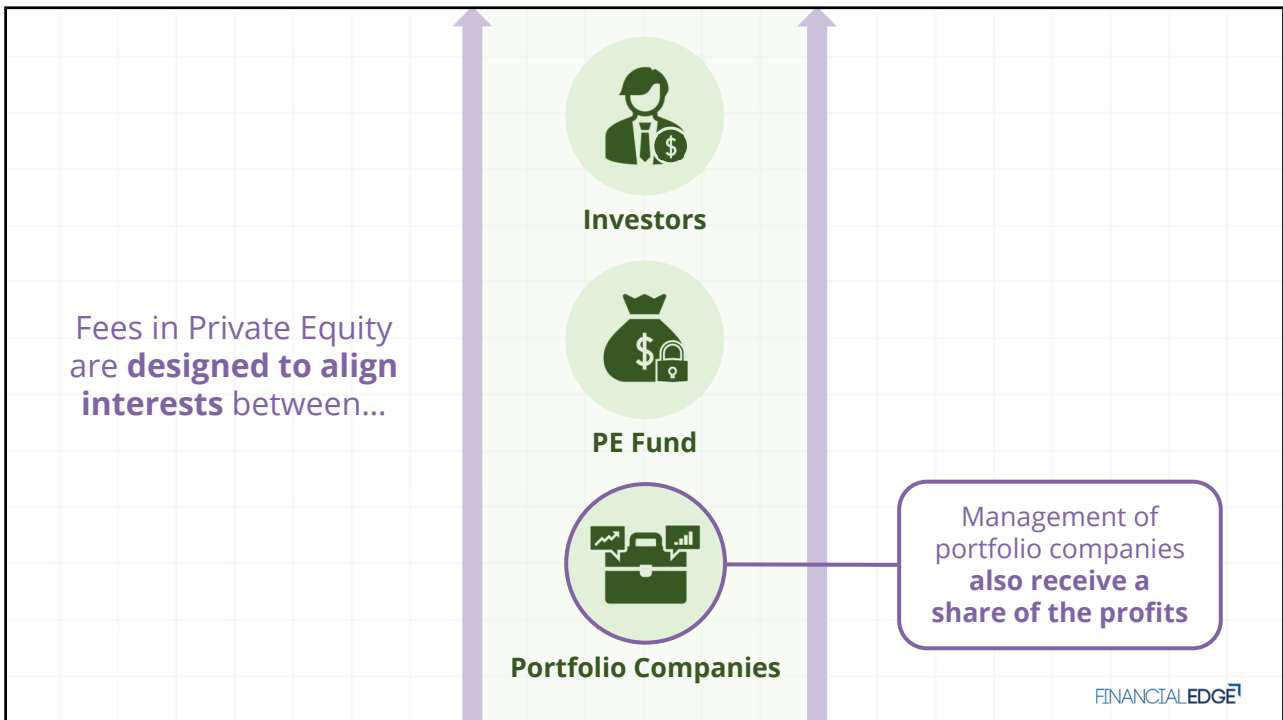
Life of a PE Fund

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Life of a PE Fund

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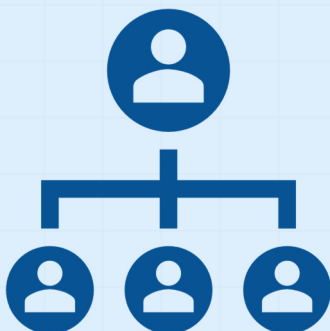




PE Governance and Organization

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ORGANIZATION



Most firms have lean HR structures
with 3-6 levels or seniority:

Partners

Principals

Associates



PE Firms are usually led by **one Managing Partner** who is a **CEO or Chairman** or by a collegiate group of senior most partners

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COMMITTEES



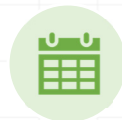
Committees are designed to help the PE firm with **investment decision making** and **administrative management**



Nearly all firms have an **executive committee** and an **investment committee**

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REPORTING & GOVERNANCE

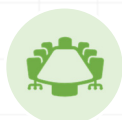


Reporting requirements to investors are **set out in the LPAs** and often include:

Monthly Written Updates

Quarterly Meetings

Important Annual Meetings



Details on **valuation, portfolio company summaries and fund development** are shared



PE firms keep a close eye and **control on portfolio companies** through investment boards

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