

FIRM NEWS

Schulte Partners Author 2015 Edition of *Private Equity Funds: Formation and Operation*

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Partners Stephanie R. Breslow and Phyllis A. Schwartz have updated and expanded the 2015 edition of their book *Private Equity Funds: Formation and Operation*, published by Practising Law Institute. This comprehensive treatise is regularly updated and covers the complex legal and regulatory issues of private equity funds to assist advisers and fund managers.

The 2015 edition includes new sections that discuss the definition of “custody” under Rule 206(4)-2 of the Investment Advisers Act of 1940 and recent enforcement actions that underline the SEC’s focus on the allocations of fees and expenses to clients by private equity managers as a major regulatory compliance concern. The authors explain the features, advantages and drawbacks of different kinds of funds, including PIPEs, SPACs, mezzanine funds and credit opportunity funds, as well as the efficiencies created when private equity funds and hedge funds converge. Designed to provide a thorough understanding of how private equity funds work and how they are regulated, *Private Equity Funds: Formation and Operation* also discuss the negotiation of terms between fund sponsors and investors, including fund size, the investment program, capital commitments and contributions, distributions and related documentation.

Considered the leading treatise on the subject, *Private Equity Funds: Formation and Operation* walks readers through every decision that has to be made in creating a new fund, including choosing the right organizational options for funds and their sponsors; structuring and implementing ownership and compensation arrangements that work best

for each fund; hiring and retaining the best fund talent; and qualifying for the Securities Act's private placement exemption, the IAA's exclusion from registration as an investment adviser and other exemptive relief.

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