

# Can the right perspective help guide you through an emerging landscape?

We can offer a new outlook through an integrated approach that meets the needs of private equity startups.

Global Emerging Manager Platform



The better the question.  
The better the answer.  
The better the world works.



**EY**

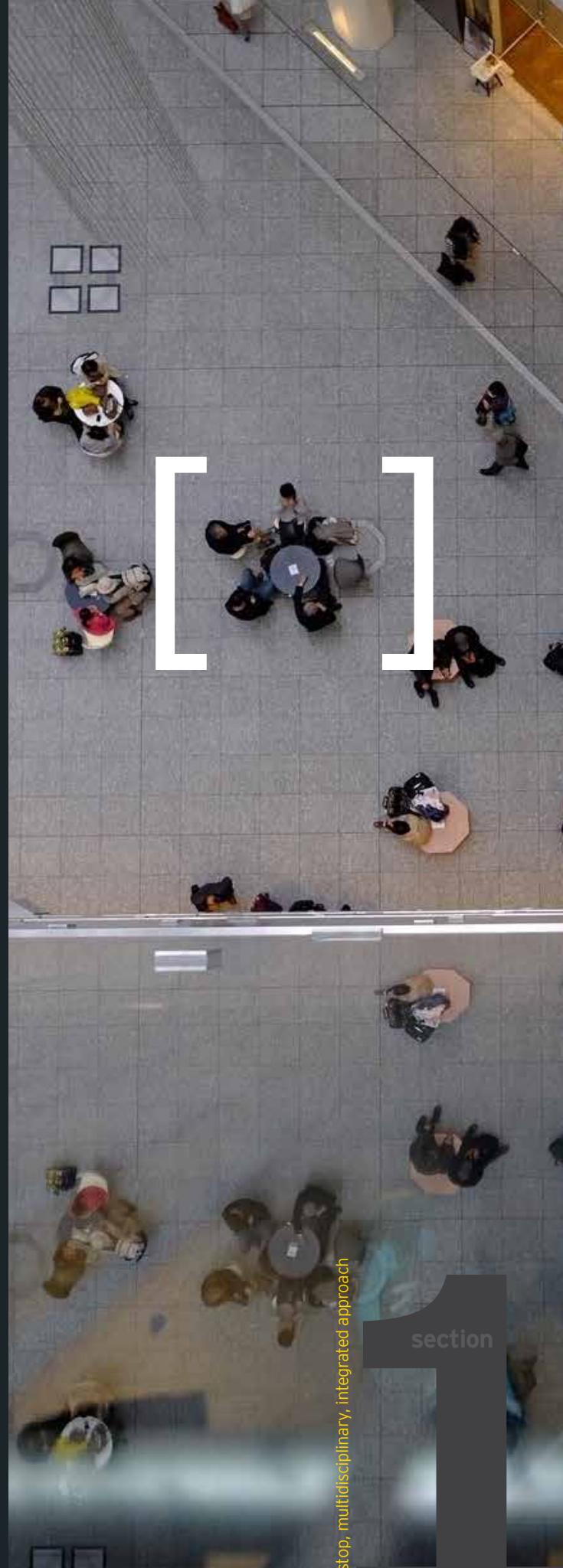
Building a better  
working world

# Global Emerging Manager Platform

Venturing into new territory means gaining a fresh perspective on your business and your market. And mastering the unfamiliar can open new paths to success, especially with the guidance of a trusted advisor. Through the EY multiservice approach, we can assist your private equity startup in establishing a strong foundation to grow and better serve your investors. Find out more on the following pages.

To better address the needs of our emerging private equity (PE) clients, we have established a global platform that is **focused** on providing a **one-stop, multidisciplinary, integrated approach** to funds during the startup phase.

Our Global Emerging Manager Platform team can help guide you through the early stages of fund formation – from operational to tax considerations – providing a range of support to you, your portfolio companies and your investors.



# on startups

Launching a new fund is a complex and extremely complicated process. You may encounter many unfamiliar challenges – raising capital, recruiting and retaining highly skilled people, managing risk, complying with changing regulations and accessing global markets. This is where we can make a difference. Our Global Emerging Manager Platform team will work with you to quickly navigate the complexities of legislation and regulation, align your tax strategy to your business goals, provide assurance regarding the numbers and deliver a range of advisory services specifically to address your startup needs.

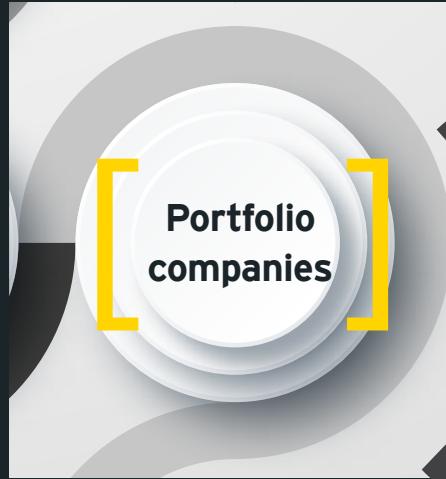
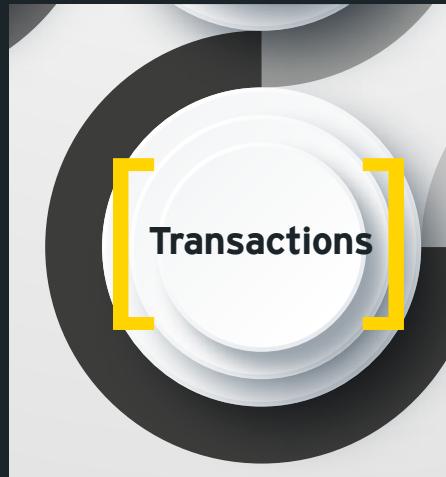
As a global leader in the private equity industry, we have extensive experience in assisting new fund launches. We appreciate the needs, nuances and challenges startups face. We offer:

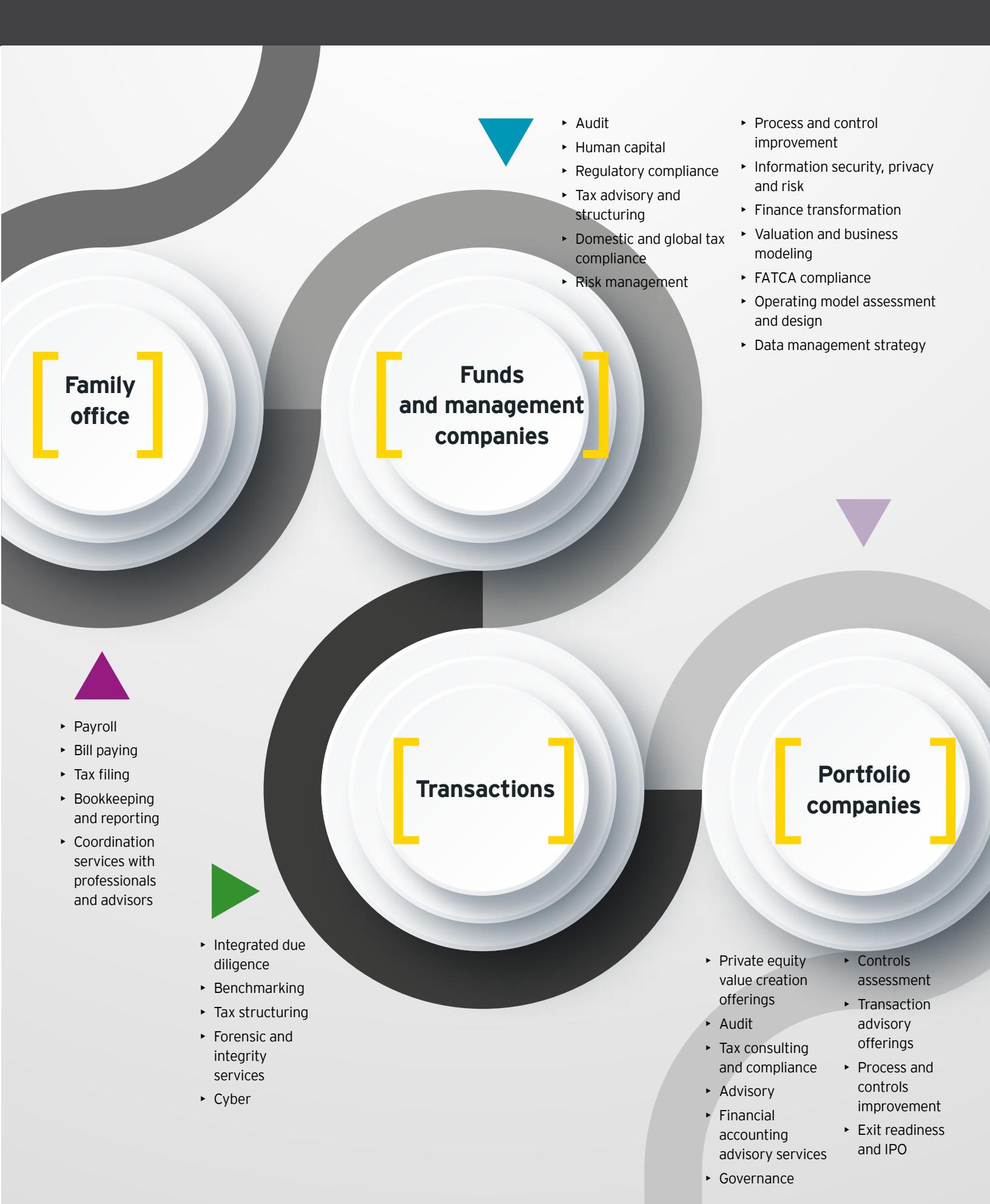
- ▶ Early industry, regulatory and technical insight focused on startup needs
- ▶ A range of advisory services beyond audit and tax, such as fund formation and structuring, including process improvement and evaluations of and recommendations for attorneys, fund administrators and other industry service providers, and fund document review and regulatory registration, including offshore jurisdiction
- ▶ Technology selection and implementation, guidance on management company setup, internal controls, investor due diligence, role definitions and segregation of duties, and process improvement
- ▶ Optimal fund and management company structuring, innovative tax planning for partners and employees, and Foreign Account Tax Compliance Act (FATCA) compliance

# The EY enterprise approach

The EY enterprise approach to serving private equity value creation goes beyond the private equity investment cycle to portfolio company and fund support. The EY Global Private Equity sector offers tailored engagements, encompassing the distinctive needs of private equity funds, their transactions, investment stewardship and portfolio companies' performance, while addressing market, industry and regulatory issues.

In addition to services provided by a seasoned group of global audit, tax, advisory and transaction professionals dedicated to PE, the approach integrates industry specialization to address challenges faced by portfolio companies in the industries in which they operate.





# Private equity startup checklist

Private equity managers must address key operational and structuring issues supporting the businesses. We have provided a representative checklist to assist with the early planning process.

## Operational

- ▶ Investment strategy and business plan
- ▶ Management team setup
- ▶ Staffing and compensation
- ▶ Terms in fund documents
- ▶ Third-party vendors:
  - ▶ Accounting firm
  - ▶ Fund administrator
  - ▶ Banking relationships
  - ▶ Outside counsel
  - ▶ Qualified custodian
  - ▶ Independent valuation consultant
  - ▶ Regulatory consultant
  - ▶ Insurance
  - ▶ Office space and equipment
  - ▶ Technology selection and implementation
  - ▶ Internal controls
  - ▶ Financial statement close process

section A

# Structuring

# Initial documents

- ▶ Management company setup
- ▶ Fund structure
- ▶ Choice of domicile
- ▶ Tax reporting requirements
- ▶ Determination of investment types
- ▶ Establishment of guidelines for valuation and compliance
- ▶ Registration
- ▶ Accounting and financial reporting considerations

- ▶ Private placement memorandum
- ▶ Partnership agreement
- ▶ Due diligence questionnaire
- ▶ Investment management agreement
- ▶ Compliance manual
- ▶ Valuation policy
- ▶ Code of ethics
- ▶ Form ADV

# About us

Ernst & Young Global Limited has been working with private equity for more than 25 years. Our 25,000 private equity industry professionals are located in major geographic hubs, a strategic structure that enables us to rapidly mobilize and dedicate them to the right assurance, tax, transaction and advisory-related projects across the Americas, Asia-Pacific, EMEA and Japan.

We are committed to building a better working world – with increased trust and confidence in business, sustainable growth, development of talent in all its forms and greater collaboration.

We want to build a better working world through our own actions and by engaging with like-minded organizations and individuals. This is our purpose – and why we exist as an organization.

**When business works better,  
the world works better.**

## Contacts

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**About EY**

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

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**EY is a leader in serving the global financial services marketplace**

Nearly 51,000 EY financial services professionals around the world provide integrated assurance, tax, transaction and advisory services to our asset management, banking, capital markets and insurance clients. In the Americas, EY is the only public accounting organization with a separate business unit dedicated to the financial services marketplace. Created in 2000, the Americas Financial Services Organization today includes more than 11,000 professionals at member firms in over 50 locations throughout the US, the Caribbean and Latin America.

EY professionals in our financial services practices worldwide align with key global industry groups, including EY's Global Wealth & Asset Management Center, Global Banking & Capital Markets Center, Global Insurance Center and Global Private Equity Center, which act as hubs for sharing industry-focused knowledge on current and emerging trends and regulations in order to help our clients address key issues. Our practitioners span many disciplines and provide a well-rounded understanding of business issues and challenges, as well as integrated services to our clients.

With a global presence and industry-focused advice, EY's financial services professionals provide high-quality assurance, tax, transaction and advisory services, including operations, process improvement, risk and technology, to financial services companies worldwide.

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