

Private Equity Fund Formation Questionnaire*

Contact Information:

Primary Contact Name: _____

Phone Number: _____

E-mail: _____

Preferred Form of Communication: Phone E-mail

Best Time to Contact You: _____

Confidentiality/Disclaimer: *This questionnaire is informational only and does not constitute legal advice. The transmission of this questionnaire is not intended to create, and receipt does not constitute, an attorney-client relationship. However, any information you communicate to us through the use of this questionnaire is communicated with a view to obtaining legal services; thus your information will be held in confidence and protected by the attorney-client privilege to the extent allowed by law.*

* *This questionnaire is intended only for use for private equity funds. For more information about the formation of real estate funds and hedge funds, please see questionnaires for real estate funds and hedge funds and/or contact one of the attorneys listed on the Day Pitney website under the Real Estate or Private Equity and Investment Funds practice group pages.*

Preliminary Fund Information

Proposed Name: _____

Proposed Manager Name: _____

Target Launch Size (\$): \$ _____

Target Launch Date: _____

Initial Closing Amount: \$ _____

Initial Closing Date: _____

Fund Life: _____

***Fund Principals
Information***

Name: _____
E-mail: _____
Phone: _____
Special Role (if any): _____

Name: _____
E-mail: _____
Phone: _____
Special Role (if any): _____

Name: _____
E-mail: _____
Phone: _____
Special Role (if any): _____

Name: _____
E-mail: _____
Phone: _____
Special Role (if any): _____

Name: _____
E-mail: _____
Phone: _____
Special Role (if any): _____

For the questions below, please check “YES” or “NO” and provide some helpful or important details, if any.

Investment Strategy

Sector/Style

1. Will the Fund invest in a particular sector or sectors (such as energy, technology, healthcare)? If so, please describe. YES NO

2. Will the Fund be focused on a particular geographical area? If so, please describe. YES NO

3. Is there a preferred stage of development for portfolio investments? If so, please describe. YES NO

4. How long will it take before the Fund is fully invested? Please describe.

5. Is there an estimated dollar range for each portfolio investment? If so, please describe. YES NO

6. How long does the Fund intend to hold on to each portfolio investment and what is the exit strategy? Please describe.

7. To what extent will the Fund diversify? Please describe.

8. Will the Fund co-invest with other funds or entities? If so, please describe. YES NO

9. Please provide any other information on the strategy of the Fund.

Asset Base

- 1. Will the Fund invest in any public equity securities or PIPES? YES NO
- 2. Will the Fund invest in any public debt securities? YES NO
- 3. Will the Fund invest in any public securities, including any FINRA "New Issues"? YES NO
- 4. Will the Fund invest in other funds that are managed by third parties? YES NO

Leverage

- 1. Will the Fund use leverage to finance its investments? YES NO

If so, will the limited partners be required to pledge their limited partner interest to the lender as collateral?

- YES NO

Will the use of leverage be limited? Please explain the limitations.

Investment Manager

- 1. Do you intend to have a separate investment management company (other than the General Partner of the Fund)? YES NO

2. Will the Investment Manager (either the separate entity or the General Partner) be federally registered with the SEC as an investment adviser? YES NO

3. If the Investment Manager is not federally registered, will it be registered with a state or states as an investment adviser? YES NO

If so, which state or states? _____

4. Will the Investment Manager engage in any investment advisory activities other than management of the Fund? YES NO

If so, please describe the outside activities and the client base. _____

5. Is the Investment Manager (or any of its affiliates) registered with the SEC as a broker-dealer and a member of FINRA or is this envisioned for the future? YES NO

Investors

Investors

1. How many investors do you expect to have at launch? _____

2. How quickly do you expect your investor base to grow? To what size? _____

3. Do you expect any investors to require negotiated terms or a side letter? YES NO

4. Do you expect to have any non-U.S. investors? YES NO

If so, from which jurisdictions? _____

5. Do you expect to have any tax-exempt investors? YES NO

If so, what kinds?
• IRAs _____

- Foundations
- ERISA
- Other

6. Do you anticipate any future need for a master-feeder structure? YES NO

Investor Qualifications

1. Do you anticipate that all your investors will be Qualified Purchasers? YES NO

2. Do you anticipate that all your investors will be Qualified Clients? YES NO

3. Do you anticipate that any of your investors will be knowledgeable employees? YES NO

4. Do you expect that all your investors will be Accredited Investors? YES NO

If not, how many non-accredited investors will you have?

Fees

Management Fees

1. What percentage of the Fund's net asset value will be paid to the Investment Manager as a management fee?

2. At what time will the management fee be assessed (monthly, quarterly)?

3. Will the management fee be assessed in advance or in arrears?

4. Will the management fee be reduced during the "harvest" period (i.e., after the investment period)? YES NO

5. Will the management fee be used to cover any expenses of the General Partner? YES NO

Carried Interest

1. What percentage of the Fund's profits will be paid to the General Partner as carried interest? _____

2. At what time will the carried interest be assessed? _____

3. Will the carried interest be paid only on realized gains? YES NO

4. Will any portion of the carried interest be escrowed? YES NO

5. Will any portion of the carried interest be subject to clawback? YES NO

If so, will it be a conventional or modified clawback? _____

6. Will any portion of carried interest be subject to a preferred return? YES NO

7. Will the carried interest be payable on a "deal by deal" basis or on an "entire fund" basis? _____

Fund Operations

Investor Commitments

1. What will be the initial closing date? _____

2. What will the term of the Fund be? Will there be an ability to extend the term? _____

3. How many commitment periods do you expect to have? _____

4. What is the minimum investment amount that the Fund will accept from a single investor for both initial and any follow-on investments?

5. Do you require a minimum aggregate investment amount in order to launch the Fund?

YES NO

If so, how much?

6. Is there a maximum aggregate investment amount for the initial closing of the Fund?

YES NO

7. Will the Fund offer different classes or series of interests in the Fund in order to accommodate the different needs and risk levels of different investors?

YES NO

At launch or in the future?

8. Will the General Partner invest directly in the Fund?

YES NO

If so, at what level (% or \$)?

9. Will the Fund engage a placement agent or solicitor to attract investors and will the limited partners bear the costs of fees charged by placement agents?

YES NO

10. How long will the investment period be before the "harvest" period begins?

Withdrawals

1. What is the Fund's commitment period?

2. How much notice will be provided for capital calls?

3. Are in-kind distributions permitted?

YES NO

4. Will the Fund have the ability to impose mandatory withdrawals? YES NO
- If so, with how much notice to investors?
- _____
5. What types of withdrawal restrictions will apply to the General Partner, Investment Manager and Fund affiliates?
- _____
- _____
- _____

General

1. Will the General Partner have discretion to enter into side letters with the investors for preferable terms/ conditions? YES NO
2. How often will investors receive Fund reports?
- _____
3. Will the Fund's financial statements be audited generally in accordance with GAAP? YES NO
4. Will the Fund have any independent advisory boards (such as a valuation committee, advisory board or conflicts committee)? YES NO
- Will a board's or committee's role be purely advisory or will decisions be binding?
- _____
5. Will there be "key person" provisions? YES NO
- If so, with what result?
- Will the Fund dissolve?
 - Will investors be permitted to withdraw?
 - Other results?
- _____
- _____
6. Will the Fund's expenses be amortized? YES NO
- If so, over what time period?
- _____

7. Will the Fund have a cap on organizational costs?

YES NO

If so, how much?

General Comments/Other Issues

