



FUND FINANCE FRIDAY

Miami, Here We Come!

February 7, 2020 | Issue No. 63

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See You in Miami

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We look forward to seeing many of you at the 10th Annual Global Fund Finance Symposium in Miami next week.

Cadwalader is sponsoring the Welcome Reception on Wednesday night, and we hope you can attend. We are also in Cabana 22 by the Oasis Pool if you get a chance to drop by. Look for a couple of special issues of *Fund Finance Friday* from Miami.

Introduction of New Regulatory Regime for Cayman Private Equity Funds

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By Derek Stenson
Partner | Conyers



By Michael O'Connor
Associate | Conyers

The Cayman Islands legislative assembly met on January 30 and passed the Private Funds Bill into law. The law now awaits formal commencement which can be expected to occur in the imminent future. The transitional period, within which relevant existing Cayman Islands funds will need to register with the Cayman Islands Monetary Authority, has not yet been announced.

Our previous note on this subject (link [here](#)) sets out the potential impact of the new law on fund finance transactions. The transitional period and registration deadlines, once announced, will be of immediate importance to Cayman Islands funds (in order that they remain in compliance with the Cayman Islands regulatory regime) and lenders to such funds (in order that the effectiveness of existing security is not compromised by a failure of relevant funds to meet such registration deadlines).

Multiple PEI Articles on Fund Finance

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Private Equity International this week published several articles addressing fund finance issues. In “LPs to CFOs: ‘We do use your data,’” *PEI* reported on feedback from investors at the CFOs and COOs Forum held earlier in the week in New York. The article indicates that investors are actually using the due diligence and reporting information they are requiring from GPs. The article also briefly discusses credit facilities and gives a supportive investor viewpoint, other than when they use facilities to make distributions. The subscription-required article is available [here](#).

In a second article, titled “Uncommitted debt: How to avoid getting stung in a downturn,” *PEI* reports on the growth of uncommitted credit facilities and how they compare to committed subscription lines. That article is available [here](#).

Also published were the following articles: “[Innovations in fund finance](#),” “[Fund Finance: Who’s funding your credit line?](#)” and “[Fund Finance: The investor view of credit lines](#).”

On the Move – Fund Finance Tidbits

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On the Move



Jamie Mehmood has joined Deloitte’s Debt & Capital Advisory team as a Director and Head of Fund Finance Debt Advisory. Jamie previously led RBS’s fund finance relationship team in London and has more than 20 years of experience in the Funds sector.

He has worked with a range of asset managers, infrastructure and renewable funds, as well as private debt and private equity clients. At Deloitte, Jamie will offer advice to fund managers across the full spectrum of the debt markets.

Jamie led RBS International’s Funds Banking relationship team in London from 2017. Prior to that, he spent six months at a leading European Private Debt manager, building on his previous years as a senior member of the Structured Finance team within RBS. Jamie is a Chartered Accountant.



George Jovanoski joins Silicon Valley Bank as a Director in Global Fund Banking to help continue the growth of the New York business. SVB is a global leader and innovator in Fund Finance, with one of the largest franchises globally, spanning capital call/subscription facilities, NAV facilities, GP lines, Mngt Co. lines, Portfolio Company Notes, FX and cash management. SVB has a 25-year-plus track record in fund finance with over 100 dedicated bankers globally, including the New York team pictured below.

Before SVB, George worked at SMBC, Westpac and UBS in various roles spanning fund finance, client coverage, real estate, restructuring and investment banking. George is completing his Executive MBA at Columbia Business School, where he's been researching the evolution of the fund finance market. He is also a strong advocate for the Fund Finance Association, serving on the FFA NextGen committee, and was a speaker at the inaugural FFA University.



Private Funds CFO Weekly Round-up

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Private Funds CFO put out its weekly round-up, which included an article about the ongoing debate of IRR reporting as it relates to Funds' use of subscription lines and collaborative efforts to standardize reporting across the industry. Also included were articles regarding the current concentration of the secondaries market and how, if new sources of capital are not found, the secondaries market may have hit its peak concentration. Take a look [here](#).

Fordham University Q&A with Trevor and Antoinette Freeman

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This week Fordham University published a Q&A with Trevor Freeman, Managing Director of Signature Bank, and his wife, Antoinette Freeman. The article, titled "Bonded by Volunteerism: Five Questions with the Freemans," gives insight into the couple's ties with Fordham University and involvement with various outreach projects, including the Young Alumni Committee and Fordham Mentoring Program. See Trevor dressed in a Santa suit and the article [here](#).

Recommended Reading

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- Secured corporate debt is becoming a rarity. From making up 98.5% of total bond issuance in 1900, the median corporate issuers' secured debt as a share of total outstanding debt has declined to more recently average around 15% since the Great Recession. This finding comes from a National Bureau of Economic Research joint [research paper](#) recently [summarized](#) by the Harvard Law School Forum on Corporate Governance. Interesting context for the fund finance market, where the availability of secured debt is still growing.
- Vanguard and HarbourVest [announced](#) a private equity partnership on Feb. 5. Vanguard's private equity offerings will initially be offered to institutional investors, with plans to expand into individual investor participation in the future.

Fund Finance Calendar

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Upcoming Events in Fund Finance

February 12, 2020	Women in Fund Finance Networking Boat Trip, Miami
February 12-14, 2020	10th Annual Global Fund Finance Symposium, Miami
March 16-18, 2020	PartnerConnect East 2020, Boston
July 8, 2020	6th Annual European Fund Finance Symposium, London

If you have an event that you would like listed on the Fund Finance Friday calendar, please email us at fund-finance-friday@