



K&L Gates represents U.S. and non-U.S. clients in all segments of the alternative investment and hedge fund industry. Our practice is distinguished by the depth and breadth of our experience, geographical reach, and level of client service.

Why K&L Gates?

The depth and breadth of our experience in the investment management industry is unsurpassed.

As financial markets converge and regulatory schemes evolve, clients require a law firm with the experience to advise on the best way to deliver their products and services, whether they operate or offer investment products in the United States, the United Kingdom, Europe, Australia or Asia. We have the global reach and the experience required and we are committed to providing the highest quality service in the most cost-effective manner possible.

All Types of Clients

We represent sponsors and managers of all types of alternative investment and hedge funds that are offered in the United States and elsewhere, as well as institutional investors in these products and service providers to the industry (such as distributors, custodians, and prime brokers). Our clients include: major Wall Street and international financial services firms, independent investment advisers and managers, brokerage firms, advisers to mutual funds, banks and trust companies, bank holding companies, retirement plan service providers, insurance companies, government plans and agencies, and universities and endowments.

Depth and Breadth of Experience

Our alternative investment and hedge fund practice is part of our Investment Management Group, which is one of the largest and most respected in the world. More than 40 lawyers in our Boston, Chicago, Hong Kong, London, Los Angeles, Melbourne, New York, San Francisco, Seattle, Sydney, Singapore, Taipei, and Washington, D.C. offices are actively engaged in various aspects of the practice. Many lawyers in our Investment Management Group formerly held senior positions at the SEC or other regulatory authorities. Our private fund lawyers are supported by U.S. and non-U.S. specialists in tax, ERISA, UK pension law, derivatives, commodities, structured products, employment, bank regulatory, securities regulatory, anti-money laundering, real estate, estate planning, litigation, private equity, and venture capital. We have particular experience in regard to presentation of prior performance data.

Third-Party Recognitions

Our hedge fund practice was nominated to the shortlist for the third year in a row by HFMWeek US Hedge Fund Services Awards for both “best onshore law firm” and “best law firm–client service.” At the 2011 awards ceremony, we were recognized with “high commendation” for the category of “Best US Law Firm–Client Service.”

In addition, our hedge fund/private fund practice was nationally ranked for the

More than 40 lawyers devote all or a significant portion of their time to hedge fund, venture fund, and other private fund matters.

K&L Gates is ranked as having one of the leading financial services practices in the country.

– *Chambers USA*

second consecutive year in the first-tier of the U.S. News–Best Lawyers® rankings of “Best Law Firms.”

All Types of Investment Strategies

We have experience in the full range of strategies employed by alternative investment and hedge funds (including funds-of-funds, long-short hedging, global macro, quantitative trading, credit, distressed debt, illiquid investments, mortgage-related, activist, arbitrage, and commodity-related), and specialized investment products, such as real estate funds, “principal protected funds,” natural resource funds, Shariah-compliant funds, and variable life insurance products. We also have experience in structuring side pockets and dealing with side pocketed investments for our clients.

All Types of Structures

We advise fund sponsors and managers in identifying and implementing the best structure for organizing their business and fund offerings, including selecting the best jurisdiction (whether it be the U.S., UK, Europe, the Middle East, Australia or Asia) and the best legal structure (whether it be a U.S. limited liability company or limited partnership, an offshore corporation, a UK OEIC, a trust or a U.S. “Small Business Investment Company”).

We have experience with regard to all types of fund structures, including master-feeder structures, U.S. and non-U.S. group trusts, public and private fund structures, funds-of-funds, parallel funds, multi-strategy funds, “registered hedge funds” and “registered funds-of-funds,” leveraged funds, and “hybrid funds.”

We have provided advice on the various exemptions from SEC registration that are best suited to a particular product offering, such as those available to common or collective trust funds maintained by banks or trust companies, “group trusts” for

employee benefit plans under IRS Revenue Ruling 81-100 and “business development companies.” Also, we can advise on investment products that combine SEC registered and non-registered structures and specialized products offered through trust structures.

We tailor our work for clients to meet their individual needs and bring to bear all relevant experience. We advise fund sponsors and managers on all aspects of their operations, including the structuring of their funds, fund raising, employment and compensation matters, tax planning, trading, U.S. and non-U.S. regulatory matters, industry best practices, and listings on non-U.S. stock exchanges. We also advise service providers on all aspects of their operations and institutional investors on their investment programs, including relevant U.S. and non-U.S. regulatory requirements, industry best practices, and “market” commercial terms. We conduct “mock audits” for our SEC registered clients (and for non-registered clients that want to operate as if they were) that simulate actual SEC audits through a risk-based analysis of compliance policies and procedures.

Asian Offices

Lawyers in our Beijing, Hong Kong, Singapore, and Taipei offices establish hedge funds, open- and closed-end investment vehicles, and authorized and unauthorized unit trust structures. We assist with licensing and ongoing regulatory requirements, conduct “mock audits”, and advise on local securities laws.

London Office

The London office regularly provides counsel to participants in the UK financial services industry including investment managers, brokerage firms, and other FCA regulated firms. Important practice areas of the London team include fund establishment and listings with a particular focus



on hedge funds and real estate funds, FCA regulation (including implementation of the EU Markets in Financial Instruments Directive), incentivization structures, banking and structured finance, and exit strategies for managers including IPOs and private sales.

Australian Offices

The Australian offices assist with the establishment of hedge funds, property funds, and a range of other collective investment vehicles. We advise the industry on structuring distribution and compliance issues.

We are legal counsel to dozens of investment company complexes that range in size from the largest U.S. complex to small start-up operations. We also serve as legal counsel to investment advisers and broker-dealers that manage the assets of pension funds, hedge funds, offshore funds, bank collective funds and individuals. Many of our money management clients are affiliated with banks, insurance companies and brokerage firms, while others are independent firms.



Experience with Extraordinary Transactions

We advise fund sponsors, managers, and other financial services firms on:

- Acquisitions of fund sponsors and managers, as well as service providers, such as administrators and broker-dealers.
- Strategic investments in fund sponsors and managers, representing both the fund sponsor/manager and the strategic investor
- Lift-outs of personnel, including compensation arrangements/equity participations for portfolio managers and portability of prior performance records.
- Strategic alliances and joint ventures with distribution partners and others.
- Restructuring of funds, including changes in fund service providers, investment policies, fees, subscription and redemption terms, and eligible investors.

- Conversion of “non-plan-asset funds” into funds that hold “plan assets” and are compliant with the fiduciary responsibility standards and prohibited transaction restrictions of ERISA and the parallel prohibited transaction provisions of the Internal Revenue Code.

Real Estate Funds

We represent clients in securitizing residential and commercial real estate and mortgage loans, both in real estate investment trust and limited partnership structures, including tenancy in common interests, inter-state land sales registrations, syndications of real estate limited partnerships and the public offering of real estate investment trusts. K&L Gates frequently helps clients understand the status of their real estate partnership holdings and analyze available sale or refinancing options. We also have particular experience in timber funds and the tax issues unique to the timber industry.

State and Municipal Pension Plans

K&L Gates counsels state, municipal and other institutional investors in the structuring and formation of investments in domestic and international alternative investments, including hedge funds, fund of hedge funds, private equity funds, venture capital funds, commodity funds, infrastructure funds, energy funds, real estate funds, and other private investment funds. Our lawyers work closely with investors providing advice in multiple disciplines with the requisite industry knowledge and are solely focused on the client’s objectives. We help clients focus, when appropriate, on the corporate governance, regulatory, ethical, and other fiduciary requirements which are applicable to our institutional investor clients.

We also provide advice to our fund clients, when accepting investments from state and local plans and agencies, with respect to compliance with lobbyist/placement agent registration laws, gifts and entertainment restrictions, prohibitions on contingent compensation and/or use of placement agents, political contribution limitations, and state sunshine laws.

Learn more about our Hedge Funds practice at klgates.com.

K&L GATES

Anchorage Austin Beijing Berlin Boston Brisbane Brussels Charleston Charlotte Chicago Dallas Doha Dubai Fort Worth Frankfurt Harrisburg Hong Kong Houston London Los Angeles Melbourne Miami Milan Moscow Newark New York Orange County Palo Alto Paris Perth Pittsburgh Portland Raleigh Research Triangle Park San Diego San Francisco São Paulo Seattle Seoul Shanghai Singapore Spokane Sydney Taipei Tokyo Warsaw Washington, D.C. Wilmington

K&L Gates comprises more than 2,000 lawyers globally who practice in fully integrated offices located on five continents. The firm represents leading multinational corporations, growth and middle-market companies, capital markets participants and entrepreneurs in every major industry group as well as public sector entities, educational institutions, philanthropic organizations and individuals. For more information about K&L Gates or its locations, practices and registrations, visit klgates.com.

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