#taghash

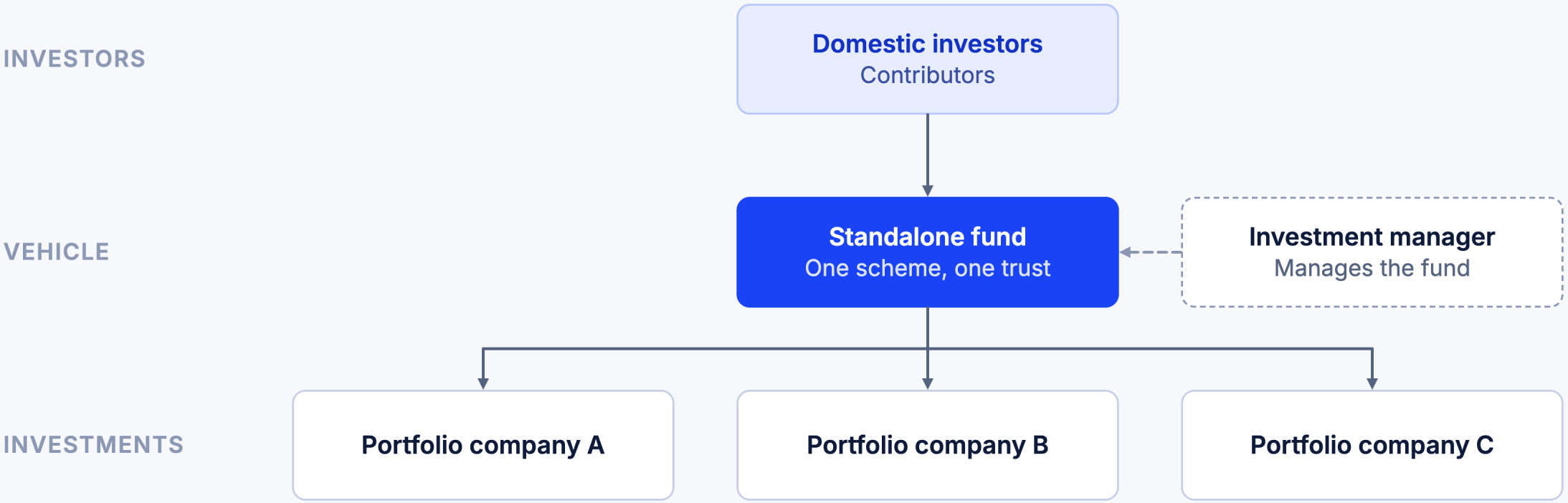
Eight Ways to Structure a Fund

	STRUCTURE	PRINCIPAL USE
01	Standalone Fund	Domestic AIF
02	Master-Feeder	Global fundraising
03	Parallel Fund	Onshore and offshore investors
04	Special Purpose Vehicle	Single asset or transaction
05	Holding Company	Tax and governance structuring
06	Fund of Funds	Investment in other funds
07	Umbrella Fund	Multiple strategies or schemes
08	GP-LP Structure	Global PE and VC standard

01 PRINCIPAL USE: DOMESTIC AIF

Standalone Fund

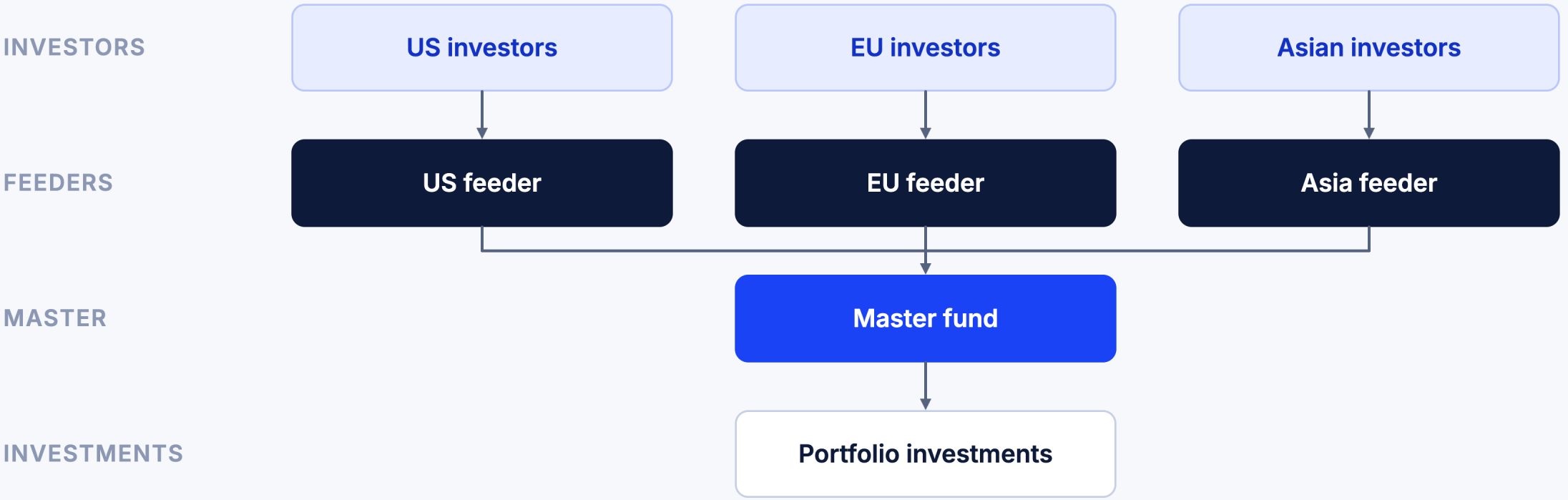
A single pooled vehicle in which investors subscribe directly to one scheme, governed by one set of fund documents and holding one portfolio.



02 PRINCIPAL USE: GLOBAL FUNDRAISING

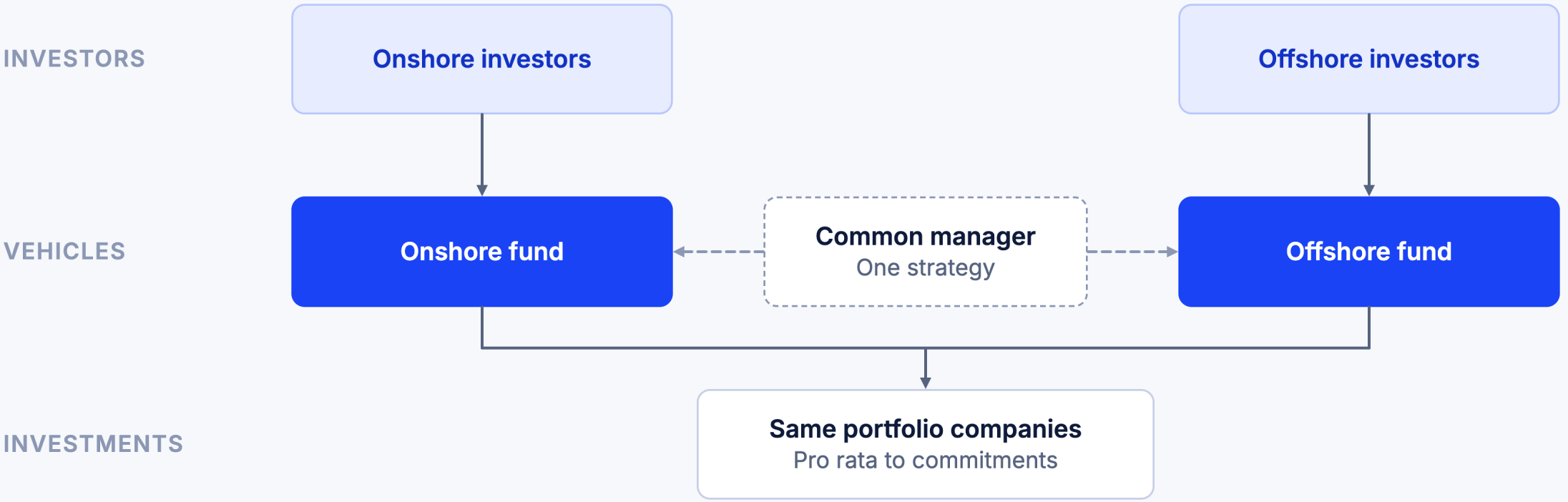
Master-Feeder

Feeder vehicles domiciled in separate jurisdictions channel capital into a single master fund, which alone holds and realises the portfolio.



Parallel Fund

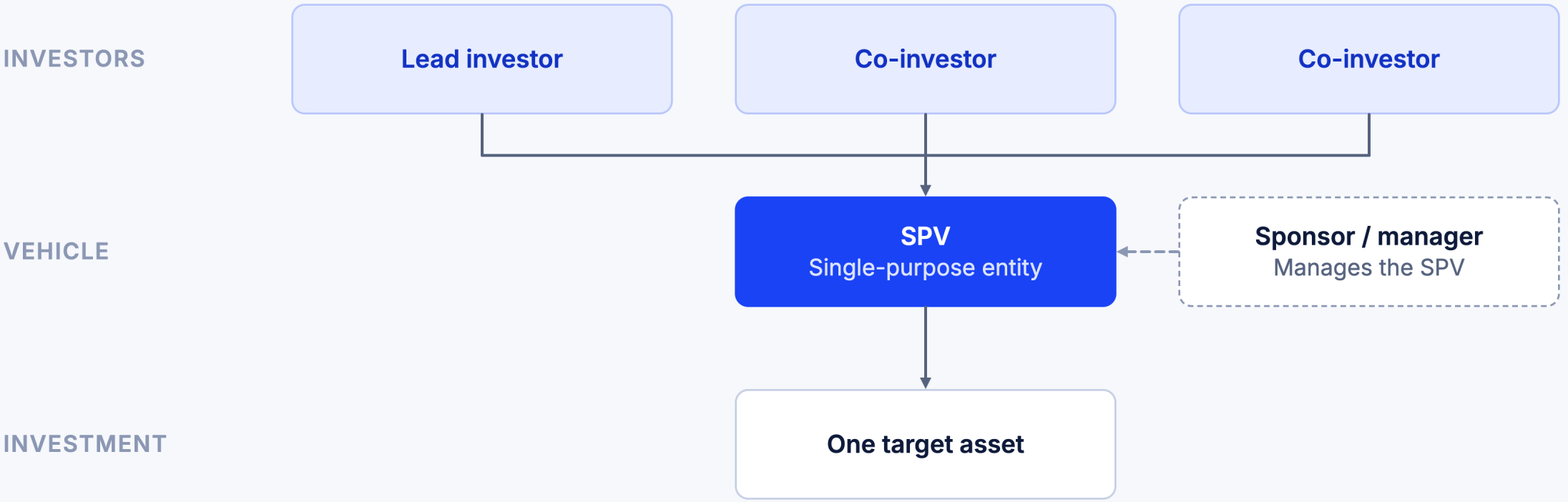
Two or more separate vehicles invest side by side in the same portfolio, on substantially identical terms and pro rata to commitments, differing chiefly in domicile and tax treatment.



04 PRINCIPAL USE: SINGLE ASSET OR TRANSACTION

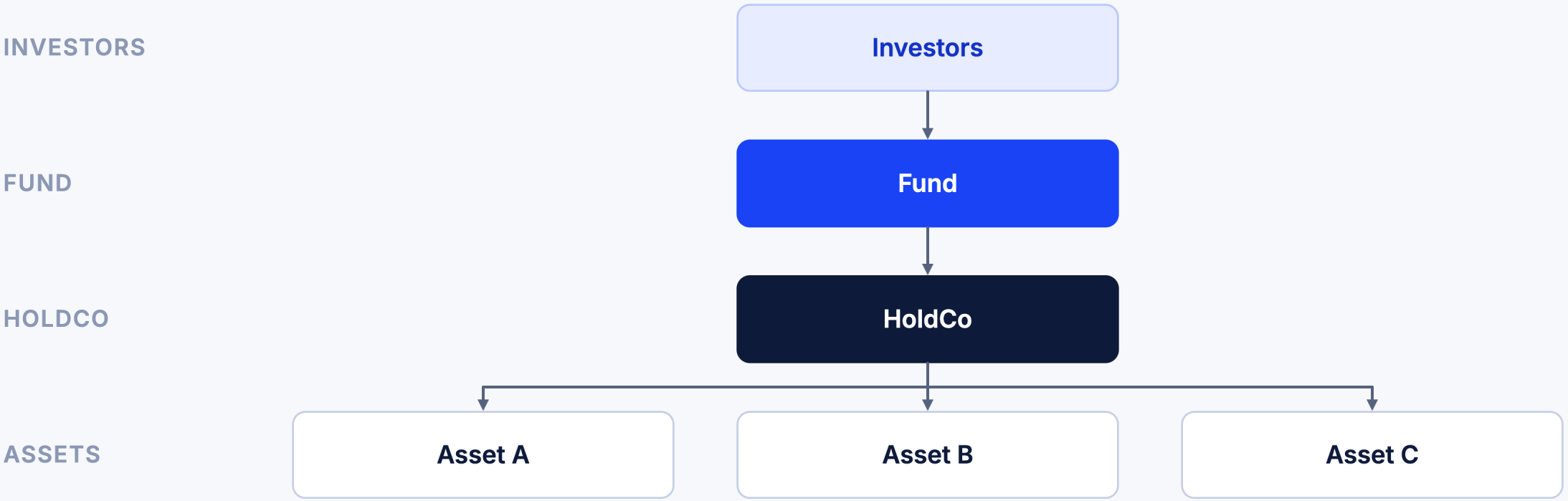
Special Purpose Vehicle

A separate legal entity, usually a company or LLP, formed solely to acquire and hold a single investment, so that the asset, its liabilities and its investors are ring-fenced from all others.



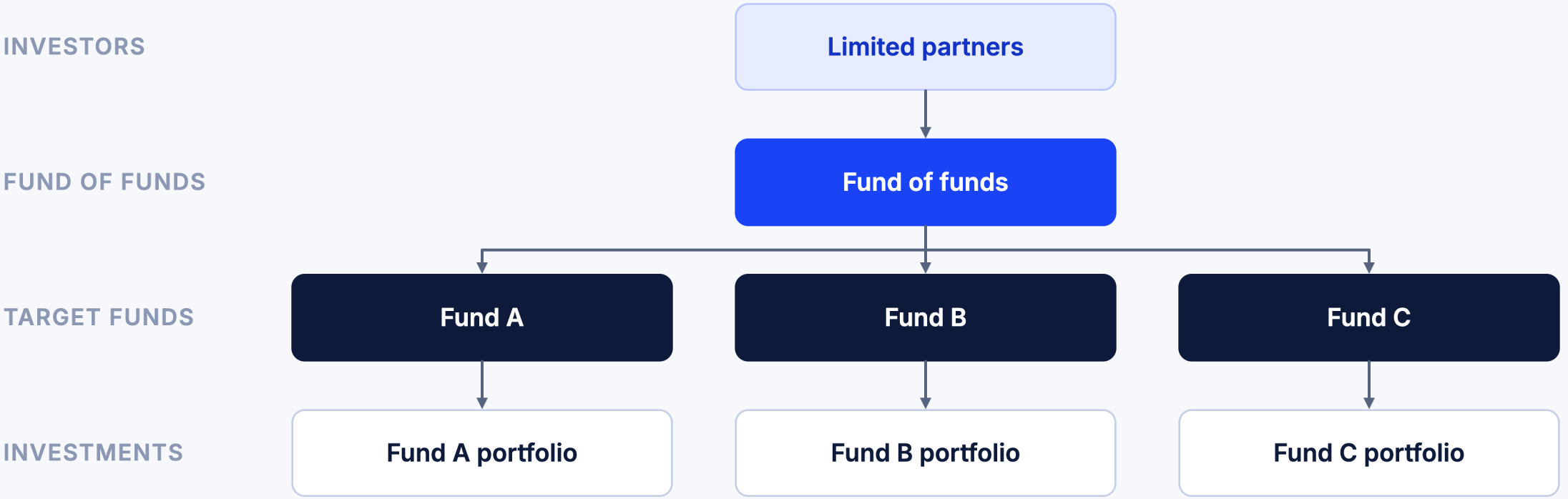
Holding Company

An intermediate holding entity interposed between the fund and its underlying assets, to consolidate ownership and to facilitate tax and governance arrangements.



Fund of Funds

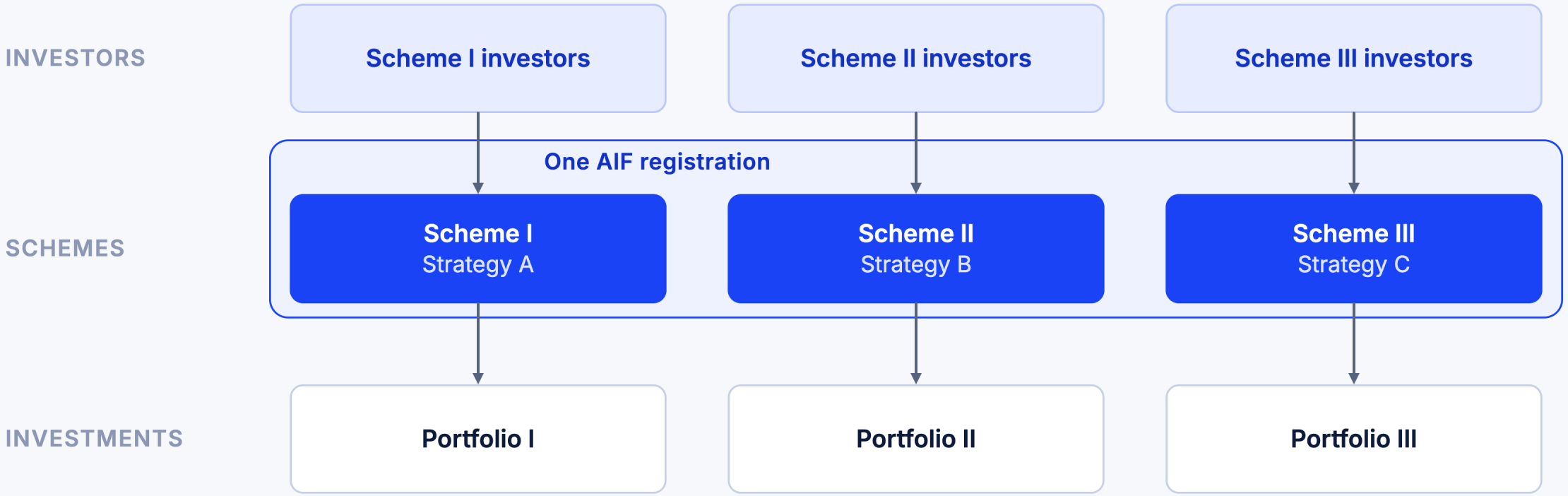
A vehicle that commits its capital to other investment funds rather than to operating companies, affording its investors diversification and manager selection.



07 PRINCIPAL USE: MULTIPLE STRATEGIES OR SCHEMES

Umbrella Fund

A single fund vehicle comprising multiple segregated schemes, each with its own strategy, investors and portfolio, permitting a new scheme to launch without a new fund.



GP-LP Structure

A limited partnership in which the general partner manages the fund with unlimited liability, and limited partners contribute capital with liability capped at their commitment.

