

# Fund Finance Friday



## This Week in Fund Finance

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Anecdotal reports that private equity fundraising remains off a good bit so far in 2019 continues to diverge with fund finance. Our preliminary data shows both lender commitments and Cadwalader fund finance lawyer hours accruing at a clip in double-digit excess compared to the same period in 2018. The London market appears particularly robust; our team there is working on a wide variety of interesting matters. We have visibility into a number of large second quarter fundraises so it would not surprise me if the formation side data starts to creep back upwards.

Congratulations to Jennifer Choi and ILPA for publishing their ILPA Principles 3.0. I finished reading them this week and a lot of work clearly went into the production. While the new Principles did not expressly adopt many of the Fund Finance Association's suggestions, I was pleased to see express recognition that the guidance provided is not a "one-size-fits-all" checklist appropriate for all funds, but rather a jumping off point for discussion as applied to any particular fund. I was also pleased to see clear distinctions between subscription facilities and NAV facilities. The actual substance around Subscription Facilities is quite succinct and largely continues to focus on transparency and disclosure. Some of the items the Fund Finance Association recommended be removed from the original guidance (that subscription facilities cause "liquidity risk," no pledge of investments, etc.), was not repeated. There are still some substantive recommendations that I'm certain the FFA will have pointed views on, but I do not see the updated Principles being disruptive to our markets. (If you missed it, the updated Principles are available [here](#); *PEI* press coverage about their treatment of subscription facilities is available [here](#); *Institutional Investor* coverage is available [here](#).)

The Fund Finance Association this week released an updated curriculum for FFA University (available [here](#)), which takes place September 17 and 18 in New York. A great group of really senior market participants have agreed to volunteer as instructors and session facilitators. Please consider sending a few of your newer team members. To register, click [here](#).