

FUND FINANCE FRIDAY

Recommended Reading

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- Increased use of NAV lending for the purpose of recapitalizing investments or pursuing new opportunities may be a possible response to the coronavirus outbreak. Additionally, GPs may consider paying down credit lines early in case LPs encounter liquidity issues, according to a [recent article](#) published by *PEI*.
- Navigating potential conflicts of interest, fiduciary duties, regulations and ethical considerations are among the reasons funds may consider involving an advisor in vetting the financing process and deal terms, according to a recent [write-up](#) by Fund Finance Partners.
- PE and VC funds will most immediately be focused on protecting existing portfolio companies and investments. Certain lenders may already be proactively reaching out to borrowers to assess and service their capital needs. LPs may not be fully prepared for the operational demands of increased capital call activity, which may require funds to telegraph capital calls well in advance. More on these points [here](#) in a report by attorneys at Taft Stettinius & Hollister LLP.