

SBCERS

Santa Barbara County Employees' Retirement System

DATE: April 24, 2024

TO: SBCERS BOARD OF RETIREMENT

FROM: SBCERS Investment Staff

RE: **Board Education – Private Equity Fund Basics**

Recommendation

That the Board of Retirement receive and file the Private Equity Fund Basics: Structure, Documents, and Negotiation presented by SBCERS Investment Counsel Russell Terry of Reicker, Pfau, Pyle & McRoy, LLP.

Summary

The education is presented by Russell Terry of Reicker, Pfau, Pyle and McRoy, LLP. Russell's role is to assist the legal and investment teams in negotiating legal contracts for SBCERS investments. During his tenure with SBCERS, he has negotiated contract terms for Private Credit investments, most recently KKR Direct Lending Fund and Ares Pathfinder Core Fund. Russell has also negotiated Investment Manager Agreements (IMAs) for SBCERS' Private Equity and Private Real Estate Discretionary Mandates with Hamilton Lane.

This education focuses on Private Equity Funds and their structure. Private Equity Funds are typically structured as Limited Partnerships. While each Limited Partnership is unique to itself, there are many common features. Russell will discuss basic components of the limited partnerships and how long they last. Next, he will discuss how the funds are structured to accomplish the needs of various investors and review key partnership terms. Finally, Russell will discuss SBCERS unique contract requirements and the approaches that SBCERS uses to negotiate those requirements.

Attachments

- SBCERS – PE Fund Basics