



UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
100 F STREET, NE  
WASHINGTON, DC 20549-7030

File No.:

Information  
Request



DELIVERY VIA EMAIL

Chief Compliance Officer

Re: SEC Examination of

Dear

The Office of Compliance Inspections and Examinations of the U.S. Securities and Exchange Commission is examining certain investment advisers with respect to their compliance and supervisory practices to prevent violations of the securities laws. These examinations are particularly focused on the due diligence processes employed when investment advisers evaluate alternative investment options. For purposes of this review, "alternative investment" includes private equity, venture capital, fund of funds, hedge funds, and the like.

The staff intends to commence an examination of the above referenced entity ("Registrant") on

This inspection is being conducted pursuant to Section 204 of the Investment Advisers Act of 1940. Additional information about compliance examinations and the examination process is included in the enclosed "*Examination Information*" brochure (SEC Form 2389). Also enclosed is information regarding the Commission's authority to obtain the information requested and additional information: "*Supplemental Information for Regulated Entities Directed to Supply Information Other Than Pursuant to a Commission Subpoena*" (SEC Form 1661).

Please make available personnel who are knowledgeable with respect to the investment and operational due diligence process and any surrounding controls. These individuals will include, for example, the Chief Compliance Officer, any middle and back-office personnel responsible for performing initial and ongoing research related to underlying investments, any person responsible for reviewing and/or making decisions on such research information, and the head of Registrant's investment committee.

Enclosed is a list of certain documents and information that the staff wishes to review during our on-site inspection at Registrant's place of business. Additional documents may be requested during the course of our review. Please have these documents ready upon the staff's arrival to your offices.

In order to facilitate the examination process, the staff would like to review certain of these documents prior to the commencement of fieldwork. Please provide a copy of the following items to the undersigned via email or mail as soon as possible, but no later than . (Please reference the attached request list for a full description).

- Item I.A - Registrant's organizational chart
- Item I.D - The most recent Form ADV Part II
- Item I.E - Compliance policies and procedures
- Item I.G - Trade blotter for alternative investments
- Item I.J - A list of Committees utilized and their respective functions
- Item II.A - Information regarding private funds
- Item III.A - Due diligence policies and procedures
- Item III.B - A list of staff that participates in the due diligence process
- Item III.C - A list of third parties relied upon for any portion of the due diligence process and a description of the services provided
- Item III. D - A list of alternative investments reviewed for possible investment since ,
- Item III. F - A copy of any written questionnaire utilized when obtaining information regarding potential investments
- Item III. G - A copy of a recently completed due diligence report

Please provide all of the information specified in the enclosed information request list to the staff on the first day of the on-site examination. To the extent possible, please provide items in an electronic format. If you become aware of the need for delay in the production of any requested information that extends beyond the first day of the on-site examination, please immediately contact the undersigned at

As part of our pre-examination planning process, we actively coordinate examination oversight to ensure, to the extent practicable, that regulatory efforts are not duplicative. If you have any concerns in this regard, please contact us.

Sincerely,

Enclosures:

Examination Information Request List  
Examination Information Brochure (Form 2389)  
Supplemental Information (Form 1661)

## Examination Information Request List

### Examination Period

Information is requested for the period \_\_\_\_\_ through \_\_\_\_\_ (the “Examination Period”).

### Organizing the Information to be Provided

In order to efficiently process the material assembled for the staff’s review, please group the information so that it corresponds to the item number in the request list. If information provided is responsive to more than one request item, you may provide it only once and refer to it when responding to the other request item numbers. If any request item does not apply to your business, please indicate “N/A” (not applicable).

### Information to be Provided

#### I. General Information

- A. Registrant’s organization chart showing ownership percentages of Registrant and control persons and a schedule or chart of all affiliated entities. Include all entities that are commonly controlled by, or under common control with, Registrant.
- B. Any threatened, pending and settled litigation or arbitration involving Registrant or any “supervised person” (if it relates to the individual’s association with the adviser or a securities-related matter) including a description of the allegations, the status, and a brief description of any “out of court” or informal settlement. Note that “supervised person” is any partner, officer, director (or other person occupying a similar status or performing similar functions), or employee of an investment adviser, or other person who provides investment advice on behalf of the investment adviser and is subject to the supervision and control of the investment adviser (defined in Section 202(a)(25) of the Advisers Act).
- C. Names of any joint ventures or any other businesses in which Registrant or any officer, director, portfolio manager, or trader participates or has any interest (other than their employment with Registrant) and include information regarding each relationship.
- D. Form ADV Part II furnished to clients during the examination period and any disclosure document used in conjunction with or in lieu of Part II.
- E. Compliance policies and procedures that were in effect during the examination period.
- F. Provide the information below for all advisory clients. The preferred format for this information is in Excel.
  1. the Account number, name and current balance, as of \_\_\_\_\_,

2. whether the client is a related person, affiliated person, or a proprietary account;
  3. the type of account (e.g., individual, defined benefit retirement plan, registered fund, or unregistered fund);
  4. the account custodian and location;
  5. whether or not Registrant has discretionary authority;
  6. the investment strategy (e.g., global equity, high-yield, aggressive growth, long-short, or statistical arbitrage) and the performance composite in which it is included, if any; and
  7. the Account portfolio manager(s).
- G. A trade blotter (*i.e.*, purchases and sales journal) that lists transactions in alternative investments for: current and former clients; proprietary and/or trading accounts and access persons. The preferred format for this information is to provide it in Excel as indicated in Exhibit 1.
- H. Registrant's and affiliates' Code of Ethics and insider trading policies and procedures.
- I. Any fee splitting or revenue sharing arrangements.
- J. A list of committees utilized and their respective functions.

## II. Privately Offered Funds

- A. Please provide the following information for each private investment fund that Registrant, an affiliate, or any related person thereof has formed, managed, or has any interest:
1. Name.
  2. Investment strategy (e.g., long-short or statistical arbitrage). Specifically identify if the fund is a fund-of-funds.
  3. Number of investors and total assets as of \_\_\_\_\_ ; and \_\_\_\_\_
  4. Amount, if any, of Registrant's equity interest in each fund as of \_\_\_\_\_ and \_\_\_\_\_
  5. Amount, if any, of Registrant's affiliated persons' interest as of \_\_\_\_\_ and \_\_\_\_\_
- B. For each private fund, please provide the following:
1. Private placement memorandum/offering documents and operating agreements (e.g., partnership agreement).
  2. Financials, audited or un-audited, for its two most recent fiscal year ends.
  3. General ledger, separated by calendar year, underlying the above-referenced statements.
  4. Names of current investors, including total current value of each investor's equity interest in the fund.
  5. Dates and amounts of purchases and redemptions during the Examination Period.
  6. Name and contact information for the fund's custodian, administrator, and auditor.

- C. A copy of any side letters associated with any of the alternative investments in which you or your fund of funds has been invested.
- D. **An electronically formatted** cross-reference, stock record, or securities position record of all securities holdings, by fund, as of . This list should show the name of each security and the number of shares or principal amount held.
- E. Information regarding any complaints received from clients/fund shareholders/investors during the inspection period and a description of how each complaint was resolved.

### III. Due Diligence Process

- A. Any written policies and procedures regarding the process for vetting candidates for initial investment and periodically reviewing investments held (due diligence processes).
- B. A list of staff that participates in the due diligence process regarding potential alternative investments.
- C. A list of any third-parties relied upon for any portion of the due diligence process and a description of the services provided.
- D. A list of alternative investments reviewed for possible investment since
- E. A list of alternative investments that were reviewed since but were rejected and no investment was made by you or the fund of funds. Please include a brief description regarding the reason for rejection.
- F. A copy of any written questionnaires utilized when obtaining information regarding potential investments.
- G. A sample of a recently completed due diligence report.
- H. If not otherwise covered in your policies and procedures, copies of all training, guidance, and educational materials provided to employees regarding the due diligence process.
- I. If not included in Registrant's policies and procedures and provided in response to other requests, a description of any tests (quality control and forensic) that Registrant uses to determine that its policies and procedures have been implemented effectively as they relate to the due diligence process.
- J. Any written agreements/confidentiality agreements Registrant has entered into with respect to an underlying fund investment and the transparency received with respect to that fund's holdings.
- K. A list of any alternative investments that were removed from the portfolio during the examination period and a brief explanation for the divestiture. Please be sure to include

divestitures resulting from a decrease in the flow of information agreed upon at the time of the investment.

L. A description of any software/technology used in the due diligence process.

#### **IV. Marketing**

A. All pitch books, one-on-one presentations, pamphlets, brochures, and any other promotional and/or marketing materials furnished to existing and/or prospective investors or clients for each investment strategy and/or mandate.

B. All requests for proposals (“RFPs”) completed.

C. Names of all third-party consultants for which Registrant provided responses to questionnaires.

#### **V. Financial Records**

A. Registrant’s balance sheet, trial balance, income statement, and cash flow statements as of the end of its two most recent fiscal years and the most current year to date.

B. Registrant’s cash receipts and disbursements journal.

C. Registrant’s general ledger and chart of accounts.

D. Any loans from investors or clients to Registrant or sales of Registrant’s or any affiliate(s) stock to clients.

