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**PRIVATE FUND ADVISORY SERVICES**

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*RRS* understands that Private Fund Advisors have unique and varied business structures and therefore, unique and varied compliance needs. In addition, Private Fund Advisors are currently under the microscope with the SEC focusing on such advisors and their practices related to marketing; portfolio management; conflicts of interest; fee and expense disclosure; safety of client assets; and valuation.

*RRS* provides another set of eyes or hands when it comes to testing your Compliance Program or working with you to implement and support your Compliance Program. *RRS* offers customized solutions to help your firm meet these requirements. Whether you want a high-level review to supplement your own internal reviews, an independent detailed forensic and transaction level review, or ongoing compliance support, *RRS* can help.

More specifically, *RRS* can help review or test in the following hot topic areas:

**Marketing**

- *RRS* can review the firm's procedures for soliciting investors for the funds you manage to ensure compliance with state and federal securities laws and regulations.
- *RRS* can review and test the firm's disclosure documents and marketing materials (including performance figures) for compliance with state and federal securities laws and regulations.
- *RRS* can review the firm's website and use of social media for compliance with state and federal securities laws and regulations.
- *RRS* can review the firm's use of placement agents or solicitors for compliance with state and federal securities laws and regulations.

**Portfolio Management**

- *RRS* can review the firm's procedures related to portfolio management, including the allocation of investment opportunities (including co-investment) and consistency of portfolios with the investment objectives established in the fund disclosures, and other applicable portfolio restrictions.
- *RRS* can test the firm's portfolio management processes, including the allocation of investment opportunities and consistency of portfolios with the investment objectives established in the fund disclosures, and other applicable portfolio restrictions.

**Conflicts of Interest**

- *RRS* can conduct a regulatory risk assessment to review the procedures and controls used by the firm to identify, mitigate, and manage real and potential conflicts of interest in areas such as: allocation of investments, fees, and expenses; sources of revenue; payments made by private funds to advisers and related persons; employees' outside business activities and personal securities trading; and transactions by advisers with affiliated parties.
- *RRS* can review the adequacy of the firm's disclosures of conflicts of interest.

**Fee and Expense Disclosures**

- *RRS* can review the firm's offering documents and other disclosures for adequacy of fee and expense disclosure.
- *RRS* can test the firm's process for calculating fees and allocating expenses in accordance with disclosure documents and fund management agreements.

### Safety of Client Assets

- *RRS* can review the firm's custody procedures, including requirements for independent audits, for adequacy and compliance with state and federal securities laws and regulations.
- *RRS* can test the firm's internal controls for safeguarding of client assets from conversion or inappropriate use by advisory personnel.

### Valuation

- *RRS* can review the firm's valuation procedures for adequacy and compliance with state and federal securities laws and regulations.
- *RRS* can test the firm's processes to value client holdings and assess advisory fees based on such valuations.
- *RRS* can review the firm's disclosure documents and fund management agreements for adequate disclosure of the firm's valuation process.

### **ABOUT RRS**

*Renaissance Regulatory Services, Inc.* provides comprehensive compliance and operational consulting and support services to broker-dealers and investment advisers. Specializing in compliance audits, written supervisory procedures and internal controls, *RRS* provides the experience and insight to meet all your compliance needs. Our services are customized to fit your firm's operations, and in most cases are performed on site. *RRS'* staff and partners are former regulators and compliance professionals who have extensive experience with SEC, FINRA, NYSE and state rules and regulations.

**Manage Through Change** – *RRS* is founded on the premise that the financial services industry is constantly changing. New products and services, changing regulations and globalization create unique issues in compliance and operations for firms of all sizes and business models. In order to *Manage Through Change*, firms must have the ability to quickly recognize and respond to the compliance and operational challenges that arise. *RRS* supports firms in this mission by providing comprehensive compliance and operational solutions in a customized format. Let *RRS* help you *Manage Through Change*.

### **CONTACT US**

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