



Private Equity Guide: COVID-19
Private Equity Firms and Portfolio Companies

Presented by Efren Acosta and John Kaercher
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INTRODUCTION

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Overview

- **COVID-19**
 - Unprecedented market disruption and business interruption
 - Shelter-in-place orders
 - Risks and opportunities abound
- **Agenda**
 - Considerations for Private Equity Funds
 - Considerations for Portfolio Companies
 - US Government Financial Assistance Initiatives
 - Working Remotely

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PRIVATE EQUITY FUNDS

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New Investments

- **Investment Limitations**
 - Fund sponsors should consider limitations contained in fund partnership agreements including:
 - Concentration limitations
 - Restrictions on investments in particular types of securities
 - Leverage, bridge financing and guarantee limitations
 - Geographic restrictions/limitations
 - Restrictions on investments in funds-of-funds
 - Restrictions on investments in publicly-traded securities
 - Public Securities
 - Investing in Distressed Companies/Concentration Limitations
 - Recycling Capital/Follow-on Investments
- **Access to Capital**
 - Tightening of markets may restrict sponsors from satisfying leverage limitations
 - Consider alternative forms of financing (preferred or mezzanine equity securities, swaps, margin loans, etc.)

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Also available as part of the eCourse

[Private Equity Guide - COVID-19: Private Equity Firms and Portfolio Companies.](#)

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