

# PRIVATE EQUITY

FUND ADMINISTRATION



# Horseshoe

An Artex Company



Success is a team effort.  
Choose the right team.

[www.horseshoeglobal.com](http://www.horseshoeglobal.com)

## Dear valued business partners,

Data transparency, increased investor reporting demands, expanded financial disclosures, augmented governance and regulatory compliance have become the new reality in the Private Equity (PE) industry. Fully recognizing these challenges and catering to the specific needs of every PE manager and their investors, sets Horseshoe apart.

We provide immediate turnkey solutions for all PE fund administration needs. Our PE team has stepped into the role of partner, assisting clients with valuation, risk analysis and regulatory compliance, as well as with investor due diligence and reporting functions.

Owned by Artex Risk Solutions, a subsidiary of Arthur J. Gallagher & Co. (AJG), we have the resources, the know-how and infrastructure to continually enhance our service offerings to meet the current and future challenges of this fast-paced industry. Our in-depth knowledge of PE, complemented by technology that is both innovative and flexible and unparalleled client service, have made us the administrator of choice for many PE managers, who are seeking solutions and added value.

We go the extra mile to solve our clients' needs and we take pride in becoming a trusted partner for every PE client we take on.

We look forward to the opportunity of working with you and helping you to succeed.

Yours truly,



**Brian Desmond**

Executive Vice President, Head of Fund Services

# ABOUT HORSESHOE

- ✓ Horseshoe (an Artex Risk Solutions company, wholly-owned by Arthur J. Gallagher & Co) is a leading financial services provider, dedicated to alternative fund markets and focused on adding value to its clients.
- ✓ Through the talent of our people, outstanding client service and innovation, we continue to be a leader in the fund administration industry and a partner of choice to clients who are seeking solutions.
- ✓ We service over 165 clients and administer in excess of \$31 billion, from our operating offices in Bermuda, Cayman Islands, United States, Ireland and London.
- ✓ We have built our infrastructure, systems and controls around institutional standards, but we are nimble and progressive enough to act quickly in this ever changing industry.
- ✓ Much has changed in the Fund Administration industry, but one thing that will never change for Horseshoe: Commitment to client success and outstanding client services will always be our top priority.
- ✓ We do not tick boxes. We craft solutions and structures specific to our client's needs, enabling them to remain competitive in this ever-changing industry.

## THE PE UNIVERSE WE SERVICE

- ✓ Private Equity
- ✓ Private Equity Fund of Funds
- ✓ Venture Capital
- ✓ Venture Capital Fund of Funds
- ✓ Infrastructure & Real Assets
- ✓ Hybrid Structures
- ✓ Co-Investment
- ✓ Buy-Outs
- ✓ General Partner

## MULTI-AWARD WINNER



## OUR PE OFFERING

True achievement to us is how we help our PE clients grow and succeed.

As the pace of change in the PE industry accelerates, we have chosen quality over quantity. We have become the experts of select PE structures and have delivered exceptional solutions to some of the most challenging funds in the alternative space. We work with funds of all sizes, from smaller to multi-billion dollar commitments, covering the entire value chain.

### 1. FUND LAUNCH CONSULTATION & GUIDANCE

Clients leverage our decades of industry experience and institutional support structure to obtain valuable assistance and guidance during the critical fund launch phase.

- Liaise with legal counsel and introductions to custodians, audit firms and independent directors, if requested
- Review fund documents and advise on fund structuring
- Coordinate the investor take on process and manage subsequent close process
- Coordinate regulatory filing requirements
- Develop operational procedures and workflow
- Establish, set up and manage fund bank accounts
- Develop fund and investor reporting packages
- Fund organization expense support
- Set up initial call calculations and letters

### 2. FUND ACCOUNTING & ADMINISTRATION

Our culture of compliance and controls provides our clients with protection and security, mitigating risk and ensuring accuracy.

- Management fee calculation and allocation
- Profit and loss allocation processing
- Calculate investor equalizations
- Review annual investment valuation documentation and procedures
- Calculate IRRs and other performance metrics
- Model and manage carried interest allocation and distribution calculations
- Manage the annual audit process
- Produce data for tax preparation
- Payment of all fund expenses
- Portfolio investment tracking for specific allocations at the GP level
- Track portfolio detail using client-defined metrics
- Track and reconcile underlying investments for fund of funds entities

### 3. FINANCIAL & INVESTOR REPORTING

We have invested in AltaReturn, the leading PE accounting and reporting platform. Our automated ILPA reporting solution is fully integrated with an investor portal to meet the increasing demands of institutional investors. Whether you are looking for best-practice reporting or customized special reporting requirements of private capital funds, we can exceed your expectations.

- Annual and interim financial reporting using ILPA standards
- Investor capital account maintenance and reporting using ILPA standards
- Portfolio performance reporting

### 4. INVESTOR SERVICES

We have designed our client services teams, systems and product offering to meet the ever-increasing demands of the institutional limited partner community.

- Prepare and distribute call notices and distribution notices in ILPA standards
- Monitor receipts for capital calls and communicate outstanding amounts to the fund manager
- Maintain the investor records and respective share and partnership registers
- Process calls and distributions including cash monitoring
- Assist with transfers of ownership interests
- Produce and distribute quarterly and annual reports to investors as required
- Distribute investment management reports to investors as and when required
- Timely response to investor inquiries
- Report to the GP as required

### 5. REGULATORY & COMPLIANCE ASSISTANCE

Clients leverage our infrastructure and commitment to controls to reduce risk and ensure compliance with Automatic Exchange of Information (AEOI) reporting.

#### FATCA and CRS Compliance (Foreign Account Tax Compliance Act and Common Reporting Standards)

- Assist with the development and implementation of a FATCA/CRS compliance program, unique to each client's operating structure
- Prepare a gap analysis of investor classification documentation
- Remediate investor documentation gaps
- Assist with FATCA/CRS registration for foreign entities
- Implement FATCA/CRS investor documentation and withholding procedures
- Implement automated routines to capture and maintain required data and documentation
- Prepare all required FATCA/CRS reports for submission

#### KYC (Know your Customer) & AML (Anti-Money Laundering)

- Assist with the development and implementation of KYC policies and procedures
- Collect and analyze investor identity documentation
- Perform Politically Exposed Person (PEP) screenings
- Perform Enhanced Due Diligence screenings
- Cross-check new investors against the compliance databases, including the Global Sanction List (OFAC), Foreign Official/Publicly Exposed Person List and other global watch lists
- Coordinate ongoing screening of investors against watch lists
- Coordinate responsibilities and procedures with client, external counsel and independent AML service providers

## INNOVATIVE & TECHNOLOGY DRIVEN

As the pace of change accelerates, operational excellence, customization and innovation becomes critical, and this is where Horseshoe continues to grow its brand in the PE fund administration industry. By continuing to invest in leading systems, we ensure our PE clients and their investors benefit from our ability to meet the increasing complexity expected by investors.

Horseshoe has partnered with AltaReturn, a leading provider of cloud based end-to-end business software solutions for our PE clients.

## ABOUT ALTARETURN

A next-generation technology, AltaReturn provides a comprehensive end-to-end solution designed for the Private Equity and Alternative Investment Industry.

Created using Microsoft as the platform technology, AltaReturn, has developed a suite of private equity solutions covering:

- ✓ CRM
- ✓ ACCOUNTING
- ✓ INVESTOR PORTAL
- ✓ PORTFOLIO MONITORING
- ✓ BUSINESS INTELLIGENCE

Deployed on the cloud, these solutions are available as an integrated end-to-end suite or as independently licensed applications.

**AltaReturn** is not only offering our clients operational excellence but it is also providing them with automated ILPA compliant reporting.

# ALTARETURN A NEXT-GENERATION TECHNOLOGY PROVIDING END-TO-END SOLUTIONS TO OUR PE CLIENTS

## INVESTOR PORTAL

Fully customizable Web Portals for communication and collaboration. Based on Microsoft® SharePoint, the AltaReturn Web Portals provide an effective and secure platform for managing client and internal communications and events.

- Dynamic investor reporting
- Performance dashboards
- Secure document delivery and storage
- Fully integrated with accounting and CRM modules

## CRM

Customer Relationship Management solution integrates with the fund accounting and investor portal to form a complete information management platform like no other in the industry.

- Secure, fully customizable information storage of all fund and investor entities
- Fully integrates with accounting and web portal modules



## BUSINESS INTELLIGENCE

AltaReturn Business Intelligence produces, calculates and delivers data for reporting and analysis. It combines Microsoft® SQL Server Reporting Services with a data warehouse for data capture from multiple sources, and includes a calculation engine to define customized calculations and metrics.

- Customizable reports and dashboards
- Powerful calculation engine
- Ad-hoc Query Tools

## PORTFOLIO MONITORING

Portfolio Monitoring solution including data collection, tracking and reporting. Leveraging Microsoft® Dynamics CRM and fully integrated with AltaReturn Accounting, Web Portals and Business Intelligence to provide industry leading portfolio company reporting capabilities.

- Portfolio Data Collection and storage
- Enhanced Portfolio Reporting

## ACCOUNTING

An industry strength, commercial general ledger for Fund and Management Company Accounting leveraging Microsoft® Dynamics NAV, tailored for private equity and Alternative Investment fund managers' specific transaction, processing and reporting needs.

- Automated business process
- Fully ILPA compliance reporting
- Automates investor allocations
- Performance reporting at both fund and investor levels
- Fully integrates with web portal and CRM

# OUR TEAM IS OUR GREATEST ASSET

## Brian Desmond FCA

Executive Vice President, Head of Fund Services  
27+ years of fund industry experience. Previously Head of Country and Head of Operations at Citigroup Fund Services Bermuda.

## Keenan Press CPA, CMA, TEP, CAMS

Senior Vice President, Head of Investor Services  
15+ years of fund industry experience. Previously Head of Implementation at Opus Fund Services and Head of Investor Services at Dundee Leeds.

## Sonja Forester FCCA

Senior Vice President, Fund Accounting  
15+ years of fund industry experience. Previously Assistant Vice President at JP Morgan and Schroders Bermuda Ltd.

## Sally Cann FCA

Senior Vice President, Fund Accounting  
10+ years of fund industry experience. Previously Assistant Vice President at JP Morgan and Schroders Bermuda Ltd.

## Gordon Paterson FCCA

Senior Vice President, Fund Accounting  
15+ years of fund industry experience. Previously Head of Operations at Equinox Fund Services and Team Leader at Citi Fund Services.

## Justin Bregman CPA

Assistant Vice President, Fund Accounting  
10+ years of fund administration industry experience. Previously Manager at Grant Thornton.

## Rodney Davies CA (SA), CISA

Chief Technology Officer  
15+ years of fund industry experience. Previously Head of Operations Support at Citigroup Fund Services Bermuda.

## Paula Cox CBE

General Counsel  
Horseshoe General Counsel with more than 20 years of experience in the Bermuda insurance and reinsurance market and fund administration.

## Jane Lewis

Compliance Officer  
30+ years of fund industry experience. Previously Head of Investor Services and Implementation at Citigroup Fund Services Bermuda.

# WE LEVERAGE ALTARETURN TO MANAGE THE ENTIRE PE FUND LANDSCAPE



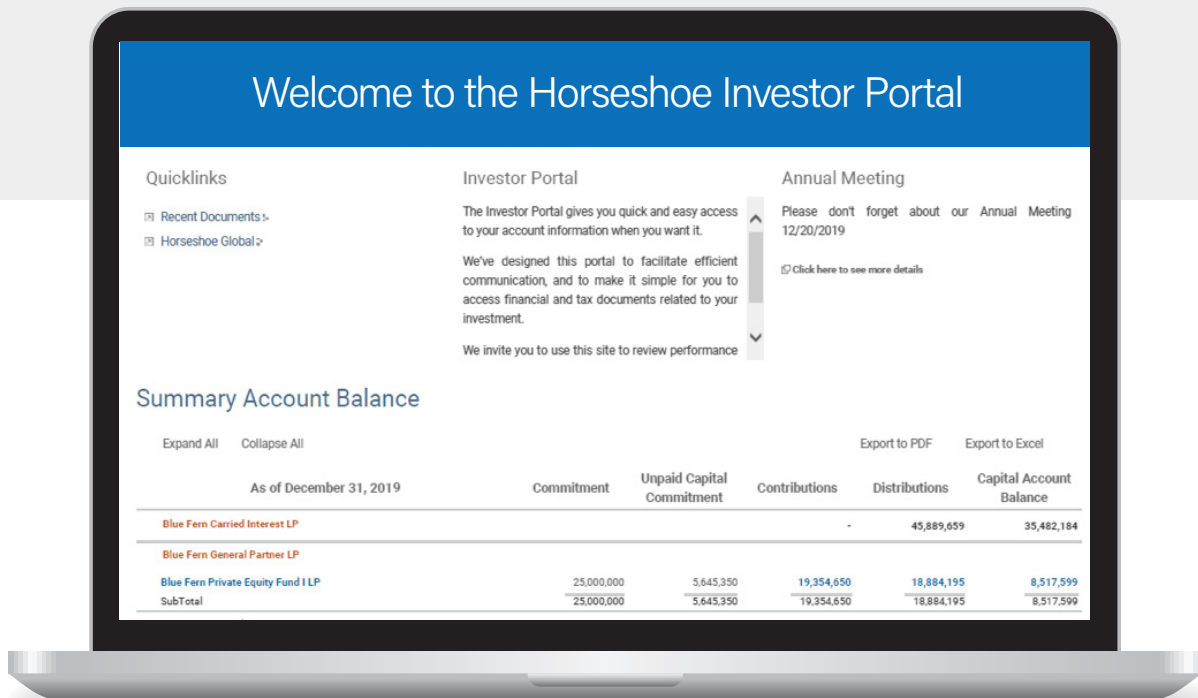


# INVESTOR

## ALTARETURN INVESTOR PORTAL

From investor communication, fund raising, to managing events, our investor platform does it all – anytime, anywhere.

- ✓ Secure investor document delivery and storage portal
- ✓ Private labeling for brand reinforcement
- ✓ Rich set of visuals including highly configurable charts, tables, graphs
- ✓ Secure, two way investor contact management functionality
- ✓ Data downloadable to Excel
- ✓ Real-time monitoring of significant business workflows
- ✓ Included tools to monitor access by users
- ✓ All your data is secure and backed up by redundant servers in multiple locations



# PRIVATE EQUITY FUND

The fully integrated platform provides in-depth fund metric reporting offering a significant value add to our institutional investors.

## Sample Portfolio Executive Summary

As of December 31, 2019  
(Amounts in USD)

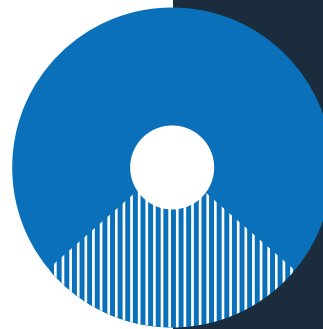
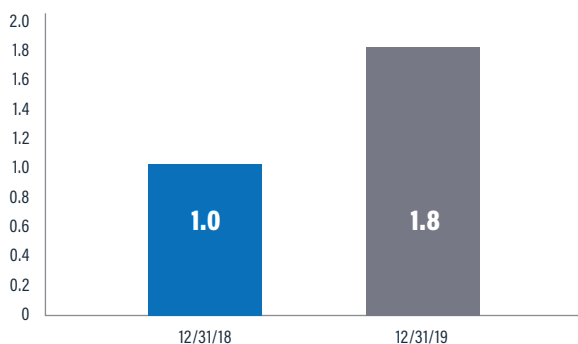
<b>Total Commitments</b> (Commenced at Jan. 01, 2020)	300,000,000
<b>Total Drawdowns Since Inception</b>	232,255,800
<b>Remaining Commitments</b>	67,744,200

<b>Total Number of Portfolio Companies Since Inception</b>	5
Number of Portfolio Companies at Dec. 31, 2019	4

<b>Total Distributions</b>	272,500,000
% of Total Drawdowns	117.0%
% of Committed Capital	91.0%

<b>Key Fund Valuation Metrics</b>	
DPI (Distributions to Paid-in-Capital)	1.2x
RVPI (Residual Value to Paid-in-Capital)	0.6x
TVPI (Total Value to Paid-in-Capital)	1.8x

### Historical Fund Performance (TVPI)

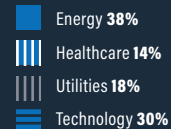


### Portfolio Executive Summary



### Portfolio Breakdown (By Invested Capital)

#### By Industry



### Portfolio Breakdown (By Invested Capital)

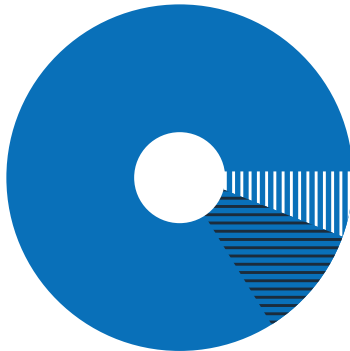
#### By Region



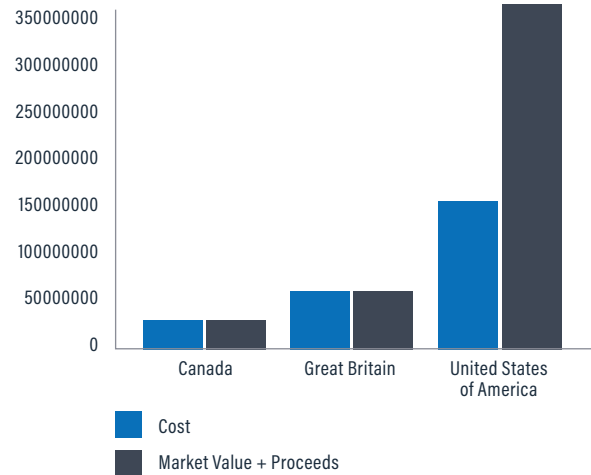
# PORTFOLIO OF COMPANIES

Insight into your holdings has never been easier.

**Total Value by Geography**



**Cumulative Cost vs. Total Value**



## Sample Portfolio Performance Reporting

As of Dec 31, 2019  
(Amounts in USD)

Geography	Cumulative Cost	Realized Proceeds + Income	Assigned Fair Value	Total Value	Appr/ (Depr)	Return Multiple	IRR
<b>Canada</b>	25,000,000	-	22,653,371	22,653,371	(2,346,629)	0.91x	-6.35%
Purple Rose Industries, Inc	25,000,000	-	22,653,371	22,653,371	(2,346,629)	0.91x	-6.35%
<b>Great Britain</b>	42,500,000	-	42,500,000	42,500,000	-	1.00x	0.00%
Green Sky Technologies, LLC	42,500,000	-	42,500,000	42,500,000	-	1.00x	0.00%
<b>United States of America</b>	152,500,000	272,500,000	72,500,000	345,000,000	-	2.26x	96.04%
Orange Seed Fund of Funds LP	52,500,000	1,000,000	52,500,000	53,500,000	-	1.02x	1.65%
Red Grass Technologies LLC	50,000,000	100,000,000	-	100,000,000	-	2.00x	81.61%
Yellow Shrub Industries Inc.	50,000,000	171,500,000	20,000,000	191,500,000	-	3.83x	150.94%
<b>Total</b>	220,000,000	272,500,000	137,653,371	410,153,371	-	1.86x	71.76%

## OUR PROMISE TO YOU

- ✓ HIGH-TOUCH SERVICE MODEL**  
Horseshoe takes pride in its high-touch, high-value services that transform the back office into a center of excellence. Built upon an institutional infrastructure but run as a boutique style, our clients have direct access to the executive team.
- ✓ LEADING TECHNOLOGY**  
Horseshoe is at the forefront of the PE fund administration technology enabling our clients of every size and structure to minimize cost, achieve operational excellence and sustainable growth.
- ✓ EXPERTISE**  
The Horseshoe team has extensive PE knowledge and significant insight into industry standards and best practices.
- ✓ PROVEN CONTROL**  
Benefit from multiple levels of review and significant backup from qualified professionals to significantly improve accuracy and responsiveness.

“

“Bringing Horseshoe on when we launched our inaugural fund six years ago was the single best operational decision we have made as a firm. Horseshoe is truly an extension of our team. The accuracy, responsiveness and thoughtfulness of the entire team at Horseshoe is unlike anything we have ever experienced from a service provider.”

Whitney Rockley, Co-Founder  
**MCROCK CAPITAL**

“Horseshoe Fund Service has a turnkey solution delivered by a highly experienced team. Their offering was integral to our success. We do appreciate the entire relationship with Horseshoe. Truly above and beyond!”

Warren Plunkett, Managing Director  
**SNOWLINE CAPITAL**

“We have worked with the Horseshoe team for the entire life of our Fund and they have been a valued partner for many years. Their industry knowledge, experienced staff and highly responsive approach to client service has been a strong contributor to our success.”

Lana Desmond, Director GP  
**SCHRODER VENTURES INTERNATIONAL  
LIFE SCIENCES FUND II**

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Contact us today



**Brian Desmond** CPA

Executive Vice President, Head of Fund Services

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**Horseshoe**  
An Artex Company

Leading the way with integrated solutions

**INSURANCE  
MANAGEMENT**

**REINSURANCE  
TRANSFORMING**

**FUND  
ADMINISTRATION**

**CORPORATE  
SERVICES**

**ADVISORY  
SERVICES**

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