



ILPA RELEASES CHINESE TRANSLATION OF “PRINCIPLES 3.0” FOR PRIVATE EQUITY INDUSTRY

ILPA Principles Provide Guidance on Best Practices to Strengthen the Position of the Global Private Equity Community

August 12 – (Washington, DC and Shanghai) – The Institutional Limited Partners Association (ILPA), in collaboration with the Limited Partners Association of China (LPACN) and Jingtian law firm, today released an official Chinese translation of the “*ILPA Principles 3.0: Fostering Transparency, Governance and Alignment of Interests for General and Limited Partners*” (*Principles 3.0*). The Principles 3.0 provide best practice guidance for the private equity industry while taking into consideration evolving industry dynamics. These guidelines were formed with input from both limited partners (LPs) and general partners (GPs) and are intended to inform discussions between the two parties as they seek to form partnership agreements and to manage funds.

ILPA’s Principles 3.0 are intended to be actionable, and GPs and LPs will have the opportunity to incorporate them in their day-to-day activities through ILPA issued templates, best practices and guidelines. This third edition of the ILPA principles is unique in that it addresses new and emerging topics such as:

- Fee and Expense Reporting and Reasonability
- Scope of the Fund Audit
- Subscription Lines of Credit
- Co-Investment Allocations
- Notifications and Policy Disclosures: ESG, Code of Conduct & Regulatory Compliance
- Changes in Ownership or Control of the GP
- GP-led Secondaries

ILPA CEO Steve Nelson commented, “The Chinese private equity market is an important feature of the portfolios of many of ILPA members, who span 50 countries today.” He added, “As the market in China continues to grow, it is critical to bring private equity practitioners from the region into the dialogue on industry standards to help formulate and promote best practices for the industry globally. Ultimately this will benefit LPs and the broader private equity ecosystem around the world.”

Maggie Zhang, LPACN Secretary General commented, “LPACN and ILPA’s cooperation on introducing ILPA Principles 2.0 into China private equity market dates back to 2011. It has been widely welcomed and supported by China industry practitioners as well as government regulators. We are pleased to continue our partnership with ILPA on the latest Principle 3.0 and look forward to working together with all parties in this region to promote international best practices and jointly contribute to standardization of the global private equity industry. “

James Wang, private funds practice leader at law firm Jingtian remarked, “Over the past two decades, my team and I have had the opportunity to get involved in over a thousand international and PRC fund projects and are constantly find ourselves caught in the tension of GP and LP. We are very happy to have the opportunity to be commissioned by ILPA to prepare the official Chinese translation of Principles 3.0 and firmly believe it will help build a framework for communication and collaboration for GPs and LPs.”

ILPA's Principles 3.0 and the supporting templates, best practices and guidelines represent a strong foundation for LPs and GPs seeking to work towards the shared goal of a healthy, well-functioning and globally respected private equity industry.

Both the English and Chinese versions of the full document are available for download on the ILPA website ILPA.org. Or you can contact us at principles@ilpa.org or Maggiezhang@lpacn.com.

About ILPA

The Institutional Limited Partners Association (ILPA) engages, empowers and connects limited partners to maximize their performance on an individual, institutional and collective basis. With more than 550 member institutions representing over USD 2 trillion of private equity assets under management, ILPA is the only global organization dedicated exclusively to advancing the interests of LPs and their beneficiaries through best-in-class education, research, advocacy and events. For more information, please visit ILPA.org.

About LPACN

Initiated in September 2008 by leading Limited Partners ("LP") in Asia, LPACN aims to become the most credible non-profit platform of interaction for institutional investors in private equity from China and abroad. Since the foundation of LPACN, more than 100 representatives of leading LP institutions from all around the world were attracted and became members. The combined capital under management of them is in excess of US\$1 trillion. LPACN commits itself to maintaining the common interests of LPs in China, promoting the understanding and cooperation between Chinese and international institutional investors through research, forums and exchange programs, and facilitating a healthy and sustainable development for China's venture capital and private equity industry. For more information, please visit <http://www.lpacn.com/>.