

'34 Act Registered Private Funds

Asset managers are expanding access to alternative investment strategies for private wealth investors through innovative fund structures like '34 Act registered private funds.

Private funds registered under the '34 Act offer traditional and alternative asset managers a flexible structure to deliver differentiated investment solutions to the marketplace. Rising demand for yield, diversification, and return sources less correlated with public markets has fueled growing interest in these funds, which offer high-net-worth and institutional investors access to private market strategies, such as private equity and infrastructure, in a semi-liquid evergreen product structure.

Alternative and traditional asset managers are converging

Advisor Rationale

- Maintain operational flexibility by remaining exempt from the '40 Act.
- Access to permanent capital and higher yields investing in illiquid private assets.
- Continuous offering with regular closings.
- Ability to incur higher leverage, as compared to '40 Act funds.
- Ability to charge differentiated management and performance fees by share class.
- No investor cap. By registering under the '34 Act, these funds can welcome an unlimited number of limited partners as compared to traditional 3(c)(7) funds.

Investor Rationale

- Provide private wealth investors access to alternative strategies.
- Investor transparency, similar to corporate registrants. '34 Act registered private funds file quarterly reports on Form 10-Q, annual reports on Form 10-K and current reports on Form 8-K.
- Periodic liquidity through repurchase offers.
- Access to strategies traditionally less accessible in '40 Act registered fund structures—expanding portfolio diversification and return potential.
- Commonly taxed as a partnership and issue simplified K-1 tax forms.

The Ultimus Advantage

Financial and SEC reporting: comprehensive support of quarterly 10-Q and annual 10-K filings

Real-time access: dashboard access to monitor fund activity, capital movements, and filing status

Recordkeeping and reporting: provides visibility into periodic subscription and redemption windows

Distribution channel connectivity: seamless integration with leading distribution platforms and warehouses

Structuring guidance: support for fund formation and structuring

Ultimus Service Offering

Fund accounting
Fund administration
Statutory distribution
Legal and board support
Transfer Agent and investor servicing

Structure Comparisons

	'34 Act Registered Private Funds	Business Development Company (BDC)	Interval and Tender Offer Funds
Regulatory Registration	Securities Exchange Act of 1934; Exempt from Investment Company Act of 1940. Registration on Form 10.	Investment Company Act of 1940, Securities Act of 1933 and Securities Exchange Act of 1934. Private BDCs do not register with the SEC under the Securities Act of 1933.	Investment Company Act of 1940, Securities Act of 1933, depending targeted investors. Registration on Form N-2.
Investor Access	Limited to qualified purchasers	Listed: no investor limitations Non-traded: accredited investors or retail investors through broker-dealers or RIAs; subject to state suitability / concentration requirements Private: qualified purchasers or accredited investors through private placement offering	No investor limitations; can be restricted to accredited investors or qualified clients. If charging an incentive fee on capital gains, limited to qualified clients.
Tax Treatment	Partnership; K-1s	Regulated Investment Company (RIC) taxation; 1099s	Regulated Investment Company (RIC) taxation; 1099s.
NAV Calculation	Periodic; most frequently monthly	Periodic (monthly / quarterly)	Interval: daily / weekly Tender Offer: periodic (monthly / quarterly)
SEC Reporting	Must file quarterly reports on Form 10-Q, annual reports on Form 10-K and current reports on Form 8-K	Must file quarterly reports on Form 10-Q, annual reports on Form 10-K and current reports on Form 8-K.	Subject to 1940 Act regulations and reporting requirements, including: Form N-CSR, Form N-PORT, and Form N-CEN.
Liquidity Structure	Periodic repurchase offers	Listed: Daily liquidity, traded at market value on secondary market. Non-traded: Often subject to a lock-up period, then periodic share repurchases through a tender offer process at discretion of the board. Private: Limited liquidity, may be subject to long lockup periods. Potential for liquidity events through exchange listing or tender-offers disclosed in PPM	Interval: Repurchase offers required at set interval chosen by fund (quarterly, semi-annually or annually) between 5-25% of outstanding shares. Tender Offer: Periodic repurchase offers at discretion of the Board.
Leverage Limitations	No legal limit	200% Asset Coverage (150% subject to certain board / shareholder approvals)	300% asset coverage for debt / 200% asset coverage for preferred stock.
Fee Structure	Base management fee and performance fees on income, as well as realized and unrealized capital gains; able to charge different management and performance fees by share class.	Base management fee and two-part incentive fee based on income and capital gains.	Base management fee and incentive fee on income only; incentive fee on capital gains permitted only if offering limited to qualified clients.

Tailored Solutions for Diversified Operational Needs

Administering a '34 Act registered private fund involves supporting a hybrid structure that blends private fund accounting solutions with '34 Act public reporting requirements. These funds require compliance with ongoing SEC filing and disclosure obligations, including Form 10-Q, Form 10-K, and Form 8-K, demanding experienced operational professionals and advanced systems capable of providing SEC reporting solutions, XBRL tagging, US GAAP financial statements and transfer agency integration and connectivity across custodians and distribution platforms capable of supporting high volumes of investors.

- SEC reporting: preparation of periodic filings, auditor coordination, and legal team integration for accurate and timely SEC submissions
- Enhanced recordkeeping: shareholder and beneficial ownership tracking with timely updates to registries and transfer agency systems
- Partnership accounting: specialized accounting procedures to manage partnership structures
- Management and performance fees: class-level management and performance fee tracking
- Schedule K-1 preparation and delivery: coordination with tax professionals to generate K-1s

Contact us

We understand that each investment manager has distinct business circumstances. Therefore, we provide customized solutions to meet your specific business needs and fund strategy requirements.

Ultimus Fund Solutions, LLC provides fund distribution services through its affiliated broker-dealers: Ultimus Fund Distributors, LLC, and Northern Lights Distributors, LLC. Each of which is a registered broker-dealer and member of FINRA. Investments in interval and tender offer funds involve significant risk and are not suitable for all investors. Investments in these types of funds are illiquid and are not suitable for shareholders who need access to the money they invest. Because investors cannot readily sell their shares, they will not be able to reduce their investment exposure during market downturns. 20260710-5738460 COD00001044