

Adviser's Client	Assets Under Management		
	<i>\$150,000,000 or more</i>	<i>\$150,000,000-\$100,000</i>	<i>\$100,000,000 or less</i>
<i>Venture Capital Fund</i>	Must register with the SEC.	<ul style="list-style-type: none"> • May register with the SEC. • If not SEC registered must register with CA or rely on the Private Fund Exemption. 	<ul style="list-style-type: none"> • Must register with CA or rely on the Private Fund Exemption.
<i>3(c)(7) Fund</i>	Must register with the SEC.	<ul style="list-style-type: none"> • May register with the SEC. • If not SEC registered must register with CA or rely on the Private Fund Exemption. 	<ul style="list-style-type: none"> • Must register with CA or rely on the Private Fund Exemption.
<i>3(c)(1) Fund</i>	Must register with the SEC.	<ul style="list-style-type: none"> • May register with the SEC. • If not SEC registered must register with CA or rely on the Private Fund Exemption. • Private Fund Exemption only available if the fund meets additional requirements.* 	<ul style="list-style-type: none"> • Must register with CA or rely on the Private Fund Exemption. • Private Fund Exemption only available if the fund meets additional requirements.*
<i>Separately Managed Account</i>	Must register with the SEC.	<ul style="list-style-type: none"> • Must register with SEC or register with CA. 	<ul style="list-style-type: none"> • Must register with CA.
<i>Separately Managed Accounts and Pooled Investment Vehicles</i>	Must register with the SEC.	<ul style="list-style-type: none"> • Must register with SEC or register with CA. 	<ul style="list-style-type: none"> • Must register with CA.

* The additional requirements for advisers advising 3(c)(1) funds include:

- All investors in the fund must either (i) be “accredited investors” as defined in Regulation D of the Securities Act of 1933, as amended; (ii) be managers, directors, officers or employees of the adviser; or (ii) have received the fund interest via a transfer not involving a sale.
- Advisers may only charge performance fees to those investors that meet the definition of “qualified client” as defined in the Investment Advisers Act of 1940; and

California Private Fund Exemption

www.hedgefundlawblog.com

- Advisers must provide each investor with annual audited financial statements of the fund within 120 days after the end of each fiscal year; provided, however, advisers who begin operations more than 180 days into a fiscal year may include the audit of the initial fiscal year in the fiscal year immediately succeeding the initial fiscal year.