

BFA Attorneys Publish Article in April 2023 Edition of The NAPPA Report

BFA attorneys Javier Bleichmar, Erin Woods, Ross Shikowitz, and Thayne Stoddard recently authored an article titled *Examining Potential Conflicts of Interest in the Private Equity Industry During an Uncertain Market*, which was published in the April 2023 NAPPA (National Association of Public Pension Attorneys) Report.

The article examines concerns regarding private equity valuations and transactions in light of recent downward trends in financial markets. Regulators and investors are increasingly concerned that private equity firms may be misvaluing portfolio companies: (i) to avoid reduced fees resulting from write-downs or write-offs, and (ii) to sell those companies to affiliated funds—often backed by the same investors as the original funds—at inflated prices through the use of continuation funds. The article provides suggested affirmative steps that investors may take under their investment agreements and during diligence to address potential concerns.

For more information, please contact us. The article is available in the link to the right. The full report is available to NAPPA members through NAPPA's website, www.nappa.org.