

KKR Forms Joint Venture with iCapital to Create New Registered Investment Adviser

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The Firm represented Kohlberg Kravis Roberts & Co. L.P. (“KKR”) in connection with its entering into a joint venture, through a wholly-owned subsidiary, with Institutional Capital Network, Inc. (“iCapital”), a financial technology company that provides tech-based solutions for advisors, their high-net-worth client base, asset managers and banks. The joint venture creates a new registered investment adviser, iCapital Registered Fund Adviser LLC (“iCapital RF Adviser”), a Delaware limited liability company, that will serve as the investment adviser to iCapital KKR Private Markets Fund (formerly known as Altegris KKR Commitments Master Fund), a Delaware statutory trust registered under the Investment Company Act of 1940, as amended, as a diversified, closed-end management investment company (the “Fund”).

The Fund was launched in August 2015 and makes capital commitments of at least 80% of its assets in or to investments of any type sponsored or advised by KKR or any of its affiliates. The Fund has current net assets of \$430 million across nearly 400 underlying portfolio companies in buyout, growth equity and real asset strategies as of December 31, 2020.

Under the transaction documents, KKR owns economically less than 25% of iCapital RF Adviser, and iCapital, through a wholly-owned subsidiary, owns more than 75% of iCapital RF Adviser. iCapital is solely responsible for the management and day-to-day operations of iCapital RF Adviser and holds 100% of its voting interests. The transaction documents were entered into on February 12, 2021, and the transaction closed the same day.

The Simpson Thacher team included Rajib Chanda, Benjamin Wells and Debbie Sutter (Registered Funds); Matthew Rogers and Ryan Williams (M&A); Marcy Geller and Joseph Tootle (Tax); and Lori Lesser (IP).

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