

# Welcome to FundWave.

Fund administration doesn't need to be overwhelming. This guide will help you get your first fund running on Fundwave.

In this guide, you will learn how to:

- Create a fund, its partnerships, investors and assets
- Define management fees, carry and equalization policies
- Allocate capital transactions and generate capital call notices
- Prepare and send quarterly NAV statements
- Understand the available reports and visualize your data.

If you have questions that aren't answered here, feel free to contact us at [support@getfundwave.com](mailto:support@getfundwave.com). Now, let's get started.

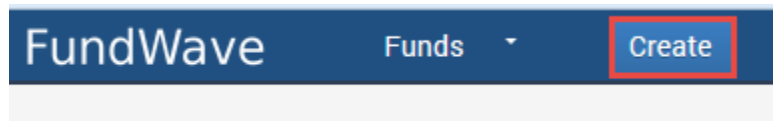
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# Create a Fund

You can work with as many funds as you have in your FundWave instance, though you always work with a single fund to avoid unintended changes.

Follow these simple steps to create a fund.

1. Click on the 'Funds' Dropdown menu on the header bar at the top of the screen to check if the fund already exists. If not, click the 'Create' button.



2. Fill out the information on your screen and click 'Add Fund'. You can modify most details later if you need to.

**Fund Details**

**Name**   
Enter the name of the fund, not the name of the legal fund within the fund.

**Currency**   
The base currency of the fund.

**First Close Date**   
The first close date of the fund.

**Closing Date**   
The final closing date of the fund if the fund is already closed

**Commitment End Date**   
The commitment End date of the fund if you know it

**Determination Date**   
The planned end of life of the fund.

**Investor Accounts**   
The account types which investors may hold with this fund.

3. Click on the 'Funds' dropdown menu once again to see the new fund you just created. Select it to enter your fund's dashboard.

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# Create a Partnership

In Fundwave, a fund is an abstract entity which invests in several assets. The actual legal entities in which your investors have invested are called partnerships.

It is quick and easy to add a partnership:

1. Ensure that you are on the Fund dashboard. Now, click on the 'Partnerships' button on the upper right corner of the screen. Have a look at the list below to confirm if the partnership is already listed. If not, click the 'Add Partnership' button.

Africa Capital Fund 4 LP (Demo) Partnerships Investors Assets

Dashboard Transactions Reports Charts

Fund Add Partnership Partnerships

Edit Fund

2. Fill out the information on your screen and click 'Add Partnership'. You can modify most details later if you need to.

Partnership Details

**Name** Africa Capital Fund 4 A LP  
The best practice is to use the legal name of the partnership.

**Domicile** United States  
The country where the Partnership is incorporated.

**Date of Incorporation** 2011-09-15  
The date when the partnership was incorporated.

Add Partnership

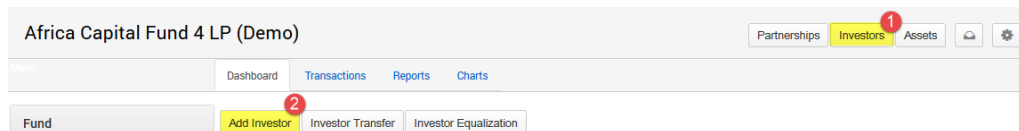
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# Create an Investor

An investor or a limited partner invests in your fund using one of the partnerships you had created above. Therefore, remember to create its partnership before you create the investor.

It is almost as easy to create an investor as a partnership:

1. Ensure that you are on the Fund dashboard. Now, click on the 'Investors' button on the upper right corner of the screen. Have a look at the list below to confirm if the investor is already listed. If not, click the 'Add Investor' button.



2. Fill out the information on your screen and click 'Add Investor'. As with funds and partnerships, you can modify most details later if you need to.

**Investor Details**

**Investor Type**  General Partner  Limited Partner  
Toggle to select either General Partner and Limited Partner. Only GP's with commitment to be included here.

**Investor Name**   
The best practice is to use the legal name of the investor.

**Investor Code**   
If you have a short code to identify the investor, you can enter it here.

**Partnership**    
The legal partnership entity in which this investor is a shareholder.

**Country**    
The country where the Investor is incorporated.

**Date of Addition**   
The assets which are excused by this investor.

**Initial Commitment**   
The commitment as on the date of addition.

**Excused Assets**   
The assets which are excused by this investor.

[Add Investor](#)

Important! If you are creating this investor after the first close of the fund, jump to the 'equalization' section after creating all the investors for this close.

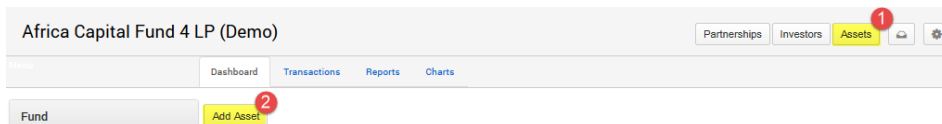
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# Create an Asset

An asset or a portfolio company is the ultimate entity in which your fund makes an investment. With Fundwave, you can even define the specific investment instruments such as Equity and Debt that are used to initiate or maintain an investment.

It is quick and simple to add a new asset:


1. Ensure that you are on the Fund dashboard. Now, click on the 'Assets' button on the upper right corner of the screen. Have a look at the list below to confirm if the asset is already listed. If not, click the 'Add Asset' button.




2. Fill out the information on your screen and click 'Add Asset'. You probably do not have all of the details that are asked in the screen. You should enter your pre-decided default values for now and modify these values later.

**Asset Details**

**Asset Name**   
The best practice is to use the legal name of the asset.


**Country**    
The country where the Asset is incorporated.


**Currency**    
The primary currency of the investment.

**Date of Addition**   
The date when the first investment in the Asset was made.


**Fund's Commitment**   
The total commitment of the fund to the asset.

**Fully Diluted Stake %**   
The Fully Diluted Stake of the Fund in this Asset.

**Deal Type**    
The deal type for this asset.

**Sector**    
The industry sector of this asset.

**Excused Investors**   
The investors which are excused from this asset.

**Investor Accounts**    
Please choose investment accounts for this asset

[Add Asset](#)

If you've followed the above steps, you're pretty much done with your initial setup. When it is necessary, you can add details about the management fees, equalizations and carry. Actually, it is a good idea to add the management fees policy right now because we will need it soon enough.

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# Management Fees

Management fees is typically defined as a percentage of the committed capital during the investment period and moves to be a percentage of the cost of investment after the investment period. It is also possible that you calculate it on the basis of other variables such as Net Asset Value. With Fundwave, you can define a common fees percentage for the fund and override it for individual investors.

Here's how to add a management fees policy for the fund:

1. On the fund dashboard, you will find 'Mgmt. Fees' on the top panel. Click on 'Add' link next to it.

Performance Fees	20.00%	Initial Closing Date	2014-06-09	Commitment End Date	2015-12-31
Mgmt. Fees	Add	Final Closing Date	2014-06-09	Determination Date	2018-12-31

2. On the following page, click on the '+' button. Enter the following details:
  - a. Effective date of this policy.
  - b. Management fees rate, expressed as a decimal
  - c. The frequency of investor calls, expressed in months.
  - d. The calculation basis or the number of days in a year.
  - e. The calculation base, such as *commitment* or *cost of investment*.
3. Click on the 'Add Management Fees Policy' button to save your changes.

All investors will default to this management fees policy. To override this policy for any investor, open the investor dashboard. You will see the percentage that you defined on the fund on the top panel. Click on it to override the policy for this investor. Follow the same steps as defined above for the fund.



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# Equalization Interest

Equalisation interest, often known as late payment interest, is an interest payable by subsequent investors to the former investors to compensate them for contributing their share in the fund later than the former investors. With Fundwave, you can define a common fees percentage for the fund and override it for individual investors.

Here's how to add an equalisation policy for the fund:

1. On the fund dashboard, you will find 'Eqzn. Int' on the top panel. Click on 'Add' link next to it.

Performance Fees	20.00%	Initial Closing Date	2014-06-09	Commitment End Date	2015-12-31
Mgmt. Fees	Add	Final Closing Date	2014-06-09	Determination Date	2018-12-31

2. On the following page, click on the '+' button. Enter the following details:
  - a. Effective date of this policy.
  - b. Interest rate (payable), expressed as a decimal
  - c. Interest rate (receivable), expressed as a decimal
  - d. The calculation basis or the number of days in a year.
3. Click on the 'Add Equalisation Policy' button to save your changes.

All investors will default to this equalisation policy. To override this policy for any investor, open the investor dashboard. You will see the percentage that you defined on the fund on the top panel. Click on it to override the policy for this investor. Follow the same steps as defined above for the fund.

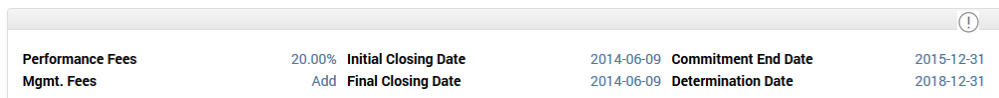
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# Performance Fees

Performance Fees or Carry is typically defined as the percentage share in profits payable to the General Partner often used as a tool to motivate the General Partner to perform. With Fundwave, you can define a common performance fees policy for the fund and override it for individual investors.

Here's how to add a performance fees policy for the fund:

4. On the fund dashboard, you will find 'Performance Fees' on the top panel. Click on 'Add' link next to it.



Performance Fees	20.00%	Initial Closing Date	2014-06-09	Commitment End Date	2015-12-31
Mgmt. Fees		Add Final Closing Date	2014-06-09	Determination Date	2018-12-31

5. On the following page, click on the '+' button. Enter the following details:
  - a. Effective date of this policy.
  - b. Waterfall type – Fund as a whole or Deal by Deal method.
  - c. Hurdle rate, expressed as a decimal.
  - d. Hurdle type, Soft or Hard.
  - e. Carried interest rate, expressed as a decimal.
  - f. Compounding type, Annual or Quarterly, as required.
  - g. GP catchup rate to define the speed at which GP catches up LP after crossing the Hurdle rate.
6. Click on the 'Add Performance Fees Policy' button to save your changes.

All investors will default to this performance fees policy. To override this policy for any investor, open the investor dashboard. You will see the percentage that you defined on the fund on the top panel. Click on it to override the policy for this investor. Follow the same steps as defined above for the fund.