FinTree

JuiceNotes

Pathway : Private Markets

CFA Level 3

2026

Your CFA Journey with FinTree

A Guided Roadmap from Enrollment to Exam Day

At FinTree, we believe in smart preparation driven by structure, support, and consistency. Our unique LPR Methodology – Learn, Practice, Revise – is designed to guide you through each stage of your CFA prep journey with clarity and confidence.

Roadmap from Enrollment to Exam Day

1. Enrollment & Onboarding:

- Receive a welcome call from your dedicated Success Manager (RM)
- Added to a WhatsApp broadcast list for timely updates
- Join a peer group to engage in discussions, share queries, and stay motivated
- Get a personalized study plan and guidance on how to start your prep journey

2. Learning Phase (Initial Months)

- Watch Main Concept Videos and read the official CFA curriculum
- Focus on understanding foundational concepts topic-wise
- Attend live weekend classes to deepen understanding and clarify doubts

3. Practice Phase (Mid Journey)

- Watch EOC and Blue Box videos to apply concepts to CFA-style questions
- Attempt Learning Evaluation Sessions (LES) for topic-wise testing
- Give Weekly Tests based on a structured test calendar
- Weekly Test results are discussed in class on Sunday for deeper insight into common errors and personal improvement

4. Revision Phase (Final 60 Days)

- Revise thoroughly using Juice Notes and Crash Course videos
- Solve the LES twice –
- Vertically (topic by topic)
- Horizontally (across topics like in actual exams)
- Attempt mock exams as per our 60-day revision schedule
- Review mocks in detail, focusing on time management, accuracy, and weak areas

5. Final Phase - IPASS

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Placement Assistance Overview

What is Placement Assistance?

- Placement Assistance at FinTree is a structured support system that helps students transition smoothly from learning to employment.
- Our goal is to connect students with the right opportunities in the finance and analytics sectors through a personalized and practical approach.
- We find relevant job openings according to the skills and experience relevant with the candidates' expectations.

Process of Placement Assistance

All relevant job openings are shared via **WhatsApp Broadcasts** to ensure students receive timely updates and can apply promptly.

How can candidates get added to Placement Broadcasts –

- Placement team will share a form, which needs to be filled.
- Once the candidate has filled the form, he/she will be added to broadcast network within next 48hrs & the candidate will be notified.
- You will start receiving the latest opportunities on your WhatsApp Number.
- Candidates can apply in multiple openings based on their career aspiration.

We will also assist you with resume building,
career counselling & interview preparation.

If you need any assistance, request you to contact on +917447443045

Placement Highlights

- **Top Recruiters:** Goldman Sachs, PWC, Barclays, Crisil, BNP Paribas, HSBC
- **Key Roles:** Financial Analyst, Equity Research, IB Analyst, Risk & Valuation
- **Packages:**
  - Freshers: ₹4.5–8 LPA
  - Experienced: Up to ₹20 LPA and more...
- **Alumni Placed At:** Morningstar, Deutsche Bank, EY, Deloitte, Bank of America, Centrum, Purnartha

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Private Investments & Structures

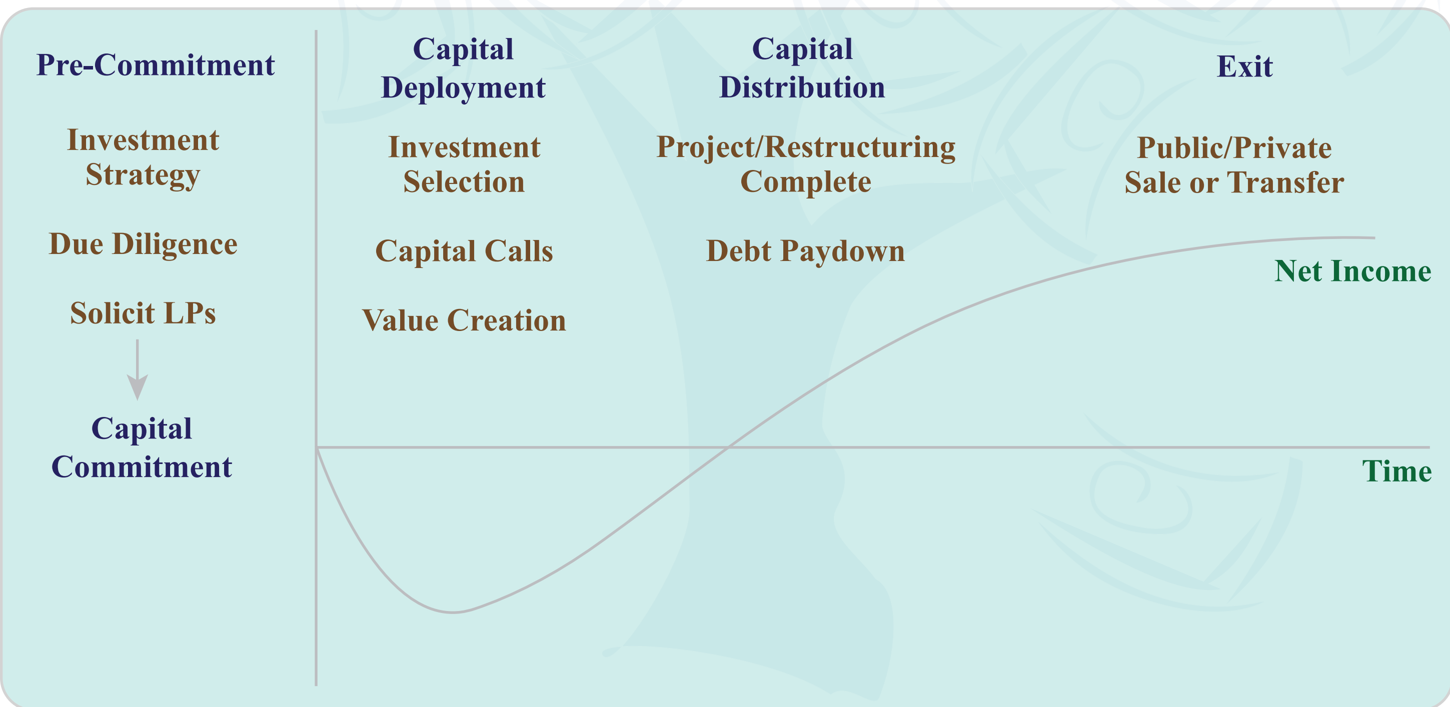
FinTree Fruit 1: INTRODUCTION

- **Private Markets involve illiquid, unique investments spanning various stages of a company's life cycle or project development, typically held for extended periods.**
- **Private markets offer diversification and long-term growth potential, complementing traditional public equity and fixed income in a strategic asset allocation.**
- **Emphasis is placed on capital appreciation over the investment life cycle, rather than short-term liquidity.**
- **Private Investments are evaluated using compounded returns over a multiyear horizon.**

FinTree Fruit 2: FEATURES OF PRIVATE AND PUBLIC INVESTMENTS AND MARKETS

Feature	Public	Private
Asset prices	Traded, observable	Negotiated, estimated
Performance measurement	Periodic	Compounded over holding period
Liquidity	Mostly liquid, with few trading restrictions	Illiquid, with sale prohibited or restricted
Investment process	Open-end, security selection	Closed-end, with due diligence, value creation, and exit
Investment manager skills	Industry, company, and financial analysis	Industry, management, and technical experience and expertise, legal and financial analysis
Portfolio diversification potential	Based on correlations of observed periodic returns	Based on different company and investment life cycle phases, as well as unique asset types

Private Asset Investment Life-Cycle:



- The private asset investment life cycle is characterized by negative returns in early phases followed by cash flow and income growth in later phases, referred to as the J-curve effect.

- Private Investment managers are actively engaged in managing and controlling assets throughout the investment life cycle.

Manager Skills:

- Different skill sets required for success in managing portfolios in public vs. private markets.

- Public fund managers largely delegate the value creation process to company managers.

- Private equity fund managers often bring significant operational experience and industry expertise, industry relationships, management experience in founding, growing, or restructuring businesses.

- Given the prevalence of less standardised contracts in private markets, both investors and managers must be prepared to conduct additional legal analysis when considering such investments.

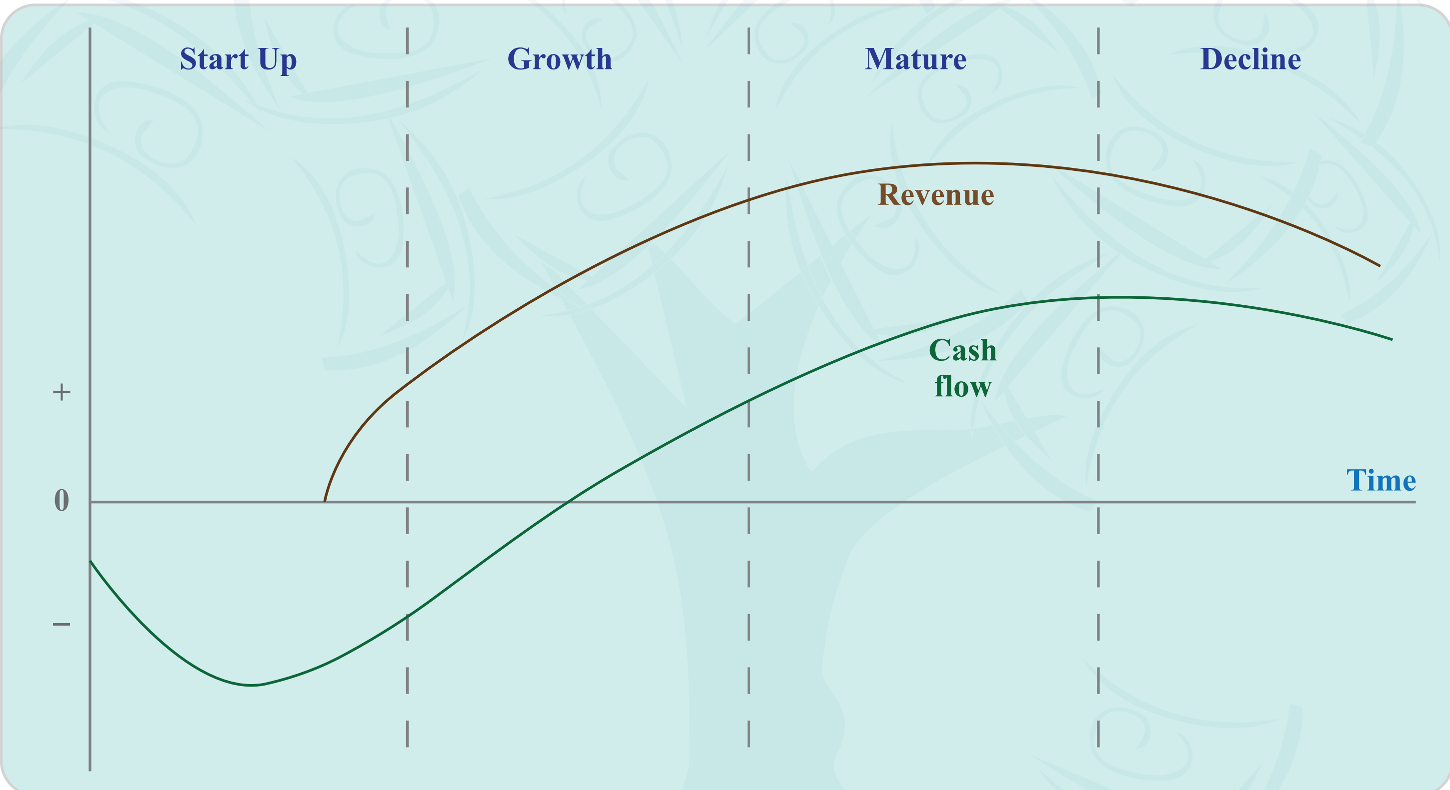
Venture Capital:

- **Venture Capital Characteristics:** High-risk investments in early stages companies with limited or no revenue often with high failure rates.

- **Startup Success Metrics:** Initially measured by non-financial milestones like product development, market strategy, identifying market potential.

- **Investor Constributions:** Beyond Capital, investors provide experience, contacts, and partnerships to support business establishment and growth.

Company Life-Cycle Stages:



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- Private market returns have low correlation with public market returns.
- Public market correlations are easy to estimate using observed market prices.
- Private market investments are illiquid and have longer investment periods, making direct comparisons difficult.

Diversification Potential in Private Markets

Unique Life-Cycle Exposures

Acccess to private company debt and equity during early growth & restructuring phases

Varied Return Dynamics

Returns in private markets change with a company's life cycle

Private Market Investment Characteristics:

- Investments span the full company life cycle, from startup to maturity.
- Early stage companies offer high return potential but carry high failure risks.
- Expansion-phase companies often show above-trend growth, less influenced by business cycles.

Buyout Equity Investments:

- Mature public companies are taken private using debt and equity.
- Intentions include transformation, divestment, or acquisitions to increase company value.
- Performance may differ significantly from public equities due to private manager actions.
- Reduced correlation may result from different timing or private manager skills in restructuring and selling companies.

Alternative Asset Classes:

Private Real Estate

Focused on major refurbishments or new constructions, unlike stable public REITs

Private Infrastructure

Involves large, single-use illiquid, unlike public infrastructure portfolios

Challenges and Barriers to Entry

- Lack of price transparency and liquidity
- Large minimum investment requirement
- Specialised knowledge needed for effective management
- Historically accesible only to large institutional investors

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Key Role of Private Investors

Use industry specific skills to select and manage investments.

Help companies succeed through expertise in financing, restructuring, and growth

Attractive Features of Private Markets

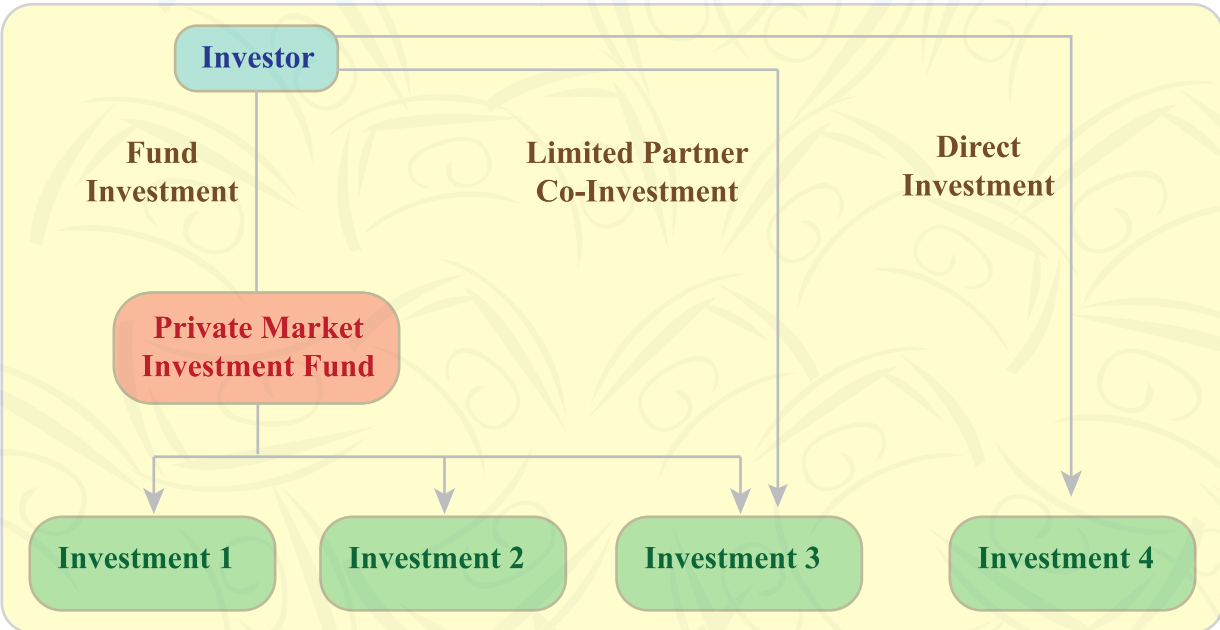
Offer potential for high risk-adjusted returns

Historically represented barriers are now increasingly navigable for some institutional investors

FinTree Fruit 3 : PRIVATE VS. PUBLIC INVESTMENT STRUCTURES

- **Public market investors choose between direct selection of securities or delegating to a fund manager.**
- **Private market investments involve longer holding periods and active manager engagement.**
- **Limited partnerships align the interests of fund managers (GPs) and investors (LPs).**

Direct Investment, Co-Investment and Fund Investment Alternatives:



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Direct Investment Vs. Co-Investment Vs. Indirect Investment:

Feature	Direct Investment	Co-Investment	Indirect Investment
Definition	Involves purchasing an equity ownership stake or private debt investment without intermediaries or partners	A hybrid apporach where investors partner directly with private fund managers or other entities to share ownership or reduce portfolio positions	Involves investment through funds managed by GPs, where GPs handle assets and processes
Control	Investor negotiates purchase prices and manages business plans to create value	Partial Control; investors rely on partners for expertise but may influence decisions	GPs manage investments; limited partnerships (LPs) have minimal control but gain insights through fund structures
Risk	High portfolio concentration risk, especially in large-scale acquisitions or projects	Shared risk among co-investors; reduces individual portfolio concentration	Shared risk with GPs; long, illiquid holding periods are common
Expertise	Requires extensive expertise in industry, negotiation, and business execution	Combines investor experience with partner insights and resources	Relies on GPs expertise; LPs may access GP due diligence materials for better investments insights
Portfolio Impact	Suitable for large asset owners (e.g SWFs) due to high investment thresholds	Allows access to larger deals and diversification opportunities	Enables broader diversification for institutional and smaller investors
Fee Structure	Potentially lower fees, especially in direct co-investment	Lower fees compared to indirect investments due to shared responsibilities	Typically involves performance-based fees to align interests between GPs and LPs
Flexibility	Offers direct control over investment size, partners, and strategies	Moderate flexibilites; decisions are influence by co-investors and shared agreements	Allows participation in larger projects, but commitments and timings are dictated by fund agreements
Investment Cycle	Requires active management throughout the holding period to create value	Co-investors contribute actively but rely on partners for specific stafes	Managed by GPs with performance-based incentives to align interests over longer investment cycles.

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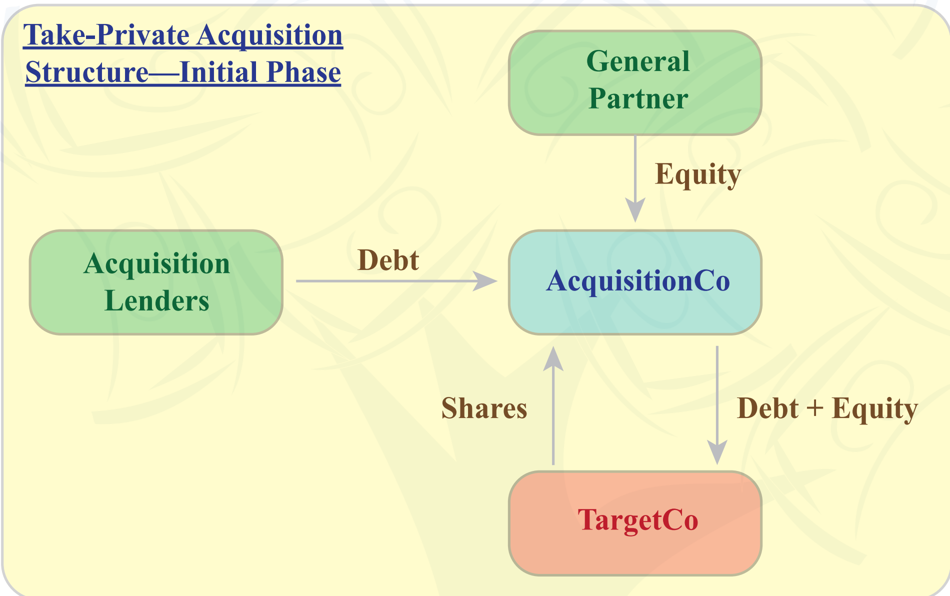
Private Investment Structures:

- Private investment structures are less standardised compared to public securities.
- Corporate governance often deviates from one-vote-per-share and majority rule norms.
- Governance is subject to negotiation, granting unique rights to minority investors.
- Minority investors may secure board seats or veto rights through supermajority vote requirements.
- Custom legal entities are often created for specific investment purposes or projects.
- These entities manage roles, risks, and returns over the investment's life cycle.
- "Take Private" transactions involve buying a public company and delisting it's shares.

Leveraged Buyout (LBO):

- A take-private transaction is also called a leveraged buyout (LBO) due to high debt financing.
- A new legal entity is often created to facilitate the process.
- A separately funded AcquisitionCo is established to acquire the target company (TargetCo).
- If successful, AcqusitionCo's assets include TargetCo shares and it's liabilities include acquisition debt.
- Equity contributions in AcquisitionCO come from the buyout firm.



Change of Control Clause:

- Take private transactions and mergers often require refinancing the target company's debt.
- A change of control clause protects existing lenders and bondholders.
- This clause mandates debt repurchase if ownership or management changes.