

Spotlight on Secondaries: How GP-Led restructurings work

GP-led restructurings have emerged as a pivotal strategy for fund managers, accounting for 53% of the total value of secondaries transactions in 2025. As the use of continuation funds continues to rise, fund managers need support to manage the operational, regulatory, and compliance requirements these transactions require, write [Fe Sapalo](#), [James Duffield](#) and [Tamara Sablic](#).

Geopolitical instability and policy uncertainty have become a consistent consideration for managers, who need flexibility to meet their investors' needs and their own. GP-led restructurings offer a flexible option for managers who want to retain valuable assets and onboard new investors, while supporting existing investors to exit, all while navigating a volatile market. This balancing act is reflected in the growth in GP-led restructurings and secondaries transactions.

In 2015 this type of secondaries transaction made up 18% of the total volume of transactions, in 2025 they made up 53%, according to Lazard's 2025 Secondary Market Report. The report notes: "The GP-led market expanded in 2025, generating \$116 billion in volume, which surpassed total secondary market volume in 2023. Single asset continuation funds continued their surge in popularity, capitalized by several new secondary buy-side entrants with specializations in concentrated deals and distinct sectors. Multi-asset continuation funds as a percentage of GP-led volume also increased modestly. The emergence of the private credit secondary market and continued demand from secondary investors seeking portfolio diversification supported continued pricing strength and increased total transaction value. North America remained the largest secondary market geographic exposure, although growth in Asia suggested renewed activity in the region across select countries. Technology continued its dominance among sector exposures in Single asset continuation fund deals, reflecting the large amount of NAV held in funds raised from 2019 to early 2022 that is reaching maturity."

GP-led restructuring explained

A GP-led restructuring is a process in which the GP of a private equity fund

initiates changes to the structure or terms of an existing fund, typically to extend its life, reallocate assets, or raise new capital. This process is commonly seen in the context of liquidity solutions, often driven by the need to address the issue of mature portfolio companies. The most typical examples of GP-led restructurings are fund life extensions or secondaries, where assets from the fund are restructured and sold to new investors, or in some cases, giving options to existing investors to extend their investments.

The general goal is often to create more value for all stakeholders: GPs, limited partners (LPs), and portfolio companies. However, due to its complexity and the array of stakeholders involved, this restructuring process can be a difficult path to navigate.

What makes GP-led restructurings complex

While GP-led restructurings are an important tool, they come with a variety of complexities that can create significant operational challenges. An expert fund administrator provides support and operational solutions to make managing complexity simpler. Here's how:

Legal and regulatory complexity

Investor consent

Fund administrators assist in securing investor consent by ensuring that all restructuring terms comply with fund agreements and local laws. They help coordinate the due diligence process and manage the execution of side letters, ensuring that all investor-specific terms are properly documented and enforced.

Tax implications

Administrators support tax compliance by managing the operational aspects of asset transfers and restructuring. They ensure that all transactions are properly recorded and reported, helping to mitigate unintended tax consequences through accurate documentation and coordination with tax advisors.

Jurisdictional differences

With expertise in cross-border regulations like AIFMD, FATCA, CRS, and DAC6, fund administrators help navigate the legal landscape across jurisdictions. They ensure that the restructuring adheres to all relevant regulatory frameworks, reducing the risk of non-compliance.

Stakeholder alignment and communication

LP interests

Administrators streamline communication with LPs through digital platforms that provide real-time access to data and updates. They manage investor queries and ensure transparency, helping to build trust and alignment among LPs with differing preferences.

GP objectives

By managing reporting and compliance, fund administrators allow GPs to focus on strategic objectives. They help maintain investor confidence by ensuring that all changes are clearly communicated and properly documented.

Co-investors and other stakeholders

Administrators coordinate communications and documentation across all stakeholders, including co-investors and portfolio company management. Their role in managing side letters and ensuring consistent messaging helps align diverse interests.

Financial and operational management

Valuation challenges

Fund administrators validate asset valuations to ensure fairness and consistency with market conditions. Their involvement in the valuation process helps mitigate disputes and maintain investor confidence.

Fees and terms

They assist in recalculating and implementing new fee structures, ensuring that changes are accurately reflected in reporting and investor communications. This helps manage expectations and reduce friction during negotiations.

Operational complexity

Administrators manage the operational transition, including asset allocation, capital tracking, and compliance updates. Their expertise ensures a smooth restructuring process and ongoing support post-restructuring.

How Aztec can help

Whether it's managing large volumes of unstructured and unstandardized data from multiple sources or navigating highly nuanced and complex structuring,

investor management and governance requirements specific to secondaries transactions - your fund operations deserve more than a standard administrative approach.

With specialist teams, purpose-built technology, and a proven track record in supporting your peers, we understand the unique demands and complexities you face - and can apply this rich insight and experience directly to your funds. What's more, our end-to-end data management solution, [**Aztec Xtract**](#), blends AI with our specialist human expertise to deliver reliable, structured and decision-ready data that empowers you to act with speed and confidence.

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