
THE GRAPEVINE

Only about half the investors in **TPG's** latest buyout fund took advantage of an unusual opportunity to reduce their commitments, with the other half presumably opting for lower fees. Responding to a confluence of market pressures, TPG late last year said limited partners in its \$19.8 billion TPG Partners 6 could cut their pledges by 10% or receive a 10% discount on management fees. But investors were hesitant to pull back, even though many are short on money and conditions are deteriorating for large buyout funds. The reason: TPG's stellar track record. "They've produced some great returns over the years. People are willing to bet with them," one investor said. ❖