



Key Decision Criteria

Proposed Due Diligence Framework for CF Mandated Deals

- Key criteria that drive decision to add products and transactions to the AWM platform.
- Exceptions handled by committee.

Criterion	Remarks
AWM Due Diligence (legal & technical)	Full due diligence of legal and technical (e.g., infrastructure) aspects, to the standard required by in-house AWM funds (ARA TRC, AFS IC etc.) ¹
Analysis of Capital Structure	How is asset financed, stability and risks of leverage and stability of capital structure.
Counterparty Analysis	Managers, asset operators, introducers/brokers, General Partners etc.
Reputational Risk Analysis	Counterparties, nature of underlying asset/business, economic terms, legal/tax considerations etc.
Structuring / Documentation	Reviewed by DeAWM, reliance letters from external advisors
Governance Controls, Visibility in Structure	Board seats, step-in rights, operational and financial transparency, approvals from managers and counterparties for key decisions etc., investor representation.
Conflicts of Interest	With the manager/operators, within DB divisions, with investors.
Revenue Potential	<ul style="list-style-type: none"> ➢ Placement fees ➢ Asset management fees ➢ Carry (performance fees over hurdle) ➢ Follow-on business from investors / clients
Resourcing	AFS-ARA JV Teams for RE & Infrastructure; other assets: no current resourcing.
Region / Client Type / Advisory	Global, KCP, Non-Advised

➢ *Key Issue: Outside of RE and Infrastructure no current AWM expertise or resources to conduct due diligence on direct deals.*

■ **Possible solution:**

- Hire 3-4 headcount with direct PE or CF advisory due diligence expertise and background.
- Transfer appropriate expertise from CF to AWM

■ **Interim Solution:**

- Put onus on CF to deliver due diligence (as above) to satisfy criteria and Private Markets to review, query, follow-up and approve.