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- Fund Sponsor/LP alignment of interest, e.g. fund is distributing, or is expected to distribute, carried interest
  - Reasonable leverage at portfolio and underlying company levels
  - Attractive "see through" entry multiple at today's pricing

## Screening and Due Diligence

The Manager proposes to implement an investment process that adopts a rigorous and disciplined value-focused, bottom-up due diligence<sup>64</sup> approach coupled with top-down asset selection to identify quality investment opportunities. The Manager intends to implement a rigorous, value-focused bottom-up due diligence focused on:

- Operational, financial and market risk analysis for each underlying portfolio company
- Cash flow analysis at portfolio level
- Review of fund and portfolio company management
- Analysis of the impact of terms and structure on net returns
- Critical assessment of the prospects for liquidity

As required, independent analysis on tax, legal and accounting issues, as well as other specialist external advice, where necessary, will support the investment decision process. In minority co-investments, while leveraging the due diligence completed by the transaction's main lead investor, the Secondary Team will perform its own due diligence in an attempt to verify the key assumptions underpinning the investment case. In particular, the Manager expects that other areas of Deutsche Bank<sup>65</sup> will be leveraged for their insights into the industry, company or transaction.

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<sup>64</sup> To the extent information is available from the underlying fund.

<sup>65</sup> Subject to applicable rules and regulations, Deutsche Bank's internal policies and procedures, and contractual limitations.