

AWM Client Referred Deals

'Client-to-Client' Transactions



Background

- Typically sourced from AWM clients looking to sell their companies, assets or other one-off M&A opportunities.

Key Issues

- No deal sponsor, no party conducting due diligence, no PE co-investor or other professional "skin in the game".
- No AWM expertise or resources to due diligence these opportunities (exception: mainstream real estate and infrastructure)
- However, linking KCP clients is a key part of enhancing AWM's KCP offering and network.

AWM New Proposed Framework

Vis-à-vis KCP Clients

- As on Slide 5.

The AWM Internal Review and Approval Process

- The standard process for CFP deals is not applicable in these cases.

KCP Client
Exemption
List

- Only feasible approach should be via the KCP Client Exemption List:
 - Specific clients selected on a name-by-name basis, for their expertise in the relevant asset or industry sector (as explained on Slide 5).

Suitability &
Appropriateness
Committee

- The Suitability & Appropriateness Committee would approve the selection of named clients, vetting them for:
 - Potential buyers to have the equivalent expertise in the asset or industry sector as the sellers.
 - Beefed up "Big Boy" letter: comprehensive undertaking by clients that they have the adequate resources, expertise and experience to make their assessment of the investment and take their own investment decisions.