

# The Townsend Group - Due Diligence Process



## COMMUNICATING WITH TOWNSEND

Townsend has a single point of contact for new investment ideas to ensure all managers have equal access; regardless of platform size or length of track record.

All offering materials and updated information should be submitted to:

[townsendduediligence@aon.com](mailto:townsendduediligence@aon.com)

Once an offering has been registered in our database, we will request updates on the fundraising process and performance data for prior investments on a quarterly basis until the final closing of the Fund.

This data will be used by Townsend investment professionals around the world to evaluate the offering on behalf of Townsend's 100+ client mandates. A timely response to these requests ensures we have the most current information available for our advisory and discretionary client portfolios.

We encourage managers to continue to engage in direct dialogue with our advisory clients, as this may bring forward previously unidentified investment opportunities.

SCREENING	UNDERWRITING	RECOMMENDATION
<p><b>Documents Required</b></p> <ul style="list-style-type: none"> <li>Offering Materials</li> <li>Initial Due Diligence Questionnaire</li> <li>Fund-Level Questionnaire for prior investment performance</li> </ul> <p><b>Process Description</b></p> <ul style="list-style-type: none"> <li>Offering materials are received and the investment opportunity is registered in the firm-wide database</li> <li>The manager is sent an Initial Online Due Diligence questionnaire to complete, which is then uploaded to the database</li> <li>The investment opportunity is reviewed to determine whether it is consistent with Townsend's view of the best investment ideas and whether there is client interest for the general strategy</li> <li>This may entail an initial meeting with the manager, whether by telephone or in person, to gather more information</li> </ul>	<p><b>Documents Required</b></p> <ul style="list-style-type: none"> <li>Comprehensive Due Diligence Questionnaire</li> <li>Further information as deemed necessary by underwriting team</li> </ul> <p><b>Process Description</b></p> <ul style="list-style-type: none"> <li>Should the opportunity satisfy our initial screening criteria, an underwriting team is assigned and comprehensive due diligence is conducted</li> <li>During the due diligence process, Townsend internally shares all notes in order to better determine suitability for particular client portfolios, even if the investment theme is not broadly recommended</li> <li>Offerings that do not satisfy our screening criteria are tracked for performance and management team updates</li> <li>Performance data submissions are required so the investment opportunity can be continuously vetted</li> </ul>	<p><b>Documents Required</b></p> <ul style="list-style-type: none"> <li>Further information as deemed necessary by Investment Committee</li> </ul> <p><b>Process Description</b></p> <ul style="list-style-type: none"> <li>If due diligence confirms the suitability of the investment, a recommendation is presented to and vetted by Townsend's Investment Committee</li> <li>The Investment Committee oversees all investments made for discretionary clients and recommendations to advisory clients</li> <li>The Investment Committee may approve or reject an investment, or request that additional due diligence be conducted</li> <li>If approved, the manager will be immediately contacted by a Townsend Consultant or Portfolio Manager</li> </ul>

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