

DOCUMENT TYPE

Due Diligence Pathway

A simple way to standardized and manage due diligence

FEBRUARY 2024

Due Diligence Pathway

When to use it

Juggling diligence for deals, clients and partnerships in financial services feels like a never-ending game of whack-a-mole. Enough is enough - it's time to level up your process with a winning strategy.

We've all been there - a hot new investment prospect surfaces and you're rushing to complete the files. You want to onboard a new client and need to sort out the internal processes to complete that onboarding. But how well are you truly able to understand risks at warp speed? Standardization scores your quality intel faster.

Custom templates capture essentials like financial statements and contracts consistently. No more chasing down missing pieces of the puzzle.

Acquiring a new business? Doing a Merger? Doing some research for a potential investment? This Pathway is designed for you.

Complicated transaction? We've got all the steps to get you started.

Simple due diligence? Just deactivate the Stages and Tasks you don't need

Due Diligence Pathway

Due diligence simplified

We created this Pathway Template to get you started with detailed due diligence for any kind of transaction or process. It may include too many items for your purpose. You can deactivate any Tasks or Stages that you don't require, or change the name or details of any Stage or Task simply by editing our Template

STAGE	TASKS	TASK FORMS	TASK DOCUMENTS
Organization	<ul style="list-style-type: none">• Where the Company does Business• Articles of Incorporation/Memorandum of Association• Company Registers• Company Minute Book Review• Shareholders Agreements, Options, Pledges, etc.	<ul style="list-style-type: none">• Country in Which Authorized to do Business• Country in Which Actual Conduct Business• Articles• Amendments• Copy of Directors Register• Shareholders Register• Company Secretary Register• Person of Significant Control Register• Who to Contact to See Company Minute Book• Shareholder Agreement• Option Agreement• Pledge Agreement	

STAGE	TASKS	TASK FORMS	TASK DOCUMENTS
Organization	<ul style="list-style-type: none"> List of Officers and Directors Organisational Structure Company Appointments 	<ul style="list-style-type: none"> Voting Agreements Other List of Directors List of Officers Organisational Structure Chart Company Appointments- Predefined Form 	

STAGE	TASKS	TASK FORMS	TASK DOCUMENTS
Financials	<ul style="list-style-type: none"> • 5 Year Financial History • Monthly Unaudited Internal Financial Statements • Financial Statements by Product Line • Costs of Sales Breakdown • Sales & Marketing Cost Breakdown • Current Business Plan • Financial Forecasts • Capital Expenditure History • List of Fixed Assets • Current & Long Term Debt Analysis • Current List of Accruals • Off-Balance Sheet Liabilities • Reserves for Litigation of Contingent Liabilities • Auditors Reports 	<ul style="list-style-type: none"> • Year 1 • Year 2 • Year 3 • Year 4 • Year 5 • Year 1 • Year 1 -Internal • Year 2 -Internal • Year 3 -Internal • Costs of Sales Breakdown • Sales & Marketing Cost Breakdown • Current Business Plan • Current Financial Forecasts • Capital Expenditure History and Budget • List of Fixed Assets • Current & Long Term Debt Analysis • Current List of Accruals • Off-Balance Sheet Liabilities • Reserves for Litigation of Contingent Liabilities • Auditors Reports 	

STAGE	TASKS	TASK FORMS	TASK DOCUMENTS
Grants	<ul style="list-style-type: none"> Grant Applications 		
Customers	<ul style="list-style-type: none"> Customer List Current Accounts Receivable Aging by Customer Historical Bad Debt 	<ul style="list-style-type: none"> Customer List - Top 10 by Sales Volume Current Accounts Receivables by Customer Historical Bad Debt 	

STAGE	TASKS	TASK FORMS	TASK DOCUMENTS
Sales and Marketing	<ul style="list-style-type: none"> • Product and Service List • Price List of Products and Services • Summary of Sales Volume to Principal Customers • General Credit Terms and Volume/ Other Discounts • 3 Year History of Sales by Volume, Dollar and Gross Margin • Copies of Key Sales Material • Generic Sales Contracts • Sales Reps and Contracts 	<ul style="list-style-type: none"> • Product and Service List • Price List of Products and Services • Summary of Sales Volume to Principal Customers • General Credit Terms and Volume/ Other Discounts • 3 Year History of Sales by Volume, Dollar and Gross Margin • Copies of Key Sales Material • Generic Sales Contracts • Sales Reps and Contracts 	
Information Technology	<ul style="list-style-type: none"> • Description of Key Information Systems 	<ul style="list-style-type: none"> • Description of Key Information Systems 	
Intellectual Property	<ul style="list-style-type: none"> • List of Key Patents • List of Key Trademarks • List of Key Copyrights • Description of Research & Developments Programmes 	<ul style="list-style-type: none"> • List of Key Intellectual Property • List of Key Trademarks • List of Key Copyrights • Description of Research & Developments Programmes 	

STAGE	TASKS	TASK FORMS	TASK DOCUMENTS
Human Resources	<ul style="list-style-type: none"> • Management Team information • Organisational Structure • Employee Contracts 	<ul style="list-style-type: none"> • Management Team Member CV • Management Team Member CV • Management Team Member CV • Organisational Structure Chart • Employee Contract 1 • Employee Contract 2 • Employee Contract 3 	
Legal, Contracts and Agreements	<ul style="list-style-type: none"> • Copies of Legal Agreements 	<ul style="list-style-type: none"> • Legal Agreement 1 • Legal Agreement 2 	
Insurance	<ul style="list-style-type: none"> • Corporate Insurance • Key person insurance 	<ul style="list-style-type: none"> • Corporate Insurance • Key person insurance 	

STAGE	TASKS	TASK FORMS	TASK DOCUMENTS
Financing	<ul style="list-style-type: none"> • Details of Bank Accounts • Details of Loans, Lines of Credit, etc. 	<ul style="list-style-type: none"> • Name of Bank • Address of Bank • Signing Officers • Loan 1 • Line of Credit • Leases 	
Taxes	<ul style="list-style-type: none"> • Provide Last 3 Years Tax Returns 	<ul style="list-style-type: none"> • Provide Last 3 Years Tax Returns 	
Competitor Analysis	<ul style="list-style-type: none"> • Competitor Analysis 	<ul style="list-style-type: none"> • Competitor Analysis 	
Market Opportunity and Go to Market Plan	<ul style="list-style-type: none"> • Target Market Group 	<ul style="list-style-type: none"> • by Target Market Group 	