

Due Diligence Readiness Documents List

The following describes the documents an organization should have ready when requesting a sponsor due diligence review.

- Executed governance agreements (LLC, partnership agreement, articles of incorporation/bylaws, etc.) for the sponsoring entity and any other entity that supports the investment programs
- Corporate insurance policies on the sponsor
- Board or executive meeting minutes
- Complete GAAP or tax-based financial statements of the sponsoring entity (Audited financial statements are preferred but are not always necessary.)
- Evidence of a framework, policy, and/or procedure that allows the sponsor to produce timely and accurate quarterly and annual financial statements and investor tax documents
- Investor internal rates of return (IRRs) on current and previous investment programs
- Evidence of a comprehensive acquisition or investment procedure, including how investments are sourced, underwritten, and authorized and documentation supporting adherence to such procedure
- Evidence of a standardized management procedure that protects and enhances the investment program's assets overall and individually
- Employee handbook
- Managing broker dealer agreement
- Evidence of service agreements/expense allocation policies between affiliated entities
- Business continuity/disaster recovery plan
- Evidence of internal control procedures about accounting, cash management, cybersecurity, and third-party vendors