

Due Diligence Aid for Dell Technologies Distributors

Overview

Due diligence, or vetting, helps determine whether a given third party is suitable for a business. The process is comprised of data gathering and analysis that is designed to verify that the third party is who they say they are and not at risk of engaging in bribery while conducting business for your company. Depending on degree of vetting, this establishes beneficial ownership, verifies physical address and other contact information, identifies Politically Exposed Persons (PEPs) and provides insight into market reputation. As a Dell Technologies distributor, you are required to design and maintain due diligence policies and processes for the third parties that you contract, manage, sell-through, or otherwise engage. This includes, but is not limited to, resellers.

Approach

A risk-based approach is acceptable and preferred. An example is as follows:

Risk Level	Risk Factor	Degree of Due Diligence
Level 3: High	Public End User	Perform PEP check and mitigation
Level 2: Med	Unfavorable CPI Rating	Conduct negative media search
Level 1: Low	N/A	Verify contact & beneficial owners

Red Flags

The primary purpose of due diligence is to identify and resolve any red flags. A red flag is a suspicious or questionable characteristic or event that gives rise to a potential concern about the reputation or compliance commitment of a given third party. Examples are as follows:

- **Negative Media:** Report in reputable news source involving practice of fraud or bribery.
- **Politically Exposed Person (PEP):** Owner or other “principal” is deemed a public official or has known relationship(s) with high-ranking official(s).
- **Refusal to Participate:** Refusal to cooperate in due diligence.
- **Inaccurate Data:** Misleading or false data about company, operations or associated principals.
- **Unclear Ownership:** Unable to establish beneficial owners or concern of ownership transparency.
- **Prior Misconduct:** Current and/or prior matters concerning unethical business practices.

Guidance

- Dell Technologies [Partner Code of Conduct](#)
- U.S. Department of Justice [A Resource Guide to the Foreign Corrupt Practices Act \(FCPA\)](#)
- Transparency International [Corruption Perceptions Index \(CPI\)](#)
- Dell Technologies [Anti-bribery & Corruption Compliance Programs FAQs](#)

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