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EAS | EQUALIFIED ALTERNATIVES STRATEGIST

Syllabus

Module 1: Alternative Investments and the Private-Capital Ecosystem

- Definition and characteristics of alternative investments.
- Traditional versus alternative investments.
- Public markets versus private markets.
- Return, risk, liquidity and complexity characteristics.
- Role of alternatives in strategic asset allocation.
- Institutional, endowment, sovereign, pension, family-office and HNI perspectives.
- The private-capital ecosystem:
    - General partners.
    - Limited partners.
    - Fund administrators.
    - Custodians.
    - Prime brokers.
    - Valuers.
    - Placement agents.
    - Investment consultants.
    - Legal and tax advisers.
- Investment-cycle overview:
    - Origination.
    - Screening.
    - Due diligence.
    - Investment committee.
    - Execution.
    - Monitoring.
    - Exit or realization.
- Trends in private markets and alternatives.

- Liquidity, opacity, valuation and information risks.

Module 2: Indian and Global Regulatory Architecture

- Role of SEBI, RBI, IRDAI, PFRDA, IFSCA, MCA, Income Tax authorities and FIU-IND.
- Securities, investment products and financial intermediaries.
- AIF categories and regulatory architecture.
- Fund structures in India:
    - Trust.
    - LLP.
    - Company.
    - Fund-of-funds.
- Legal and regulatory documents.
- Registration and ongoing compliance.
- Investor eligibility and suitability.
- Investment restrictions and concentration requirements.
- Sponsor, investment-manager and trustee roles.
- Custody and reporting.
- Advertising and marketing boundaries.
- Cross-border investing and fund structures.
- GIFT City and IFSCA overview.
- Regulatory-change management.

Module 3: Private Equity and Venture Capital

Private equity

- History and evolution of private equity.
- Buyout, growth equity and special situations.
- Primary investments and secondary transactions.
- Minority and control investments.

- Investment screening.
- Deal sourcing and origination.
- Investment thesis.
- Industry, market and competitive analysis.
- Management assessment.
- Financial modelling.
- Entry valuation.
- Leverage and capital structure.
- Value-creation plans.
- Exit routes:
    - Strategic sale.
    - Secondary sale.
    - IPO.
    - Recapitalization.
    - Sponsor-to-sponsor transaction.
- Fund-level and deal-level returns.

Venture capital

- Angel, seed, pre-seed, venture and growth stages.
- Funding rounds and dilution.
- SAFE, convertible notes and preference shares.
- Term sheets.
- Cap tables.
- Founder and management assessment.
- Product-market fit.
- Technology and intellectual-property diligence.
- Unit economics.
- Customer acquisition cost and lifetime value.
- Startup valuation.
- Down rounds and liquidation preferences.

- Follow-on reserves.
- Venture portfolio construction.
- Failure rates and power-law returns.

Module 4: Private-Credit and Direct-Lending Strategies

- Private credit as an asset class.
- Direct lending.
- Senior secured loans.
- Unitranche lending.
- Mezzanine debt.
- Venture debt.
- Structured credit.
- Asset-backed lending.
- Real-estate credit.
- Special situations and distressed credit.
- Credit underwriting.
- Borrower and sponsor analysis.
- Cash-flow analysis.
- Security and collateral.
- Covenants.
- Intercreditor arrangements.
- Priority and recovery.
- Default and restructuring.
- Interest-rate and refinancing risk.
- Credit monitoring.
- Portfolio construction and concentration.
- Recovery and loss modelling.

Module 5: Real Assets and Real Estate

Real estate

- Real estate as an investment asset.
- Core, core-plus, value-add and opportunistic strategies.
- Commercial, residential, logistics, retail, hospitality and data-centre assets.
- Real-estate operating metrics.
- Rental yields and occupancy.
- Net operating income.
- Capitalization rates.
- Discounted cash-flow valuation.
- Development risk.
- Leverage and refinancing.
- Real-estate fund structures.
- Real-estate private equity and debt.

REITs and InvITs

- REIT and InvIT structures.
- Listed and unlisted vehicles.
- Distribution mechanics.
- Asset-level and vehicle-level risks.
- Valuation and yield analysis.
- Infrastructure and energy-transition assets.

Other real assets

- Infrastructure.
- Renewable energy.
- Natural resources.
- Timberland.
- Agriculture.

- Data centres.
- Digital infrastructure.
- Transportation and logistics assets.

Module 6: Hedge Funds and Liquid Alternatives

- Hedge-fund structure and characteristics.
- Long/short equity.
- Market-neutral strategies.
- Global macro.
- Event-driven.
- Relative value.
- Convertible arbitrage.
- Merger arbitrage.
- Managed futures.
- Quantitative and systematic strategies.
- Multi-strategy funds.
- Fund terms.
- High-water marks.
- Hurdles.
- Lock-ups and gates.
- Side pockets.
- Leverage and derivatives.
- Prime brokerage.
- Short-selling.
- Counterparty risk.
- Strategy capacity.
- Style drift.

- Hedge-fund benchmarks.

Module 7: Commodities, Currencies and Managed Futures

- Commodity investment rationale.
- Energy, metals, agriculture and precious metals.
- Spot, forwards and futures.
- Contango and backwardation.
- Roll yield.
- Collateral yield.
- Commodity indices.
- Physical versus financial exposure.
- Commodity producers and resource equities.
- Currency as an alternative exposure.
- Carry, momentum and value in currencies.
- Managed futures.
- Trend following.
- Systematic macro.
- Crisis alpha.
- Leverage and margin.
- Counterparty and settlement risks.
- Portfolio role of commodities and managed futures.

Module 8: Structured Products and Credit Derivatives

- Purpose and economics of structured products.
- Principal-protected and non-principal-protected structures.
- Notes, certificates and market-linked debentures.
- Embedded options.

- Payoff diagrams.
- Issuer credit risk.
- Liquidity and secondary-market risk.
- Special-purpose vehicles.
- Securitization.
- Tranching.
- Collateralized loan obligations.
- Collateralized debt obligations.
- Credit default swaps.
- Total-return swaps.
- Credit-linked notes.
- Implied correlation.
- Base correlation.
- Term structure effects.
- Model risk and valuation risk.
- Scenario and stress analysis.
- Suitability and product disclosure.

Module 9: Emerging and Collectible Alternatives

- Art and collectibles.
- Wine and rare assets.
- Film and entertainment funds.
- Carbon credits.
- Digital assets and tokenization.
- Royalties and intellectual property.
- Litigation finance.
- Music and sports rights.

- Farmland and forestry.
- Digital infrastructure.
- Impact and thematic funds.
- Return drivers.
- Valuation challenges.
- Liquidity limitations.
- Authentication and provenance.
- Custody and insurance.
- Fraud and reputational risk.
- Regulatory uncertainty.

Module 10: Fund Structures, Economics and Documentation

- Fund lifecycle.
- Fund formation.
- Sponsor and manager arrangements.
- Limited partnership and trust structures.
- Private-placement memoranda.
- Contribution and subscription agreements.
- Side letters.
- Investment-management agreements.
- Custody and administration agreements.
- Capital calls.
- Drawdowns.
- Distributions.
- Recycling provisions.
- Management fees.
- Organizational expenses.

- Carried interest.
- Preferred return.
- Hurdles.
- Catch-up.
- Waterfall models.
- Clawbacks.
- Key-person provisions.
- No-fault removal.
- Suspension and termination.
- Transfer restrictions.
- Continuation funds.

Module 11: Valuation of Alternative Investments

- Principles of private-asset valuation.
- Fair value concepts.
- Market, income and cost approaches.
- Comparable-company analysis.
- Precedent transactions.
- Discounted cash flow.
- Venture-capital method.
- Option-pricing approaches.
- Net asset value.
- Real-estate valuation.
- Private-credit valuation.
- Distressed-debt valuation.
- Illiquidity discounts.
- Control premiums.

- Minority discounts.
- Model risk.
- Valuation committees.
- Independent valuation.
- Valuation policies.
- Frequency and reporting.
- Valuation smoothing and stale pricing.
- Fair-value adjustments.
- Scenario analysis.

Module 12: Performance Measurement and Attribution

- Time-weighted return.
- Money-weighted return.
- Internal rate of return.
- Multiple of invested capital.
- Total value to paid-in capital.
- Distributed to paid-in capital.
- Residual value to paid-in capital.
- Net asset value.
- Public-market equivalent methods.
- PME limitations.
- Gross versus net returns.
- Management fees and carried interest.
- Benchmark selection.
- Peer benchmarking.
- Vintage-year analysis.

- J-curve.
- Performance attribution.
- Deal-level versus fund-level performance.
- Realized versus unrealized returns.
- Impact of cash-flow timing.
- Performance persistence.
- Survivorship bias.
- Selection bias.

Module 13: Portfolio Construction and Asset Allocation

- Strategic asset allocation.
- Tactical asset allocation.
- Portfolio objectives and constraints.
- Risk-return trade-offs.
- Modern portfolio theory.
- Efficient frontier.
- Capital-market assumptions.
- Correlation and diversification.
- Alternative-investment correlation instability.
- Liquidity budgeting.
- Risk budgeting.
- Commitment pacing.
- Vintage diversification.
- Manager diversification.
- Strategy diversification.
- Geographic and currency diversification.
- Concentration limits.

- Rebalancing.
- Public-private exposure.
- Portfolio look-through.
- Cash-flow forecasting.
- Liability-driven investing.
- Endowment model.
- Family-office allocation model.
- Scenario analysis.

Module 14: Risk Management in Alternatives

- Market risk.
- Credit risk.
- Liquidity risk.
- Leverage risk.
- Counterparty risk.
- Operational risk.
- Valuation risk.
- Model risk.
- Legal and regulatory risk.
- Tax risk.
- ESG and reputational risk.
- Cybersecurity risk.
- Concentration risk.
- Currency risk.
- Interest-rate risk.
- Duration risk.
- Basis risk.

- Tail risk.
- Drawdown risk.
- Stress testing.
- Scenario analysis.
- Value at Risk and expected shortfall.
- Liquidity-at-risk.
- Risk-adjusted performance.
- Risk dashboards.
- Risk limits and escalation.

Module 15: Due Diligence and Investment-Committee Practice

Investment due diligence

- Strategy and investment objective.
- Market opportunity.
- Deal sourcing.
- Investment process.
- Portfolio construction.
- Manager experience.
- Attribution of track record.
- Key-person dependence.
- Pipeline and deployment.
- Exit assumptions.
- Competition and capacity.
- Alignment of interest.

Operational due diligence

- Governance.
- Ownership and organization.
- Service providers.

- Fund administration.
- Valuation policy.
- Cash controls.
- Cybersecurity.
- Business continuity.
- Disaster recovery.
- Compliance systems.
- Regulatory history.
- Conflicts of interest.
- Insurance.
- Litigation.
- Fraud controls.

Legal and structural due diligence

- Fund documents.
- Entity structure.
- Investor rights.
- Side letters.
- Related-party arrangements.
- Tax structure.
- Jurisdiction.
- Transfer rights.
- Restrictions.
- Dispute resolution.

ESG and reputational due diligence

- ESG policy.
- Controversy screening.
- Climate and transition risk.
- Supply-chain concerns.

- Greenwashing.
- Impact claims.
- Stakeholder treatment.
- Governance quality.

Investment committee

- IC memorandum.
- Decision rights.
- Approval process.
- Conditions precedent.
- Dissent recording.
- Conflict management.
- Post-investment monitoring.
- Reapproval triggers.

Module 16: Alternatives Operations, Administration and Reporting

- Fund accounting.
- NAV and capital-account statements.
- Capital-call processing.
- Distribution processing.
- Investor onboarding.
- KYC and AML.
- Reconciliation.
- Custody.
- Trade capture.
- Corporate actions.
- Fee calculations.
- Carry calculations.

- Performance reporting.
- Investor communications.
- Data governance.
- Outsourcing.
- Service-provider oversight.
- Operational due diligence.
- Reporting errors and remediation.
- Business continuity.

Module 17: Tax, Accounting and Cross-Border Considerations

- Tax principles affecting alternative investments.
- Fund-level and investor-level taxation.
- Pass-through concepts.
- Capital gains and income characterization.
- Withholding taxes.
- GST and indirect taxes.
- Transfer pricing.
- Tax reporting.
- Accounting treatment of investments.
- Fair-value accounting.
- Consolidation and look-through.
- Foreign investments.
- Double-taxation considerations.
- Treaty concepts.
- Permanent-establishment risk.
- Foreign-exchange controls.
- Cross-border distributions.

- Tax due diligence.
- Use of professional tax advice.

Module 18: Fundraising, Distribution and Ethical Marketing

- Capital-raising process.
- Institutional and family-office fundraising.
- Investor segmentation.
- Distribution channels.
- Placement agents.
- Third-party marketing.
- Private banking and wealth channels.
- Investor presentations.
- Private-placement communications.
- Track-record presentation.
- Performance disclosures.
- Suitability and risk communication.
- Conflicts of interest.
- Fee disclosures.
- Influence and persuasion.
- Relationship management.
- Investor objections.
- Ethical sales practices.
- Mis-selling and regulatory risk.
- Investor onboarding.

Module 19: Technology, Data and AI in Alternative Investments

Topics

- Technology stack of alternative-investment firms.
- CRM and fundraising systems.
- Deal-flow management.
- Portfolio-monitoring systems.
- Fund-administration platforms.
- Data rooms.
- Digital investor onboarding.
- Automated reporting.
- Portfolio dashboards.
- Data extraction from financial statements.
- AI-assisted research.
- AI-assisted due diligence.
- Document intelligence.
- Predictive portfolio monitoring.
- Cybersecurity and data privacy.
- Model risk.
- Human review.
- Data provenance.
- Vendor due diligence.
- Blockchain and tokenization.
- Digital fund administration.

Module 20: Impact, ESG and Sustainable Alternatives

- ESG integration in private markets.
- ESG due diligence.
- Stewardship.

- Climate risk.
- Transition risk.
- Physical risk.
- Impact investing.
- Theory of change.
- Additionality.
- Impact measurement.
- Sustainable infrastructure.
- Renewable energy.
- Carbon markets.
- Green and transition finance.
- ESG data limitations.
- Greenwashing.
- LP reporting.
- Diversity and inclusion.
- Stakeholder governance.

Module 21: Family Offices, Endowments and Institutional Allocators

- Single-family and multi-family offices.
- Investment-office structures.
- CIO, investment committee and family council roles.
- Governance and decision rights.
- Generational differences.
- Direct investments.
- Co-investments.
- Club deals.
- Concentrated family-business wealth.

- Philanthropic and impact capital.
- Liquidity planning.
- Intergenerational transfer.
- Privacy and cybersecurity.
- Reporting and consolidated views.
- Policy statements.
- Strategic partnerships.
- Manager selection and oversight.