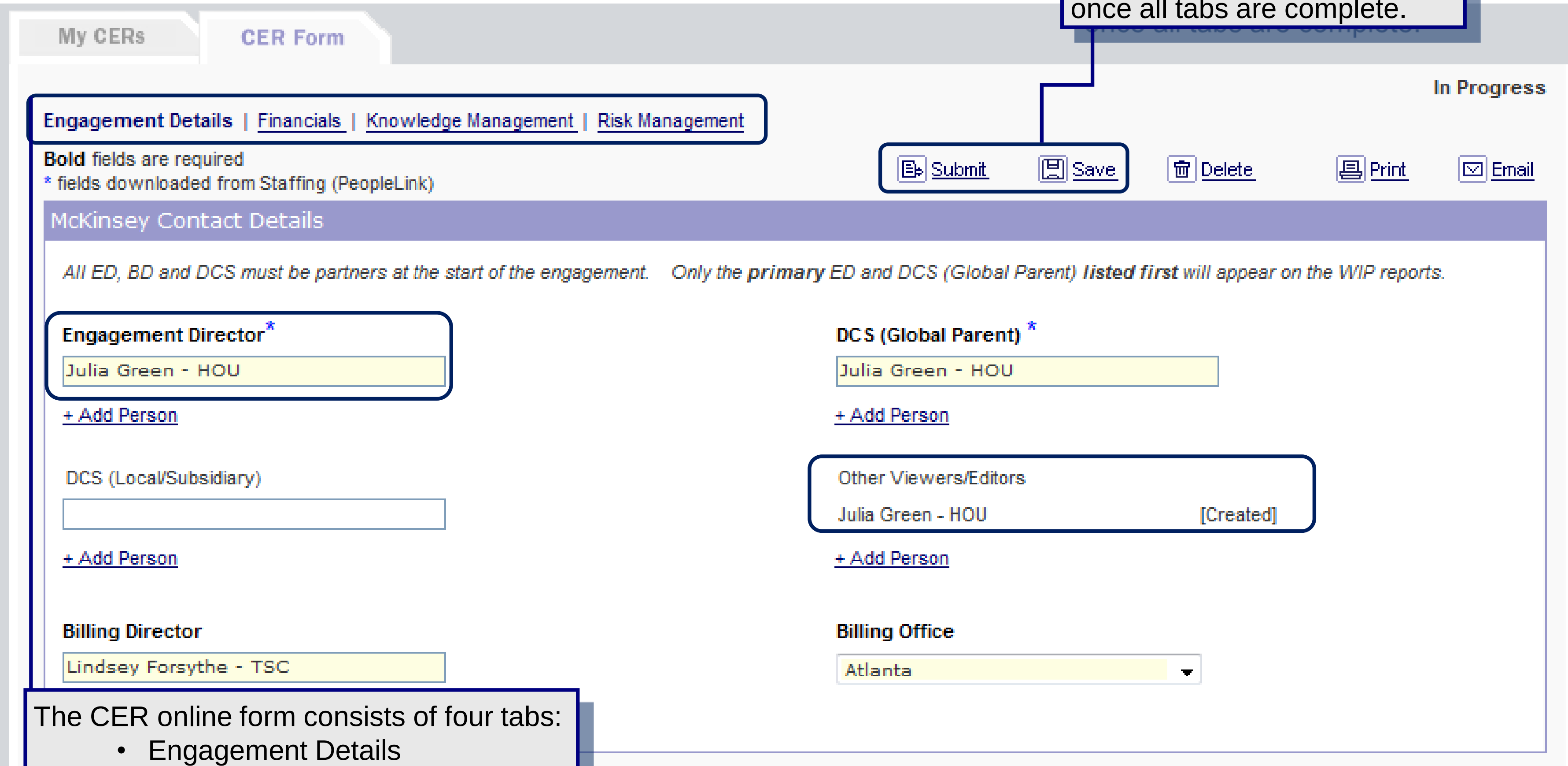
Accessing and navigating a draft CER

For Partners: Follow the link you receive in the email notifying you that a new CER has been added to your list.

For APs and AP equivalents: Follow the link you receive in the email notifying you that you've been designated a viewer/editor of a CER.

Fill out each tab completely, navigating by clicking on the links at the top.
Click “Save” when you need to pause your work and return to complete later. Click “Submit” once all tabs are complete.

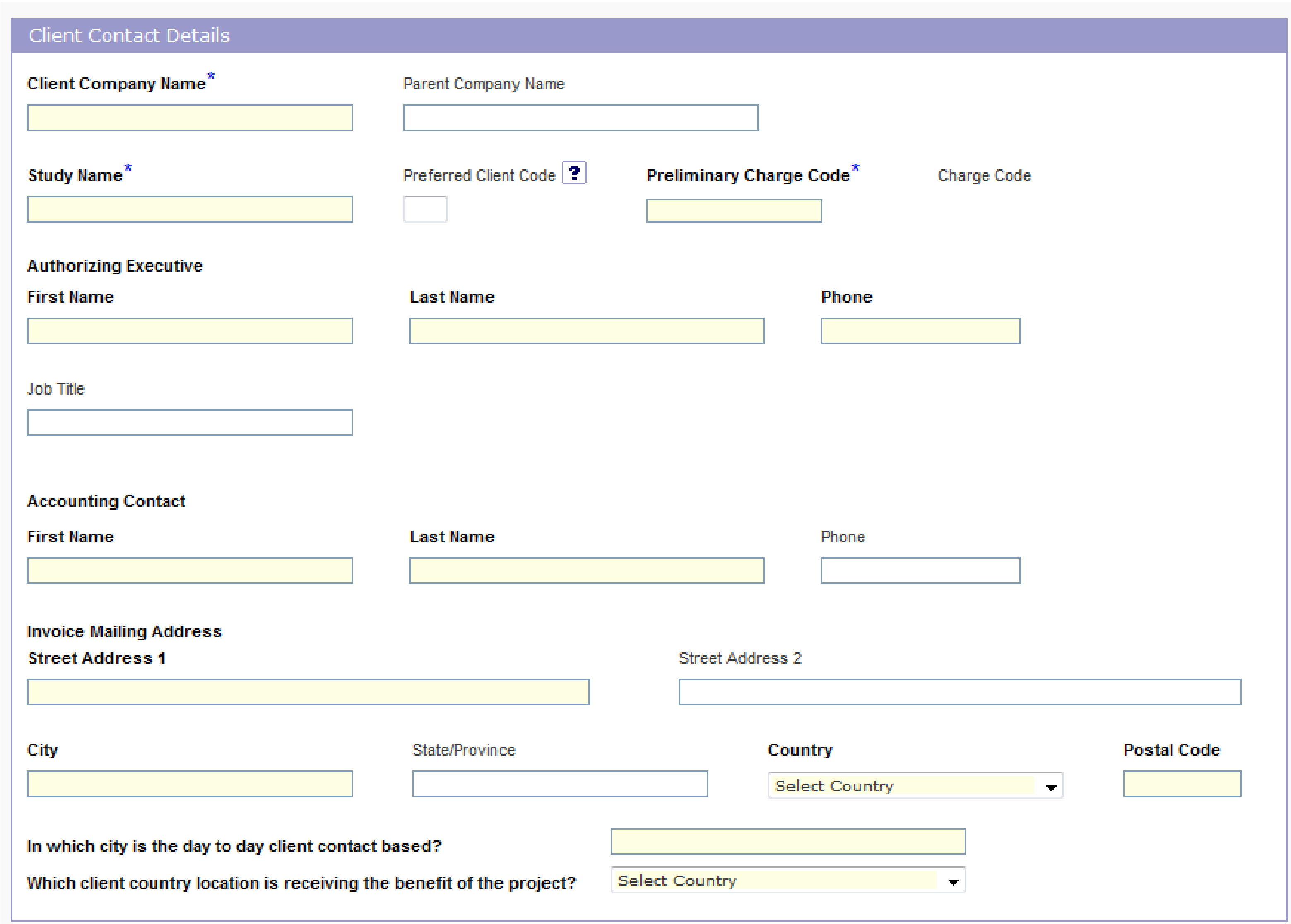


The CER online form consists of four tabs:

- Engagement Details
- Financials
- Knowledge Management
- Risk Management

Completing client contact details in the Engagement tab

From the McKinsey contact details section, scroll down to enter client contact details.


Client Contact Details

Client Company Name*
Parent Company Name

Study Name*
Preferred Client Code ?
Preliminary Charge Code*
Charge Code

Authorizing Executive
First Name
Last Name
Phone

Job Title

Accounting Contact
First Name
Last Name
Phone

Invoice Mailing Address
Street Address 1
Street Address 2

City
State/Province
Country
Select Country
Postal Code

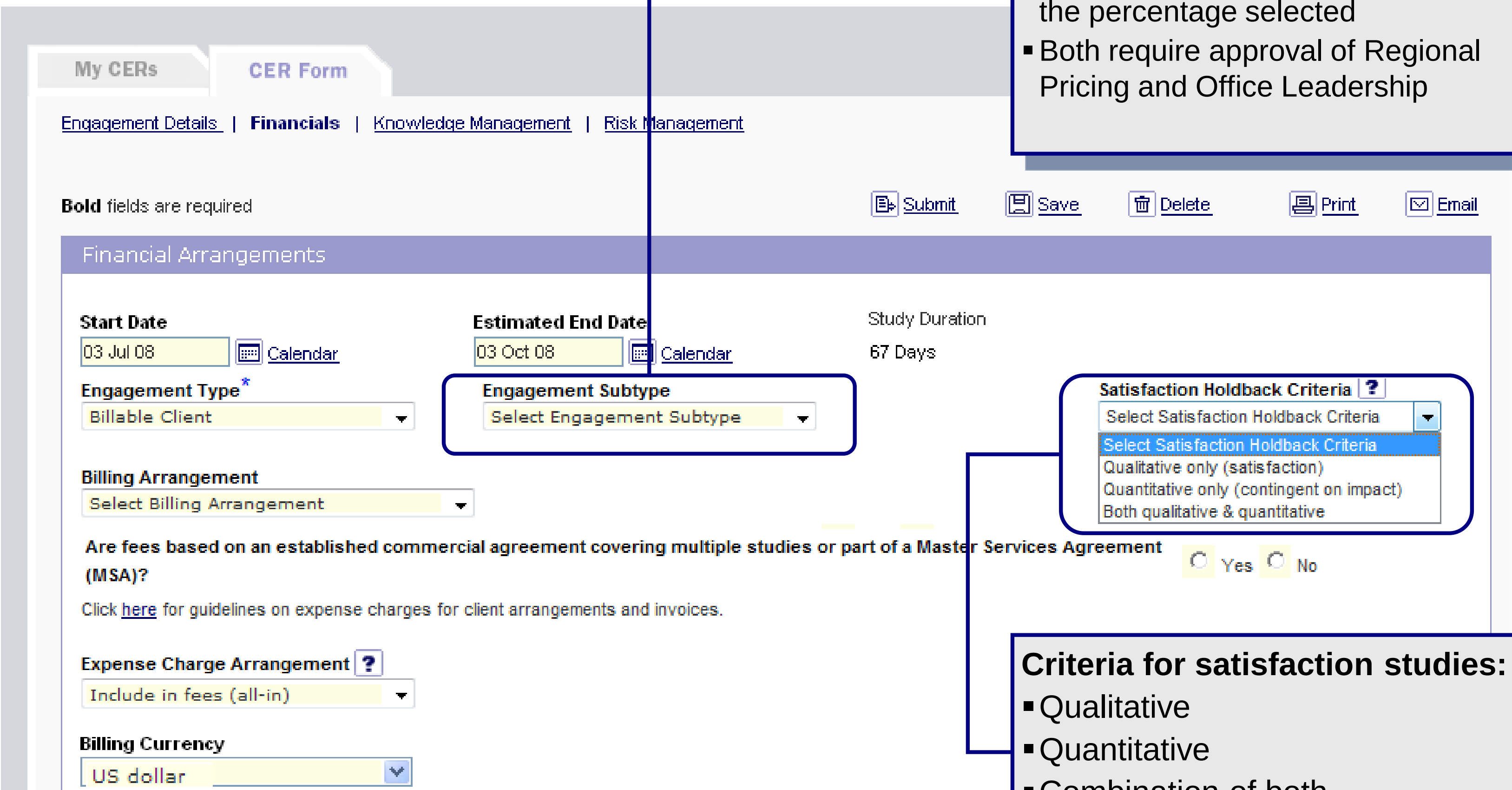
In which city is the day to day client contact based?

Which client country location is receiving the benefit of the project?
Select Country

Completing CER billing information in the Financials tab

Click on the Financials link to open the tab.

Indicates engagement type:
- Full Billing is standard
- Client Investment (CI) and Satisfaction Holdback (SH) will reduce per diems by the percentage selected
- Both require approval of Regional Pricing and Office Leadership



Criteria for satisfaction studies:
- Qualitative
- Quantitative
- Combination of both

Completing the CER billing worksheet in the Financials tab

Scroll down to enter more details.

Total Professional Fees	1,000,000
Total Expense Charges	200,000
Total Billing Agreed by Client ?	1,200,000

Enter fee and expense billing.

Projected WIP

Billing Office: Atlanta Per Diem USD Update Conversion Rate ?

Role	Name	Office Currency Per Diem	Billing Currency Per Diem	x	Days	=	Total	
Director		14,700	14,700	x	8	=	117,600	
Principal (4+)		12,150	12,150	x	16	=	194,400	
Expert Principal (0 - 2)		9,750	9,750	x	4	=	39,000	
EM		7,250	7,250	x	44	=	319,000	
Sr BA (0 - 1)		2,850	2,850	x	44	=	125,400	[Remove]

+ Add Skill Role

Reason for Per Diem Override

Professional Fees (calculated)	=	795,400
PK Services Fees	+	150000
Total Professional Fees (calculated)	=	945,400
Contingency (calculated) 0 % of Total Professional Fees	+	0
Subtotal	=	945,400
Support Services (calculated) 0 % of Subtotal	+	0
Total Fees (Subtotal + Support Fee) (calculated)	=	945,400
Expected Expense Charges (calculated) at ?	+	200,000
External Consultants	+	0
Transfers (from PE or CE)	+/-	25,000
Projected WIP Calculated from Worksheet	=	1,170,400
Total Billing Agreed by Client	=	1,200,000
Net Value Gain/Loss	=	29,600

Enter known team members and accurate per diems as possible. Enter roles and estimated per diems if necessary. Estimate incurred expenses at 20-25% or more of fees.

Ensure billings > estimated incurred fees and expenses.

Last Modified 1/3/2017 10:15 AM Eastern Standard Time

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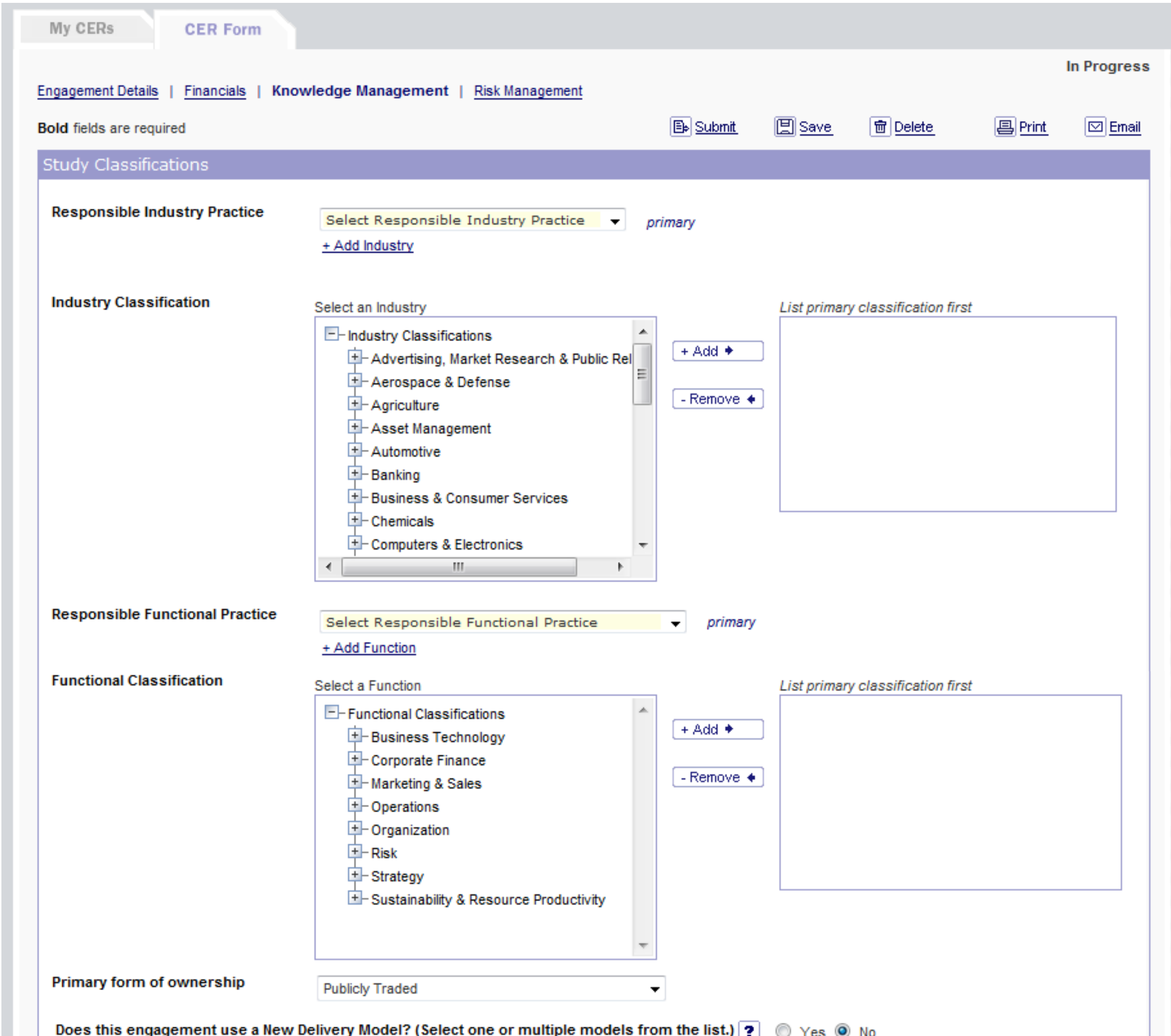
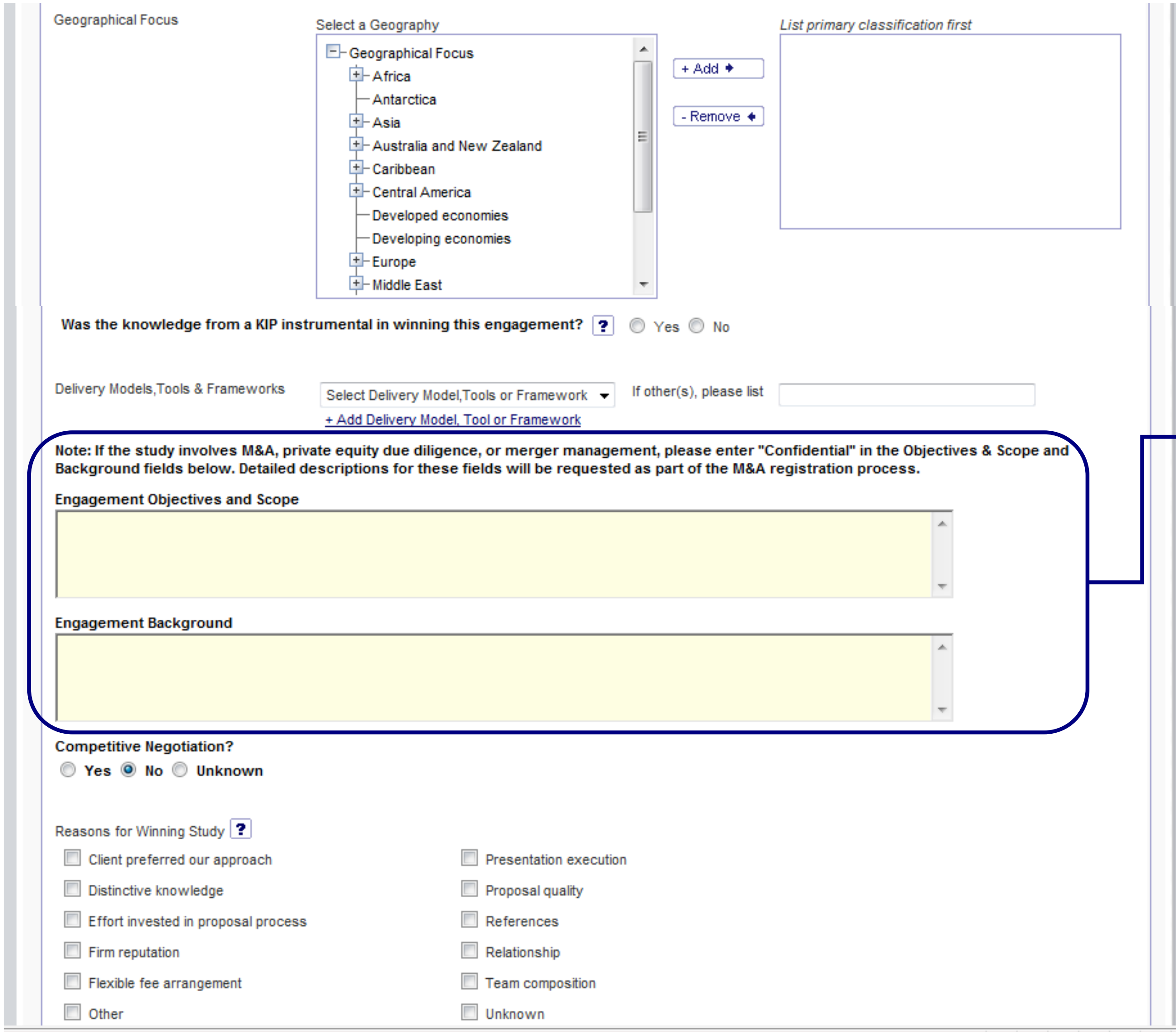
Completing the Knowledge Management tab

Enter the industry, functional practice, form of ownership, and new delivery information.



Completing the Knowledge Management tab

Scroll down to enter the geographical focus, KIP, New Service Capabilities, engagement, and negotiation information.



Geographical Focus

Select a Geography

- Geographical Focus
  - Africa
  - Antarctica
  - Asia
  - Australia and New Zealand
  - Caribbean
  - Central America
  - Developed economies
  - Developing economies
  - Europe
  - Middle East

+ Add

- Remove

List primary classification first

Was the knowledge from a KIP instrumental in winning this engagement? ? Yes No

Delivery Models,Tools & Frameworks

Select Delivery Model,Tools or Framework

If other(s), please list

+ Add Delivery Model, Tool or Framework

Note: If the study involves M&A, private equity due diligence, or merger management, please enter "Confidential" in the Objectives & Scope and Background fields below. Detailed descriptions for these fields will be requested as part of the M&A registration process.

Engagement Objectives and Scope

Engagement Background

Competitive Negotiation?

Yes **No** **Unknown**

Reasons for Winning Study ?

Client preferred our approach	Presentation execution
Distinctive knowledge	Proposal quality
Effort invested in proposal process	References
Firm reputation	Relationship
Flexible fee arrangement	Team composition
Other	Unknown

All M&A studies should list "Confidential" for Engagement Objective/Scope and Engagement Background.

Completing the Risk Management tab

Remember to click “Submit” after you have completed each of the four tabs. Keep in mind that you will not be able to make any revisions once the CER is approved.

Engagement Details | Financials | Knowledge Management | **Risk Management**

Bold fields are required

Submit Save Delete Print Email

Risk Analysis

For more information on any of the topics below, go to the Professional Standards website or contact the Legal Department.

1. **Is this an engagement for a new client (in which case we should provide them with our standard contract), or do we otherwise anticipate entering into a contract for this engagement?** ○ Yes ○ No
2. **Do we expect that the client will want to disclose our work product or involvement to outside parties such as lenders or transaction counterparties?** ○ Yes ○ No
3. **Are there reasons our work might receive media or other public attention?** ○ Yes ○ No
4. **Does your study involve any of the following service lines or issues:**
   - ☐ Services to a client relating to (i) its own or its clients' investments in securities (Investment Related Services), (ii) its purchase of public securities (debt or equity) of a company, including purchase of less than 100% of a company's securities in connection with a private equity due diligence or (iii) M&A or Investment Related Services to a hedge fund.
   - ☐ M&A, private equity due diligence, or merger management (excluding services described in (a) above but including services relating to client's acquisition of an entire company -- i.e., 100% of equity securities)? Ensure that "Confidential" is entered in the Background and Objective/Scope fields in the Knowledge Management section of the CER.
   - ☐ Operations work where health or product safety or quality might be impacted by our work?
   - ☐ Outsourcing or offshoring?
   - ☐ Purchasing and supply management or other interaction/negotiation with suppliers/vendors?
   - ☐ Sustainability and resource productivity?
   - ☐ Restructuring, i.e. (1) Support to a financially-distressed client and (i) risk of bankruptcy or U.S. Chapter 11 proceeding; (ii) expectation our work will be shared with third parties; (iii) request we assume operational roles; or (iv) exception from Firm policy will be sought (e.g., third party reliance) or (2) support to creditor(s) involving a debtor's prospects for restructuring?
   - ☐ Development of software or other technology for a client (with or without an outside vendor) or deployment of an existing Firm proprietary solution (e.g., a McKinsey solution, advanced analytics database, or other technology solution)?
   - ☐ Receipt of personally-identifiable information, also known as personal data (e.g., name, email address, physical address, phone number, social security number, medical or health information or financial information), relating to customers, employees, patients or any other identified or identifiable individuals? Select No if the information will be appropriately de-identified, aggregated or redacted by the client prior to our receipt to anonymize the data.
   - ☐ Public sector client?
   - ☐ Client service or contact with governments, political figures, civil servants, organizations or companies in, or travel to, countries that may be subject to US or international sanctions (for example, but not exhaustively, Cuba, Myanmar, Syria, Iran, Zimbabwe, Libya, Belarus, Sudan, North Korea, etc.)
   - ☐ Assisting a client with its assessment of, response to, or compliance with, an existing or proposed US federal, state, or local regulatory issue, rule making or other government proceeding or investigation?
   - ☐ None of the above apply

If you have **any** questions, reach out to the engagement office Accounting team.