**Flowchart – Accurate Delineation of the Actual Transaction**

Carry out a full Functional analysis *(****para 1.82****)*

Determine the (written) contractual terms *(****para 1.77****)*

**No party**

**Multiple parties**

**One party**

**NO**

**YES**

Does the party that bears the risk both (i) control & (ii) have financial capacity to bear it? *(****para 1.94****)*

Recognise this risk allocation in delineating the transaction to be priced *(****para 1.100****)*

Does conduct follow contract?

**Yes:** follow contract

**No:** follow conduct *(****para 1.88****)*

Allocate risk based on facts & circs *(****para 1.99****)*

Allocate risk to party with most control *(****para 1.98****)*

Allocate risk to this party *(****para 1.98****)*

Does another party both (i) control & (ii) have financial capacity to bear the risk? *(****para 1.94****)*