

\_\_\_\_\_, 2017

**INITIAL LEGAL DUE DILIGENCE REQUEST CHECKLIST**

In connection with [INVESTOR'S] due diligence review for its proposed investment in \_\_\_\_\_ (the "**Company**"), [INVESTOR FULL LEGAL NAME] ("\_\_\_\_\_") requires the following documents and information relating to the Company and its affiliates and subsidiaries.

**INSTRUCTIONS:** Please label each requested document with the section and number of the checklist to which it responds. All references to the Company include each of its subsidiaries and affiliates. In the column labeled "Response," mark an "x" for each item that is forwarded to [INVESTOR] and, when requested, list any related details. If any of the items requested do not exist or do not apply to the Company and/or its affiliates and subsidiaries, please let us know by marking the sections of the request list to indicate that the Company has no responsive remarks or documents to such requests.

Please forward all documents and responses, including a completed version of this checklist, directly to [RESPONSIBLE PORTFOLIO OFFICER] and [RESPONSIBLE LEGAL TEAM MEMBER] at \_\_\_\_\_ and \_\_\_\_\_. We may request additional information as we review the Company's documents and responses.

If you have any questions regarding this list please contact [RESPONSIBLE PORTFOLIO OFFICER] at \_\_\_\_\_. Thank you for your cooperation.

**A. CORPORATE ORGANIZATION**

NO.	REQUEST	RESPONSE
1.	<p><u>Formation Documents.</u> Please provide copies of all constituting or formation documents (such as statutory forms filed, the memorandum of association, certificate of incorporation, certificate of change of name, certificate of compliance, limited liability company agreement, partnership agreement or trust deeds) and any amendments (and relevant resolutions for such amendment) to those documents of the Company and each of its subsidiaries and affiliates</p>	
2.	<p><u>Governance Documents.</u> Please provide copies of all bylaws, articles of association or similar supporting or governing documents and any amendments to such documents of the Company and each of its subsidiaries and affiliates.</p>	
3.	<p><u>Shareholder Agreements etc.</u> Please list any agreements among any equity holders of the Company or any of its subsidiaries or affiliates (such as shareholder agreements, registration rights agreements, investor rights agreements, joint venture agreements, subscription agreements, pre-emptive rights, conversion rights, rights of first refusal, and voting trusts) and provide copies of same.</p>	
4.	<p><u>Structure Chart.</u> Please provide a corporate structure chart including all subsidiaries and affiliates of the Company (including any corporations, partnerships, limited liability companies, branches, other offices, joint ventures or other entities in which the Company or any its subsidiaries or affiliates has equity investments).</p>	
5.	<p><u>Ownership Structure.</u> Please list all current shareholders of the Company with each holder's ownership in shares and percentages and the total number of authorized and issued equity of the Company.</p> <p>If there have been any changes in share capital since incorporation, please provide copies of the relevant documentation for the change in share capital</p>	

	(including filed statutory forms and documents evidencing payment of stamp duty).	
6.	<u>Options, Warrants, etc.</u> Please list all persons/entities holding options, warrants, convertible loans or other rights exercisable to acquire equity interests of the Company (together with details of such rights, including copies of the relevant documents granting those rights).	
7.	<u>Minutes and resolutions.</u> Please provide copies of meeting minutes and written resolutions of the shareholders, board of directors, and any committees of the Company for the last five years including minutes showing the authorization and issuance of any equity.	
8.	<p><u>Statutory Records and Compliances.</u> Please provide copies of:</p> <p>(a) All Statutory Books &amp; Records (including share ledger) required to be maintained by the Company and its subsidiaries and affiliates including without limitation the following:</p> <ul style="list-style-type: none"> <li>• Register of directors, managers and secretaries etc.;</li> <li>• Register of directors' shareholding;</li> <li>• Register of charges and mortgages;</li> <li>• Register of members or shareholders;</li> <li>• Register of contracts, companies and firms in which directors are interested;</li> <li>• Form of share certificate;</li> <li>• Register of share transfers; and</li> <li>• Allotment Register.</li> </ul> <p>(b) Copies of all filings with the Registrar of Companies, including periodic/annual returns [Foreign Investment Promotion Board, Reserve Bank of India]<sup>1</sup>, etc.</p> <p>(c) Details of any failure by the Company, or any of its officers or employees, to comply with any statutory requirement, law or regulation.</p>	
9.	<u>Jurisdictions.</u> Please list all countries and states or localities in which the Company or any of its subsidiaries (1) is qualified to do business and any certificates of good standing (or similar evidence of authority to do business) issued by any relevant governmental authority, (2) owns or leases property and (3) has employees.	

<sup>1</sup> Applicable only to Indian companies

10.	<p><u>Licenses, Permits, etc.</u> Please list all licenses, permits, designations, consents, approvals or other authorizations issued to the Company by any governmental authority and provide copies of same. Also provide any documents, reports, notices or correspondence regarding any purported violation or noncompliance with applicable governmental regulations or upcoming required renewals.</p>	
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**B. FINANCE**

1.	<p><u>Financial Statements.</u> Please provide copies of all audited and unaudited financial statements and balance sheets of the Company.</p>	
2.	<p><u>Budget and Business Plan.</u> Please provide a copy of the current year budget or business plan.</p>	
3.	<p><u>Indebtedness.</u> Please list all agreements and instruments evidencing loans, indebtedness, lines of credit or other financing arrangements of the Company or to which assets of the Company may be subject and provide copies of same.</p>	
4.	<p><u>Intercompany Loans, etc.</u> Please list any intercompany loans, debentures, deposits, short term borrowings taken or given by the Company and provide copies of same.</p>	
5.	<p><u>Security Interests.</u> Please list any security interests granted over the Company or its assets such as liens, debentures, charges, UCC-1 financing statements, hypothecation deeds, etc. and provide copies of same.</p>	
6.	<p><u>Guarantees, etc.</u> Please list any guarantees, undertakings or commitments issued to, by or on behalf of the Company and provide copies of same.</p>	
7.	<p><u>Notice and Consent Requirements.</u> Please list all notices or consents required by lenders or financial institutions prior to any transfers of equity of the Company.</p>	
8.	<p><u>Defaults, etc.</u> Please provide details of any communications regarding defaults, potential defaults or waivers of defaults under any indebtedness or credit</p>	

	agreements, including past defaults, waivers of interest or penalties and provide copies of same.	
9.	<u>Grants</u> . Please list any grants received by the Company and any grants currently being negotiated or contemplated and any related grant agreements.	
10.	<u>Material Assets</u> . Please list all material assets owned by the Company or its subsidiaries including real property (property owned or leased), plants and machinery.	
11.	<u>Current Negotiations</u> . Please provide details of any negotiations for capital commitments for current or future investments in the Company.	

**C. ACCOUNTING**

1.	<u>Accounting and Auditing Reports etc</u> . Please provide copies of any accounting, audit or similar reports to the Company's directors, management or any committee.	
2.	<u>Accountant Correspondence</u> . Please provide copies of any letters from independent public accountants or auditors to the Company in the past three years regarding control systems, methods of accounting, etc.	
3.	<u>Management Reports</u> . Please provide copies of any internal management reports prepared in the usual course of business.	
4.	<u>Income Tax Returns, etc</u> . Please provide copies of all income tax returns and any other material tax documents filed by the Company.	
5.	<u>Disputes</u> . Please list and provide details of any tax or customs disputes with any regulatory authorities.	

**D. MATERIAL CONTRACTS**

1.	<u>Material Contracts</u> . Please list and provide copies of all contracts, agreements, arrangements or	
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	<p>understandings, in written form, that are in full force and effect, including:</p> <ul style="list-style-type: none"> <li>• contracts with any key suppliers, purchasers, distributors etc.;</li> <li>• any lease agreements other than for land to which the Company is a party;</li> <li>• any existing agreements with clients or customers;</li> <li>• each type of form agreement previously used or in use currently with clients or customers;</li> <li>• any agreements with third party vendors of Company products;</li> <li>• any agreements to supply goods or services on behalf of a third party to clients or customers;</li> <li>• any contracts with consultants;</li> <li>• any other contract exceeding [insert material amount] in value; and</li> <li>• any other material contract.</li> </ul> <p>Please also confirm that each of the material contracts are valid, in force, and not breach of any such contract has occurred and/or no circumstance has occurred which makes the contract void or ineffective or incapable of performance. If any of the above is not true in connection with any material contract, please provide details of remedial action being taken.</p>	
2.	<p><u>Joint Ventures, Partnerships, etc.</u> Please list and provide details of any joint venture, consortium, partnership or other unincorporated association of which the Company is, or has agreed to become a member.</p>	
3.	<p><u>Licenses.</u> Please list and provide copies of all license agreements, to and from the Company. Please also provide copies of all approvals obtained in relation to such arrangements.</p>	
4.	<p><u>Notice and consent requirements.</u> Please list all notices or consents required by regulators or suppliers prior to any transfers of equity of the Company.</p>	
5.	<p><u>Competition.</u> Details of any practices or arrangements (whether or not the Company has entered into a legally binding contract in relation to them) which may have material competition or other regulatory implications (i.e. arrangements distorting or restricting competition or abusing a dominant market position). In particular, please send details of any contracts, arrangements or understandings with any person, company or entity</p>	

	with which the Company competes or could potentially compete in any market (for example, an arrangement involving an exchange of information as to prices or other terms of sale).	
6.	<u>Government Contracts</u> . Please provide details of any contract or arrangements with government or quasi government entities since inception.	

**E. CUSTOMERS/CLIENTS AND SUPPLIERS**

1.	<u>Customers, Clients and Suppliers</u> . Please list the Company's material customers or clients and the Company's material suppliers, including identification and details of those on which business is particularly dependent and any arrangements which are significant in relation to the business.	
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**F. PRODUCTS/SERVICES**

1.	<u>Products/Services</u> . Please provide details of products/services currently and/or proposed to be manufactured, marketed or distributed/marketed and offered by the Company.	
2.	<u>Marketing etc.</u> Please provide details of any marketing/promotion programs relating to the Company's products/services.	
3.	<u>Sales</u> . Please list all countries in which the Company sells its products and provide documentation evidencing permission to do so.	
4.	<u>Claims</u> . Please provide details of all existing claims relating to products liability or to high failure rates against products manufactured by the Company/the Company's services.	

**G. REAL PROPERTY AND EQUIPMENT**

1.	<p><u>Real Property.</u> Please list all real property owned or leased by the Company (including, location, size, description, use, covenants or restrictions, value or cost, and if leased, the owner, remaining term and rent) and all related purchase agreements, leases, guarantees, other related agreements and any amendments. Please indicate whether any land related documents or approvals prohibit the transfer of such properties.</p>	
2.	<p><u>Other Real Property.</u> Please provide details of any other properties occupied or used by the Company (including if used jointly with others or where the use or occupation is dependent on others).</p>	
3.	<p><u>Adverse Interests.</u> Please provide details of any encroachments, claims, liens, mortgages, options or encumbrances on or against the property owned or leased.</p>	
4.	<p><u>Taxes, Covenants, etc.</u> Please provide details of all rates, taxes, assessments, licenses, zoning or other restrictions, restrictive covenants and consents and confirmation of compliance or payment.</p>	
5.	<p><u>Buildings and Equipment.</u> Please list all buildings and material equipment owned, leased or occupied by the Company and all related leases, guarantees, subordination agreements, other related agreements and any amendments.</p>	
6.	<p><u>Plant and Machinery.</u> Please provide details of material plant and machinery owned or used or possessed by the Company, and confirmation as to whether or not any of these will need to be replaced within the next two years.</p>	
7.	<p><u>Other Assets.</u> Details of all other assets which are owned/used by the Company relating to the business and exceeding USD 25,000 in value.</p>	
8.	<p><u>Notice and consent requirements.</u> Please list all notices or consents required by landlords prior to any transfers of equity of the Company.</p>	



**H. INTELLECTUAL PROPERTY**

1.	<p><u>Intellectual Property.</u> Please list and provide evidence of all intellectual property owned by the Company that relates in any way to the Company’s present or contemplated business activities, including all patents, patent applications, registered and unregistered copyrights, licenses, trademarks, trade secrets, data basis, know-how, show-how, or other proprietary information. This list should include, with regards to each entry where applicable, any expiration date, jurisdiction of filing or registration, and status.</p>	
2.	<p><u>Inventions.</u> Please list any inventions relating in any way to the Company’s present or contemplated business activities for which the Company is preparing to seek, or has sought, patent protection.</p>	
3.	<p><u>Opposition Proceedings.</u> Please provide details and documentation, including correspondence, regarding any opposition proceedings, office actions, refusals to register or to cancel any trademark or patent.</p>	
4.	<p><u>Challenges and Claims.</u> Please provide details and documentation, including internal memoranda, cease and desist letters, settlement agreements and concurrent use agreements and correspondence concerning any challenge or claims made by or on behalf of the Company, by any third party with respect to any trademarks, patents, know-how, technology or other intellectual property.</p>	
5.	<p><u>Confidentiality Agreements, etc.</u> Please list and provide copies of any confidentiality or nondisclosure agreements, covenants not to compete, or agreements to assign inventions, discoveries or intellectual property rights executed by the Company or its subsidiaries, or any of their respective directors, officers, employees, agents or consultants.</p>	
6.	<p><u>Third Party Agreements.</u> Please list and provide copies of all agreements with third parties, currently in effect or terminated, for the design, development, programming, enhancement or maintenance of new products. If any third party has not executed an agreement, then identify such third parties and</p>	

	provide a description of the work performed and the dates when such work was performed.	
7.	<u>Information Systems.</u> Please provide a schedule of information systems (hardware and software), including: (i) a description of the equipment and software applicable to each operating and financial system utilized by the Company, (ii) ownership of the hardware and software, (iii) any applicable licensing fees and (iv) any use restrictions for licensed hardware and software. Please provide copies of all such related contracts, license agreements and other agreements.	
8.	<u>Research and Development.</u> Please list and provide copies of all agreements related to ongoing, completed or contemplated research and development of the Company.	

**I. EMPLOYEES AND LABOR**

1.	<u>Employees.</u> Please provide the number of employees by location, whether salaried or hourly, union or nonunion and corresponding job titles.	
2.	<u>Organizational Chart.</u> Please provide an organizational chart including a list of directors, officers and employees (including permanent employees, temporary employees, contractors, trainees, and apprentices) for the current fiscal year with annual compensation, bonuses, awards, incentives, and benefits.	
3.	<u>Directors and Advisors.</u> Please list and provide copies of all agreements, guarantees or other business arrangements or understandings (whether written or oral) with directors or advisors.	
4.	<u>Employment Agreements, etc.</u> Please list and provide copies of any employment agreements, change-of-control agreements, vesting or forfeiture agreements or severance arrangements, non-competition agreements, plans, agreements, arrangements, policies or understandings, whether written or oral, relating to any compensation, remuneration or benefits (such as bonuses, insurance, car and travel allowances and	

	relocation reimbursements, termination, salary continuation, or golden-parachute).	
5.	<u>Employee Loan Agreements, etc.</u> Please list and provide copies of any documents pertaining to any loans, commitments or agreements between the Company and its officers or other employees or directors or any loans, commitments or agreements between officers, other employees or directors and the Company.	
6.	<u>Employee Manuals, etc.</u> Please provide copies of any employee manuals, handbooks and policies including all amendments including codes of ethics, and anti-corruption policies.	
7.	<u>Benefits and Compensation.</u> Please provide a list of employee benefit and compensation programs, profit sharing plans, fringe benefits, pension plans, arrangements, agreements, practices, policies, or understandings that cover or have covered any present or former employees, executives and directors.	
8.	<u>Labor and Union Contracts.</u> Please list and provide copies of all labor and union contracts, including national and local contracts, and information on any existing or proposed trade union of employees, collective bargaining agreements or wage settlement agreements.	
9.	<u>Complaints, etc.</u> Please list any employee complaints, grievances, letters and other communications asserting employment claims or potential claims against the Company, unfair labor practice charges, consent decrees, investigations, administrative charges (such as harassment, termination of employment or service, equal opportunity, occupational health and safety reports, or human rights violations) in each case concerning labor and employment issues, and copies of the Company's response with respect to each.	
10.	<u>Other Disputes.</u> Please provide details relating to any other disputes with or claims by or against the directors, employees, consultants, ex-employees or ex-consultants involving the Company.	

11.	<u>Work Stoppages.</u> Please provide details of any strikes, work stoppages, work slow-downs and lockouts in the past five years.	
12.	<u>Terminations.</u> Please provide details of any termination of employees within the past five years and the terms of severance.	
13.	<u>Stock Option Plans, etc.</u> Please list and provide copies of any employee stock option plan or employee participation in management or equity share capital of the Company and any approvals in respect of such plans (such as Reserve Bank of India or Income Tax filings).	
14.	<u>Compliance.</u> Please provide evidence of compliance with employment benefits plans <sup>2</sup> and other benefit and incentive schemes offered to all categories of employees.	
15.	<u>Immigration.</u> Please provide details of those employees who require work permits and confirmation that all such work permits have been validly procured and are up to date.	

**J. RISK MANAGEMENT**

1.	<u>Insurance.</u> Please list all policies, certificates and contracts of insurance including premiums, policy limits and term (such as policies for (a) worker’s compensation, (b) auto liability, (c) general liability, (d) product liability, (e) property, (f) boiler and machinery, (g) crime, (h) employment-practices liability, (i) fiduciary, (j) surety and (k) directors and officer. Please include details of any assignment of insurance.	
2.	<u>Pending Insurance Claims.</u> Please provide details of any pending insurance claims.	
3.	<u>Denials of Claims.</u> Please provide details of any insurance claim made in which coverage was denied.	

<sup>2</sup> If Indian company, plans such as Employee Provident Fund Organization of India, Gratuity, Leave Encashment, Employee State Insurance.

**K. LITIGATION**

1.	<u>Litigation, etc.</u> Please provide details of all pending, threatened or potential litigation, administrative proceedings, government investigations/inquiries, arbitration or claims affecting the Company or any affiliate or subsidiary, including all related pleadings, correspondence and other documents. These items may include but are not limited to: environmental violations, employment issues, intellectual property infringements, real estate disputes, contract disputes, etc.	
2.	<u>Orders, etc.</u> Please list all orders, decrees, judgments, settlements, injunctions or rulings by any court or agency which may bind or affect the Company or its subsidiaries.	
3.	<u>Other Disputes.</u> Please list all disputes against, by or involving the Company, including customer or consumer complaints and grievances.	

**L. ENVIRONMENTAL**

1.	<u>Audits, Surveys, etc.</u> Please list and provide copies of all environmental, health or safety audits, surveys, appraisals, studies and other reports or impact assessments, conducted internally, by outside consultants or governmental authorities.	
2.	<u>Notices, etc.</u> Please provide copies of all notices or communications between the Company or any subsidiary or affiliate and any regulatory authorities or local authorities.	
3.	<u>Permits, Licenses, etc.</u> Please list and provide copies of all current environmental permits, licenses, authorizations, approvals or registrations, and applications for such and a list of required permits which have expired or have not been obtained.	
4.	<u>Utilities.</u> Please provide details of the utilities used in operations of the Company and consents, approvals, licenses, registrations, clearances and permits	

	obtained by the Company from the relevant regulatory authorities in this regard, including, but not limited to, electricity, water and sewer.	
5.	<u>Violations or Non-Compliance.</u> Please list and provide copies of any material documents, reports, notices or correspondence regarding any purported violation or non-compliance with applicable governmental regulations or upcoming required renewals of any of the foregoing.	

**M. INFORMATION REQUIRED FOR COMPLIANCE WITH U.S. PATRIOT ACT OF 2001, AS AMENDED, AND OTHER SIMILAR APPLICABLE LAWS**

1.	<u>Names, etc.</u> Please list all names and acronyms (in English and in the language of the relevant jurisdiction in which business activities are conducted) used by the Company and its subsidiaries and affiliates in their respective business activities. Please also provide names of major shareholders, grantors, lenders, directors, officers and other senior management members.	
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**N. MISCELLANEOUS**

1.	<u>Other Documents and Information.</u> Please provide copies of any other documents or information which are significant with respect to the business of the Company or any of its subsidiaries/affiliates that should be reviewed by prospective investors.	
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