

## DUE DILIGENCE REQUEST LIST

Corporate Documents	Status
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**A. General Corporate**

- A.1. Articles of Incorporation and Bylaws of the Company.
- A.2. Lists of all officers, directors and shareholders of the Company and any organizational charts of the Company.
- A.3. Agreements relating to the ownership and control of the Company (if any), including all shareholder agreements, voting trusts and voting agreements, proxies, transfer restriction agreements, registration agreements, stock purchase rights and warrants.
- A.4. Copies of the Company's stock option, SAR and similar plans (if any) and a list of persons to whom outstanding options or other rights have been issued under the plans, together with the exercise price and dates and expiration dates of such right.
- A.5. Documents relating to any transactions, agreements or arrangements with any director, officer or major shareholder (including their affiliates and relatives) of the Company.

**B. Financial Information**

- B.1. The Company's independent accountants' management letters on internal controls and contingent liabilities (if any) for the past five years and any reports or summaries of findings made as a result of internal audits conducted in the past five years.

Corporate Documents	Status
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- B.2.
1. Current backlog and related contracts
  2. Revenue by customer for last 3 years and for most recent interim period in 2012/13.
  3. Financial statements for 2010-2012.
  4. AR aged as of most recent date.
  5. AP aged as of most recent date.
  6. Customer references
  7. Revenue projection by customer for 2013
  8. Financial projections for 2013 and 2014
  9. Employee compensation
  10. Capital expenditures for last 3 years and for most recent interim period.
  11. Consulting agreements for major customers for last 3 years.
  12. Lease agreements.
  13. Employment contracts, if any
- B.3. The Company's tax returns for the latest closed year and all open years (federal, state, local and foreign), the most recent IRS and state tax audit reports and any other tax audit reports received within the past five years and any settlement documents entered into within the past five years.

**C. Litigation, Claims and Other Potential Liabilities**

- C.1. Files concerning any pending or threatened claim, litigation, mediation or arbitration proceeding (including attorneys' responses to audit inquiries for the past five years).

Corporate Documents	Status
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C.2. Files regarding material claims settled or adjudicated within the past five years, files relating to any past or current investigations or proceedings by any governmental agencies (including environmental and employee safety matters) with respect to the Company, and copies of and files relating to any outstanding orders, decrees or judgments and files with respect to pending or threatened material labor disputes (including strikes, grievances and arbitration proceedings).

C.3. Information regarding any material contingent liabilities and material asserted or unasserted claims and information regarding any asserted or unasserted violation of any employee safety and environmental laws and any asserted or unasserted pollution clean up liability (including any environmental surveys and reports prepared by internal personnel or outside consultants).

**D. Insurance**

D.1. Summary of the Company's insurance coverage (including key man insurance and officer and director indemnity insurance) and claims history for the past five years (including product liability claims) and a description of any self-insurance programs and any retro-premium obligations.

D.2. Summary of any workers' compensation claims pertaining to the Company within the past five years and the disposition of such claims.

**E. Intellectual Property**

Corporate Documents	Status
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E.1. Agreements and files relating to the Company's intellectual property rights (including patents, trademarks, service marks, trade names, corporate names, copyrights, trade secrets, etc.), and all registrations, royalty agreements and licenses held or granted with respect thereto and any pending or threatened infringement actions by or against the Company, and files relating to the Company's specialized computer hardware and software (if any).

**F. Assets**

F.1. List of all material tangible property, including equipment, machinery and vehicles owned, leased or used in the operation of the Company and a list of all security interests or encumbrances thereon.

F.2. Description of any real estate owned by the Company and copies of related deeds, mortgages, surveys, title insurance policies, certificates of occupancy, easements, condemnation orders and zoning variances.

F.3. Appraisals (if any) of the Company's properties or significant fixed assets.

**G. Governmental and Regulatory Information**

G.1. List of any governmental approvals, permits, certificates, registrations, concessions, exemptions, etc., required in order for the Company to conduct its business in every jurisdiction in which it does business (including as the same may relate to import/export matters).

Corporate Documents	Status
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G.3. Any internal compliance audit, regulatory review or other investigation or report by the Company or any other party relating to the Company's compliance with any law or regulation.

**H. Contracts**

The following agreements, plans or arrangements to which the Company is a party:

H.1. Bonus, pension, profit sharing, retirement and other forms of deferred compensation plans together with all actuarial reports and trust agreements, evidence of any qualification under the Internal Revenue Code and ERISA, correspondence with respect to such qualification and the last three annual reports on Form 5500.

H.2. Health and welfare, insurance and other employee benefit plans (including retiree health plans).

H.3. Employment agreements with any officer, individual employee or other person on a full-time or consulting basis providing for an annual compensation in excess of \$50,000 or providing for the payment of any cash or other compensation upon the change in control of the Company.

H.4. Management, consulting or advisory agreements, severance plans, agreements or arrangements and employee handbooks and pamphlets.

H.5. Non-disclosure agreements, invention assignment and non-compete agreements between the Company and present or former employees.

Corporate Documents	Status
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- H.6. Agreements and indentures relating to the borrowing of money or to mortgaging, pledging or otherwise placing a lien on any of the Company's assets and letter of credit arrangements.
- H.7. Guaranties of any obligation for borrowed money or otherwise, other than endorsements made for collection, and any other similar or related type of agreement.
- H.8. Any agreement under which the Company is lessee of or holds or operates any real property (together with copies of any leasehold title policies) or any personal property for which the annual rental exceeds \$25,000.
- H.9. Any agreement under which the Company is lessor of or permits any third party to hold or operate any property, real or personal, for which the annual rental exceeds \$25,000.
- H.10. Any agreement or group of related agreements with the same party for the sale or purchase of products or services under which the undelivered balance of such products and services has a price in excess of \$25,000.
- H.11. Any other agreement or group of related agreements with the same party continuing over a period of more than six months from the date or dates thereof, not terminable by the Company on 30 days' or less notice without penalty or involving more than \$25,000.
- H.12. Any tax sharing or tax indemnification agreements.
- H.13. Any notices or other correspondence to or from the Company claiming default or nonperformance under any material agreement or contract.