



MORALES BRANDS STANDARD DUE DILIGENCE REQUEST LIST

		Date Provided	N/A
A.	ACTIONS AND MINUTES		
	1. All shareholder actions and meeting minutes.	_____	<input type="checkbox"/>
	2. All board actions and meeting minutes	_____	<input type="checkbox"/>
B.	CHARTER DOCUMENTS		
	1. The Company's current Certificate of Incorporation/Articles of Incorporation, including any amendments thereto.	_____	<input type="checkbox"/>
	2. The Company's current Bylaws	_____	<input type="checkbox"/>
C.	CAPITAL STOCK		
	1. Current shareholder and optionee lists, including issuance dates and original issuance price. These lists should include any party who owns securities of the Company or has any rights regarding securities of the Company.	_____	<input type="checkbox"/>
	2. A summary of the vesting schedules of any stock or options subject to vesting.	_____	<input type="checkbox"/>
	3. Agreements relating to the purchase, repurchase, sale or issuance of securities.	_____	<input type="checkbox"/>
	4. Agreements relating to voting of securities and restrictive share transfers.	_____	<input type="checkbox"/>
	5. Agreements relating to preemptive or other preferential rights to acquire securities, including rights of first refusal.	_____	<input type="checkbox"/>
	6. Agreements relating to registration rights.	_____	<input type="checkbox"/>
	7. Shareholder agreements not involving the Company, including any agreement by a shareholder relating to the sale, voting, or transfer of securities of the Company.	_____	<input type="checkbox"/>
	8. Evidence of qualification or exemption under applicable federal and state blue sky laws for issuance or transfer of the Company's securities.	_____	<input type="checkbox"/>
D.	LEGAL AND REGULATORY		
	1. All documents and correspondence relating to any pending litigation, threatened litigation, or disputes which could potentially lead to litigation involving the Company, its executive offices or its directors.	_____	<input type="checkbox"/>
	2. Any consent decrees, injunctions, judgments, other decrees or orders, settlement agreements or similar matters.	_____	<input type="checkbox"/>
	3. All correspondence between the Company and the U.S. Food and Drug Administration (FDA).	_____	<input type="checkbox"/>
	4. All correspondence between the Company and the U.S. Federal Trade Commission (FTC).	_____	<input type="checkbox"/>
	5. All correspondence between the Company and the U.S. Federal Communications Commission (FCC).	_____	<input type="checkbox"/>
	6. All correspondence between the Company and the Internal Revenue Service (IRS).	_____	<input type="checkbox"/>
	7. All correspondence between the Company and the State Tax Board/Authority.	_____	<input type="checkbox"/>
	8. All correspondence between the Company and any other State or Federal Agency.	_____	<input type="checkbox"/>
E.	INTELLECTUAL PROPERTY		
	1. Form of Proprietary Information and Invention Agreements signed by past or present employees and consultants. Any documentation relating to the transfer to the Company or any employee of any technology.	_____	<input type="checkbox"/>

- | | | | |
|-----------|--|-------|--------------------------|
| | 2. Copies of the Proprietary Information and Invention Agreements signed by key employees and consultants. | _____ | <input type="checkbox"/> |
| | 3. A list of any employees or consultants who have not signed Proprietary Information and Invention Agreements, including a list any periods of time where key employees or consultants performed services for the Company while not bound by such agreements. | _____ | <input type="checkbox"/> |
| | 4. Copies of any Proprietary Information and Invention Agreements that contain any exclusions from assignment to the Company. | _____ | <input type="checkbox"/> |
| | 5. Any licenses or agreements of any kind with respect to the Company's or others' patent, copyright, trade secret or other proprietary rights, proprietary information or technology, other than licenses or agreements pertaining to "off-the-shelf" or standard products. | _____ | <input type="checkbox"/> |
| | 6. A list of patents, copyrights and trademarks, and any searches relevant to such items that have been done. | _____ | <input type="checkbox"/> |
| F. | MANAGEMENT, EMPLOYEES AND CONSULTANTS | | |
| | 1. Any agreements, understandings or proposed transactions between the Company and any of its employees, officers, directors, affiliates, or any affiliate thereof, including without limitation, employment agreements and any loans or guarantees. | _____ | <input type="checkbox"/> |
| | 2. Consulting contracts. | _____ | <input type="checkbox"/> |
| | 3. Employee benefit and profit-sharing plans, including stock option, stock purchase deferred compensation and bonus plans or arrangements and forms of stock option grants or stock purchase agreements under such plans. | _____ | <input type="checkbox"/> |
| | 4. A list of officers and directors. If any officers are not currently devoting 100% of their business time to the Company, please note them on this list. | _____ | <input type="checkbox"/> |
| | 5. Copies of offer letters. | _____ | <input type="checkbox"/> |
| | 6. A list and breakdown of all outstanding accrued salary, paid time off, and reimbursable expenses. | _____ | <input type="checkbox"/> |
| G. | DEBT FINANCING | | |
| | 1. All debt instruments and credit agreements entered into by the Company, including lease financing, which are currently in effect. | _____ | <input type="checkbox"/> |
| | 2. Any guarantees of third party obligations. | _____ | <input type="checkbox"/> |
| H. | OTHER AGREEMENTS | | |
| | 1. Real property leases, including any amendments and all exhibits to such documents. | _____ | <input type="checkbox"/> |
| | 2. Capital Lease Agreements | _____ | <input type="checkbox"/> |
| | 3. Standard forms of agreements used by the Company. | _____ | <input type="checkbox"/> |
| | 4. Joint venture and partnership agreements. | _____ | <input type="checkbox"/> |
| | 5. Management, service and marketing agreements. | _____ | <input type="checkbox"/> |
| | 6. Confidentiality and nondisclosure agreements. | _____ | <input type="checkbox"/> |
| | 7. Agreements requiring consents or approvals in connection with the financing. | _____ | <input type="checkbox"/> |
| | 8. Agreements, letters of intent or term sheets regarding and proposed acquisition by the Company of and company, business or material amount of assets. | _____ | <input type="checkbox"/> |
| | 9. Any other agreements material to the business of the Company, or outside the ordinary course of business. | _____ | <input type="checkbox"/> |
| I. | MISCELLANEOUS | | |
| | 1. Any reports and studies prepared by the Company or outside consultants on the Company or its subsidiaries' or affiliates' business or financial condition. | _____ | <input type="checkbox"/> |
| | 2. Most recent audited financial statements and latest unaudited monthly financial statements. | _____ | <input type="checkbox"/> |



- 3. Brief description of any contract restricting the ability of the Company to compete in any line of business with any person or entity, or committing the Company or any subsidiary to continue in any line of business. _____
- 4. Most recent Business Plan, Offering Memorandum or similar document of the Company. _____
- 5. Any documents indicating environmental liabilities or potential environmental liabilities, including violations of any environmental laws, or agreements for indemnity or remediation of any adverse environmental conditions. _____