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Due Diligence Questionnaire

(Legal Due Diligence in Advance of Securities Regulation Work)

Check all that apply:

- Private Offering of Securities by Issuer Raising Capital from Investors**
 - Private Fund Formation and Fund Offering to Investors**
 - Regulation A Offering**
 - Crowdfunding Offering**
- Investment Adviser Firm or Broker-Dealer Firm – Representation or Registration With SEC or States**
- Fund Manager Representation, SEC ADV Registration or State ADV Registration**
 - CTA or CPO Representation or Registration with NFA**

Company or Entity Name: _____

Due Diligence for (Your Name): _____

(Person Who is the Subject of This Questionnaire)

Complete Separate Questionnaire for Each:
Officer, Director, Principal, Managing Member, General Partner, Key
Employee, Owner of $\geq 5\%$ of Issuing Company or Control Person of Issuer;

And for each ***Proposed*** Officer and Director, each Proposed Investment
Advisor Principal or Broker-Dealer Principal;

And for each Broker Offering Securities of the Company, and
For each Money Finder or Promoter Connecting Investors to the Company

What Is this For, and Why?

Attorneys conduct Due Diligence on the Principals of a Company which plans to offer securities, or register as an investment adviser, broker-dealer or CTA or CPO, as a routine part of the Offering, or Registration, or Regulatory Compliance.

“Principals” are Founders, Officers, Directors, Managing Members, General Partners and Control Persons (persons who own at least 5%, or who have voting control, or who other influence over the company or its management or its policies, including relationship influence.) Due Diligence is conducted even in a private placement offering and even in a small public offering.

The Company is legally responsible for determining that all information in the Offering Memo, Disclosure Document, Offering Statement or Prospectus, or in the Form ADV or Form BD, are accurate, and that nothing material is omitted, including information about the principals and their backgrounds. The Company’s attorneys assist the Company in this regard with determining that accurate and complete background information is contained in the Offering Memo, Disclosure Document, Offering Statement, Prospectus, ADV or BD, using this Due Diligence Questionnaire as one of the tools.

Professional investors will run background checks on the Principals, and will find the information on the internet that is the subject of this Due Diligence questionnaire. Therefore we pre-empt their discovery by asking you to disclose any info in advance, and then we disclose it to them in the Offering Memo, Disclosure Document, Offering Statement or Prospectus or ADV, before they find it. As a business tool for the Company, Due Diligence screens for issues that may prevent professional investors from investing into your deal, or that may affect future rounds of financing.

Due Diligence is required in order to determine which disclosure items go into the Offering Memo, Disclosure Document, Offering Statement or Prospectus, ADV, or BD, as well as eligibility for securities exemptions.

And under Dodd Frank rules effective in September 2013, the Issuer is required to determine if any of its officers, directors, principals and promoters has any “bad actor” issues in their backgrounds. If any, special disclosures are required, and might eliminate the availability of an exemption under Regulation D.

What Will You Do With My Information?

Our protocol is to conduct due diligence background checks on each Principal of a company/Issuer for which we will be preparing, or reviewing, an Offering Memo,

Disclosure Document, Offering Statement or Prospectus for an Issuer or an ADV or BD.

We also conduct due diligence on each Principal of business into which our client Issuer is investing, or our client Business Purchaser is buying, and for each Investment Adviser, Broker-Dealer, CTA or CPO for which we are filing registrations (as these questions come up in each registration filing); and for any Issuer for which we are filing a New York Form 99 or M-11 (questions come up).

The information gathered in this questionnaire, or as a result of background checks from this questionnaire, will be kept confidential within the Company, and among its Officers, Directors, attorneys and accountants. However, if any securities registration form requests information determined from the background check and this form, then we will provide it on the registration form.

However, please note that the attorneys represent the Company, not the individual, and therefore may have an obligation to disclose to the Company's Officers and Board of Directors, and even to regulators, information collected in this questionnaire. The attorneys' disclosure obligation is a result of Sarbanes Oxley Rules for public offerings, and accordingly the standards of practice that have evolved for exempt private placements and other registrations as well.

Instructions

Please answer the following questions by **typing answers directly into this document, using a different font style or color**. To check a box, double-click on it, and select "checked". Please email the completed questionnaire to nfallon@velocitylaw.com. Then sign a paper copy on the signature page, and scan and email us, or fax us the signature page.

Please type details of any "Yes" answers, in the space at the end of this Questionnaire, beginning after the Signature Page. If you prefer, type the details right after the text of each question. For typing between questions, please use bold or italicized font, or highlight, or color, or change font, to distinguish your answers from questions. If you prefer, send narrative answers to us in the text of a separate email. Email us or call us with questions, and call us with your social if you are emailing this form, instead of including your social on an emailed form.

Please include all items here, even if they seem immaterial, as the Company and its attorneys will determine materiality, and therefore exclusion from Offering Memo or Form ADV disclosure. If your answer to any question is "Yes", please include the information supporting the answer, regardless of how long ago the item occurred. Some SEC disclosure items are required without date limitation. However, we may opt to exclude from Offering Memo or ADV disclosure, any items that we deem immaterial, based on distant age of the event, irrelevance to the Offering or registration, or irrelevance to the Issuer's responsibilities of holding and spending investor money.

Due Diligence Questions:

1. Current and Past Employment.

A. Please list your current employer or employers, month/year, and title, and attach resume or bio:

Date	Employer	City, State	Title/Role

B. Please list your Past Employers for the past 20 years (or back to college), listing years only, and attach bio or resume. List here (or on the last page.)

If you have filed a U-4, or a NFA 7R or 8R, for the current firm, then no need to complete the remaining employer history, please instead email me a copy of your Form U-4.

Date	Employer	City, State	Title/Role

Please attach your Resume. Please also attach a narrative Biography (if you have a bio), and your LinkedIn bio.

Biography and/or Resume. If you have not already done so, please email to nfallon@velocitylaw.com, a **biography and/or resume for yourself for at least the past 20 years.** Please list all positions you have held and companies in which you have been involved, as officer, director, manager, principal, partner, or material equity holder. Feel free to provide non-business related bio info if you'd like.

Please list dates, or approximate dates. If your business background is longer than 20 years, please list all of it. List your degrees, dates and colleges attended. If your business background is shorter than 20 years, please provide biographical information only back through college information, no need to list info prior to college.

- Emailed previously
 Attached
 Will Email within 24 hours

2. Other Affiliations:

a. Do you hold any position as officer, director, board member, advisory board member, managing member, general partner, principal, of any other company? No Yes

Date	Company	City, State	Title/Role

b. Do you own or hold, or stand to own, 5 % equity holder for any other company or entity, public or private? (5% equity holder means directly, indirectly, or combined with other persons or entities over which you have actual, practical, or legal control). No Yes

If yes, please type/write detailed description here, or add a page at the end of this document.

Date	Company	City, State	Title/Role

3. **Background Items: Criminal, Civil Fraud, Regulatory Actions:** Do you have, or have you ever had, any of the following occur in your background?

A. **Criminal** arrest, criminal proceeding brought, or criminal conviction, including DUI or drug arrest, in federal, state or county court, or court of a non-US country. (Exclude speeding and parking tickets and moving violations.) (Not all items are disclosure items, but we need to review and discuss.)

No Yes [If yes, please type/write detailed description here, or add a page at the end of this document.]

B. **Fraud** action or allegation: Civil or criminal action brought against you, or a company of which you were an officer or director, in the US or in any other country.

No Yes [If yes, please type/write detailed description here, or add a page at the end of this document.]

C. **Business Bankruptcy:** Bankruptcy, reorganization, or failure of a business, which you founded, managed, or were an officer, director, promoter, broker, or shareholder, or equity owner of 5% or more.

No Yes, Name of Business: _____
[If yes, please type/write detailed description here, or add a page at the end of this document.]

Did shareholders, equity owners or investors lose money?

No Yes [If yes, please type/write detailed description here, or add a page at the end of this document.]

Did shareholders, equity owners, or investors sue the company, its founders, officers or directors, alleging loss of their investment?

No Yes [If yes, please type/write detailed description here, or add a page at the end of this document.]

D. **Personal Bankruptcy.** (Let's discuss whether it will be a disclosure item in the Offering Memo, may or may not, depends on circumstances.) No Yes. [If yes, please type/write detailed description here, or add a page at the end of this document.]

E. **Tax Liens.** (Personal income tax, business income tax, payroll / employer tax, real estate tax, sales tax.) If a tax lien has been levied, but is now paid, it will not be a disclosure item in the Offering Memo. However, please disclose it here.

No Yes. Type: Business Personal

[If yes, please type/write detailed description here, or add a page at the end of this document.]

F. **Regulatory investigation or action,** or stop order, issued by a securities regulator or self-regulatory organization, such as the SEC, FINRA, CFTC, NFA, any state securities commission, any banking, mortgage, or insurance commissioner, or any other federal or state regulatory body, such as the FTC, USPS, FDA, or by any regulatory body of a non-US country. No Yes

[If yes, please type/write detailed description here, or add a page at the end of this document.]

G. **Disciplinary action** by a professional licensing body, such as accounting, law, mortgage broker, real estate, insurance, financial, medical, or other regulatory body, in the US or any other country.

No Yes [If yes, please type/write detailed description here, or add a page at the end of this document.]

H. **Cease and desist order,** or stop order, issued by a court or regulatory body, in the US or in another country. No Yes [If yes, please type/write detailed description here, or add a page at the end of this document.]

I. **Delisting by Stock Exchange:** Has a company of which you have been officer director principal, managing partner, or control person, ever been de-listed from any securities exchange or trading system, including OTC, Bulletin, Pink Sheets, local stock exchange, foreign stock exchange, or other exchange? No Yes [If yes, please type/write detailed description here, or add a page at the end of this document.]

Symbol & Exchange	Company Name	Position with Company	Dates

4. **Financial Industry History as Securities Broker, Investment Adviser, Commodity Broker, or Financial Industry Employee or Representative:** Have you ever been a member of the FINRA (formerly NASD), or NFA, an exchange, or employed by, or been a registered representative or agent of, a broker-dealer firm, or an investment adviser firm, private or public fund or fund manager, commodity pool operator, commodity trading advisory, commodity broker, or other securities or futures industry firm, in the US or in any other country? No Yes
 [If yes, please type/write detailed description here, or add a page at the end of this document.]

If yes, Please provide your CRD number or NFA number, exchange registration number, name of Firm(s), your position, and approximate dates of employment or affiliation?

CRD or NFA #	Firm Name	Position with Firm	Dates

5. **Aliases:**
 Have you ever been known by, or used, any other name? No Yes
 [If yes, please type/write detailed description here, or add a page at the end of this document.] Other Names: _____

6. **Multiple Social Security Numbers or Names:** Have you ever used any other social security number? No Yes
 Any other name? No Yes

If yes, please type/write detailed description here, or add a page at the end of this document.

Other Name	Other Social	Dates	Reason

6. **Civil Litigation:** Do any of the following apply to you?

A. **Litigation Brought Against You, By Others:** Please describe any civil litigation brought against you personally, or against any company of which you are, or were, a principal, officer, director, manager or founder:

None Yes, Was Defendant in Litigation

- a. Any current or threatened? No Yes
- b. Any in the past 20 years? No Yes
- c. If yes, please list and discuss with attorney. Some items might be disclosure items in the Offering Memo. Multiple law suits: Probably a disclosure item. Litigation that could affect the Company is a disclosure item.

[If yes, please type/write detailed description here, or add a page at the end of this document.]

B. **Litigation Against Your Former Company:** Please describe any civil litigation against a company with which you were involved as an officer, director, principal or partner:

None Yes, Was Company was Defendant in Litigation

- a. Any current or threatened? No Yes
- b. Any in the past 20 years? No Yes
- c. If yes, please list and discuss with attorney. Some items might be disclosure items in the Offering Memo. Multiple law suits: Probably a disclosure item. Litigation that could affect the Company is a disclosure item.

[If yes, please type/write detailed description here, or add a page at the end of this document.]

C. **Litigation Against The Current Company or its Affiliates:** Please describe any civil or criminal litigation, or regulatory action, of any amount, which has ever been brought, or which has been threatened to be brought, against the Company or against any predecessors or affiliates of the Company, without time limitation. (We will evaluate these items and discuss with Company disclosure of them in the Offering Memo.) No Yes

[If yes, please type/write detailed description here, or add a page at the end of this document.]

D. **Litigation Brought by You, Against Other Parties:** Please describe any civil litigation that you have filed against any other parties:

None Yes, Was Plaintiff in Litigation

- a. Any current or threatened? No Yes
- b. Any in the past 20 years? No Yes

- c. If yes, please list and discuss with attorney. Some items might be disclosure items in the Offering Memo. Multiple law suits: Probably a disclosure item. Litigation that could affect the Company is a disclosure item.

[If yes, please type/write detailed description here, or add a page at the end of this document.]

7. **Knowledge of Background of Other Principals:** Are you aware of the existence of any of the items in this questionnaire, in the backgrounds of, or related to, any of the Officers, Directors, Managers, Key Employees, or 5% Shareholders, of this Company or its affiliates? No Yes

[If yes, please type/write detailed description here, or add a page at the end of this document.]

8. **Brokers or Finders: A.** Has the company used, or does the Company intend to use, any brokers to sell the securities of the Company? No

Yes: Name of Firm and Broker, Address, CRD#, percentage or fee:

- B.** Has the company paid, or does the Company intend to pay anyone any commissions or fees for finding money for the Company in this offering? Has the company used any finders to match investors with company? No

Yes: Name of Firm, Person, Address, percentage or fee:

[If yes, please provide name, address, contact info and firm name, and write a detailed description here or by add a page at the end of this document]

9. **Equity Compensation for Investor Connections.** Does the Company intend to issue an equity interest in exchange for finding money for the Company in this offering? No

Yes: Name of Firm and Firm, Address, percentage or fee:

[If yes, please type/write detailed description here, or add a page at the end of this document.]

If yes to any of these, **the finder or broker will need to complete this questionnaire**, even though they may likely be precluded from acting in a finder capacity.

We will also need to discuss the complex regulatory issues triggered by their involvement. Please list the names and company names of any such persons, and the CRD #'s of the person and the company.

10. **Signature Block, Rep, and Consent:** Please complete the signature block by tabbing across the table and typing in your responses. After emailing your completed form, please return an executed copy, at your convenience, to the address above.

I have executed this document below, attesting to the truth of my answers.

I consent to a background check using my personal information, including my name, address, home address, social security number, and my phone numbers including home phone number. I've listed those items below.

(Background check will not include credit check, other than search of bankruptcy filings or tax lien filings. However, I understand that the attorneys reserve the right to later order, and I hereby consent to, a credit check.)

I have checked a "Yes" answer above, and therefore have provided a written explanation/description within the question, or at the end of this questionnaire below my signature, or by separate email, or in a separate document. No Yes

11. Are you a U.S. Citizen? No Yes

This information is for the internal use only of our law firm. It will be not be submitted to regulators, however, the information on this form will be used for the purpose of answering questions on SEC Form D, New York Form 99, SEC Form ADV, SEC Form BD, SEC Form PF, and NFA Forms 7R and 8R. This Due Diligence form in its raw format will not be provided to regulators in the course of a registration or notice filing application.

Name of Person Signing: _____

[See next Page for Signature Page]

Name of Person Signing: _____

Signature Page for Due Diligence Questionnaire for Company:

I consent to a background check by signing here, and have provided my social to do so:

Signature: X _____

Name: _____

Title and Positions currently held with the Company: _____

Today's Date: _____

Your Social Security # (Please call our office 630-963-0439 with this and leave it in a VM, if you are emailing the completed form. Don't email this with your social, name and address in the same place.)

Birth Date: _____

Your CRD # or NFA ID # (if applicable): _____

Your Business Address (If other than that of the Company):

Business Phone: _____

Business Email: _____

Home Address: _____

Home Phone: _____
(All information, including home information, to be kept confidential)

Home email, only if you prefer to be contacted at home for correspondence regarding this questionnaire and the Offering: _____

How do you prefer to be contacted for correspondence regarding this questionnaire and the offering? Email Phone _____

Additional Information- Narrative Answers:

Please type here and on follow page, any narrative answers for any questions to which you answered "Yes". State the Item Number to which your answer applies, then write your narrative description. Use any number of pages: