

DUE DILIGENCE CHECK LIST

The following is a list of requirements that we recommend you include in your business plan supporting your equity financing application. We will also rely upon you to bring to our attention any items which are not on the following list, but which would be properly characterized as “material” in nature in the normal course of business. We also request that you advise us of any new information or changes to any existing information as it becomes available.

Item No.	Description	None Exist	All to be provided	Comments
<i>The Business Plan</i>				
	Description of the Company’s business operations and industry including details of the Company’s products, services and competitive environment.			
	Identify any official corporate mission or value statements.			
	Identify the Company’s principal place of business.			
	Identify any other communities or jurisdictions in which the Company does business.			
	Provide the history of the company and identify important past corporate initiatives such as new start-ups, mergers, acquisition or dispositions.			
	Identify any past names under which the Company has conducted business.			
	Include a copy of a Company organizational chart showing its shareholders, divisions and subsidiaries. For each subsidiary provide the percentage of the Company’s ownership.			
	Identify the strategic priorities of the Company over the coming five year period.			
	Identify any sales and marketing strategy supporting the identified strategic direction of the Company.			
	Include a summary SWOT analysis identifying the Company’s perceived strengths and opportunities along with its perceived weaknesses and threats.			
	Identify any corporate environmental issues, considerations or			

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	concerns.			
	Provide a description of economic and social benefits provided by the Company to the community, region or territory including the number of jobs and income earning opportunities generated by the Company's business activities. Also identify any additional employment considerations relating to the proposed investment.			
	Provide detailed sources and uses of funds schedules supporting the proposed investment.			
	Provide a description and breakdown of capital structure of the Company including a description of all debt financing arrangements and share capital			
	Provide a list of the Company's senior executives or managers and brief description of their respective duties.			
	Provide a current resume for each senior executive or manager identified above.			
	Provide a list of current Company board members or directors and any compensation arrangements, honoraria policies or incentive plans.			
	A management organization chart for the Company.			
<i>Corporate Documents</i>				
	Copies of the current Articles of Incorporation, Articles of Amalgamation, Articles of Continuance along with all amendments to date.			
	Copies of the current Company by-laws with all amendments to date.			
	Copies of the current unanimous shareholder agreements and any share subscription agreements.			
	List of any and all Company shares which are issued and outstanding.			
	List of any and all Company shareholders including the type and number of shares held.			

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	List of all dividends/distributions paid in the past 3 years.			
	Copies of any current partnership or joint venture agreements.			
Financing				
	Description of current loan and credit agreements, promissory notes, guarantees, lines of credit, letters of credit, and any other evidence of indebtedness (whether or not drawn down or merely available).			
	Description of all loans or other financing arrangements with non-arms length parties including directors, officers, subsidiaries and owners.			
	Copies of any guarantees granted for the indebtedness of any obligation of a third party (including related parties such as subsidiaries).			
	List any and all defaults on loans, promissory notes, guarantee's, lines of credit and shareholder agreements showing the amount in default.			
	List of all security granted as well as copies of any collateral security agreements.			
	Copies of all documents and agreements evidencing other material financing arrangements including sale and lease back arrangements and instalment purchases, etc.			
	Listing of any accounts payable or receivable in excess of \$25,000 and outstanding for more than 120 days.			
Financial and Tax				
	Provide 3-years of financial statements and include any management commentary summarizing past performance.			
	Provide pro-forma financial projections for the next 5-years identifying major assumptions supporting the financial projections (income statement, balance sheet and cash flow statement)			
	Copy of current year, management financial reports including income			

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	statement, balance sheet and updated cash flow.			
	Copies of letters and reports from accountants/auditors regarding significant accounting issues over the past 3 years.			
	Provide detail of changes in accounting policies (if any) over the last 3- years.			
	Description of any known or suspected tax disputes with a federal or territorial agency.			
<i>Material Contracts</i>				
	Copies of all existing service, supply or purchase contracts or commitments in excess of \$25,000.			
	Identify and provide terms sheets supporting any current Company leases.			
	Identify and value any lease or purchase commitments over the coming 5-year period.			
<i>Authorizations, Licenses and Governmental Regulation</i>				
	List of all licenses, permits, authorizations, etc. issued by any governmental authority or other body related to the Company.			
	Documentation confirming the Company's Inuit Firm status and Nunavut Firm status			
<i>Legal Matters</i>				
	Summaries of any active, pending or threatened legal claims, actions, arbitrations or other proceeding, involving the Company or any subsidiary. Include the parties involved, nature of proceedings and issues involved			
	Description of any convictions or fines levied against the business or subsidiary or any directors, officers or employees of the Company or any subsidiary during the last five years.			
	Information as to any actual or potential contingent liabilities which			

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	would not be included in any of the above.			
<i>Insurance</i>				
	Copies of all insurance certificates including property and casualty, automobile, liability, directors and officers, key-person etc. related to the Company.			
	Description of any current or pending insurance claims			