

## **Contact Information**

**Darren Jacklin Group of Companies Inc**

Tatiana Mersiadis

Vancouver, British Columbia Canada

Mobile: 1.604.803.9622

Email: [tatiana@darrenjacklin.com](mailto:tatiana@darrenjacklin.com)

Website: [DarrenJacklin.com](http://DarrenJacklin.com)



## INITIAL DUE DILIGENCE REQUEST

Below is a checklist of what we require to begin our due diligence process. Please complete this request to the best of your ability. Additional information will be required but these requests will be tailored to each individual company. We expect full and honest disclosure. This initial request has been kept simple to move the process in a timely fashion. Please make contact if there are any questions or concerns about any parts of this document.



The requested information should be completed in a Word Document with supporting attachments. It may be relayed in person, by email or by post in print form. Please advise us as soon as possible, as to when receipt should be expected.

	<b>ITEM</b>	<b>DIRECTION</b>
1.	Company name and address	All full legal names under which the company and any of its affiliate operate and the official address of each
2.	Former names and addresses	All former information as above. Also list any jurisdiction (province, state, country) in which the company and its affiliate operate.
3.	Corporate registration documents	Provincial or federal corporate registration documents for the company and affiliates. An article of incorporation is available.
4.	Key individuals	Names, CV/Bios, addresses and contact information for all shareholders/owners, management and key employees.
5.	Summary of all assets	List in a document all assets owned and used by the business. Include intellectual property and stages of any trademarks or patents.
6.	Summary of all liabilities	List all liabilities of the company. Include all accounts payable, shareholder loans, lines of credit and any other debts.
7.	Business Plan	Please include the most recent prepared business plan that provides a summary of the current business and a realistic description of future plans.
8.	Financial Statements	At minimum an up to date balance sheet and profit/loss statement that have been prepared by an accountant.

## **Darren Jacklin Group of Companies Inc**

This package will guide you through the process of due diligence in order to make a final investment decision. The purpose of this letter is to be very clear upfront about managing expectations.

### **Our Company's Mission:**

We acquire assets for cash flow then we use the cash flow to acquire more assets.

Darren Jacklin Group of Companies is the collective investment portfolio of Darren Jacklin and Tatiana Mersiadis. Darren Jacklin Group of Companies manages a portfolio of businesses across diversified industries that share a common goal of driving success through people, a long term perspective of value and a passion for excellence. For more information please visit **[www.DarrenJacklin.com](http://www.DarrenJacklin.com)**

### **About Darren Jacklin:**



World-Class Professional Speaker, Corporate Trainer, Angel Investor

For over 20 years, Darren Jacklin has travelled four continents and personally trained over one million people in over 45 countries.

He has mentored entrepreneurs and business owners on specific and measurable strategies. These strategies have then been implemented into businesses to increase income, transform obstacles into cash flow and turn passion into profits. Darren has an uncanny ability to increase wealth

and success by uncovering hidden assets, overlooked opportunities and undervalued possibilities.

His talent has captured the attention of Tiger 21, The Wall Street Journal, Yahoo Finance, NBC TV, CBS TV, Global TV, international radio stations, magazines and newspapers, movie producers, best-selling authors, CEO's and business experts worldwide.

Darren is featured as an international celebrity in the 2015 movie The Treasure Map. Darren Jacklin currently sits on paid International Boards of Directors and Advisory Boards of public and private companies. He has also personally trained over one hundred and fifty Fortune 500 companies such as Microsoft, AT&T, Black & Decker, Barclays Bank, as well as high school, college, and university students and lastly, professional athletes.

His experience has connected him with people in more than 128 countries. Darren Jacklin is also the current Chief Executive Officer of AFS Superfoods Ltd.

### **About Tatiana Mersiadis:**



As an experienced educator, Tatiana Mersiadis grew up in Montreal, Quebec, Canada and learned early on that teaching was her passion. She moved to Vancouver, British Columbia from Montreal, Quebec. She studied Education at McGill University and worked in many different schools across Quebec and British Columbia, Canada throughout her 30 years in the education field.

She is an accomplished teacher, with a Bachelor of Education and Physical Education from McGill University, in Montreal, Quebec, a Diploma in French Language Education from Simon Fraser University in Vancouver, British Columbia and a Masters in Education from the University of British Columbia in Vancouver, Canada.

Passionate about making a difference in people's lives, today Tatiana is working in partnership with Darren Jacklin and committed about expanding her investment portfolio with Darren Jacklin to make a greater humanitarian difference across the planet. She is also supporting and working with Daystar Junior School in Kampala, Uganda East Africa. Her life example teaches us to follow our dreams, no matter how great.

### **Chronological steps:**

- Step #1: Execute a signed Deal Sheet (non-binding commitment)
- Step #2: Submit initial Due Diligence Request (information on your company)
- Step #3: Discovery Telephone Call
- Step #4: A signed Mutual Non-Disclosure & Confidentiality Agreement MDNA
- Step #5: The following Requested Needs List needs to be submitted:
1. Financial statements
  2. Criminal Background Check
  3. Proceeds of Funds
  4. Credit Report
- Step #6: A complete Deal Analysis will occur as part of our Internal Due Diligence Process conducted by our Law Firm or Private Investigation Firm.
- Step #7: Feedback on the Deal Analysis
- Step #8:
1. Engagement Letter
  2. Consulting Fee Agreement
  3. Success Fee Agreement

### **Pieces included:**

**Deal Sheet:** This lays out a legal document with a step by step provisional timeline. Once a deal is presented, it is non-binding on either party to follow through with the deal. However, it is binding in allowing us to pursue this deal before you offer it to other investors and in accordance with our strict confidentiality rules and regulations.

**Initial Due Diligence Request:** This refers to submitting important initial information. This must be completed within **15 days** of initial request. If you are unable to provide a documentation or have questions about it, please contact Tatiana Mersiadis [tatiana@darrenjacklin.com](mailto:tatiana@darrenjacklin.com) as soon as possible.

**Complete Due Diligence Checklist:** If you successfully complete our Due Diligence Checklist and are approved, we will need to know detailed information. Not only do we want to verify your business model, management strength and potential, we want to ensure you are legally, financially and environmentally sound.

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(the “Company”)

**DUE DILIGENCE CHECKLIST**

	<b>DESCRIPTION</b>	<b>COMMENTS</b>
	<b>ORGANIZATION</b>	
	Constituting documents (articles of incorporation, memorandum (if any), by-laws and any amendments thereto)	
	Register of Directors/Officers	
	Minutes of directors, shareholders, executive committee, audit committee, compensation committee and environmental committee meetings	
	Share register and validity of share allotments (confirm authorized and issued share capital, shareholders, pre-emptive rights waivers, director’s issuance resolutions, share class rights, transfer documents and repurchase documents)	
	Annual Reports	
	Audit Enquiry Letters	
	List of all options, warrants and preferred shareholders rights currently outstanding, including the names and addresses of holders and numbers of options, warrants or rights and preferred shares held by each	
	List of jurisdictions where Companies are currently carrying on business or is extra-provincially registered to carry on business	

DESCRIPTION	COMMENTS
Certificate of good standing for Companies in each jurisdiction where it is authorized to carry on business	
Corporate search for each jurisdiction where the Company is registered	
Copies of all shareholders' agreements, voting agreements, trusts, rights of first refusal, share options/warrants, purchase plans, pledges etc. affecting the assets of the Companies	
<b>BANKRUPTCY</b>	
Has the Company ever had any liens placed against it?	
Has the individual or Company ever filed for bankruptcy?	
<b>FEDERAL AND PROVINCIAL TAXES</b>	
Is the individual or Company registered for GST & PST?	
Does the individual or Company have any outstanding or contingent tax liabilities, including: <ul style="list-style-type: none"> <li>● Property taxes</li> <li>● Provincial sales tax</li> <li>● Goods and services tax</li> <li>● Payroll remittances</li> <li>● Worker's Compensation</li> </ul>	
Provide copies of all tax returns and notices of assessment and reassessment.	

DESCRIPTION	COMMENTS
Description of any ongoing tax disputes together with copies of reports and correspondence relating to pending federal and provincial tax proceedings, assessments, investigations, etc.	
Information and particulars of the tax status regarding: <ul style="list-style-type: none"> <li>● Timely payment of all taxes</li> <li>● Fiscal year end</li> <li>● Undepreciated capital costs</li> <li>● Actual cost of capital properties</li> <li>●</li> </ul>	
Copies of any audit enquiry response letters.	
<b>FINANCIAL INFORMATION</b>	
Copies of all audited and unaudited financial statements including balance sheets, income statements, and statements of change in financial position.	
Copies of any reports by the auditors.	
Details of bad debt provisions and experience.	
Most Recent Interim Financial Statements.	
Current Trial Balance.	
Current General Ledger.	
Aged Accounts Receivable listing.	
Details of all receivables that are being assigned, including name of debtor, amounts owing, date due, and likelihood of collection.	



	<b>DESCRIPTION</b>	<b>COMMENTS</b>
	Aged Accounts Payable listing.	
	Year end working paper files.	
	Detailed inventory listing.	
	Provide monthly working capital balances (in dollar and percentage of sales), for the last year.	
	Provide monthly cash balances for the last year.	
	Any annual budgets, operating plans or forecasts.	
	Cash flow statements since inception.	
	Details of sales, costs of sales and gross margins by location and product.	
	Detailed unit costing by product.	
	Details of rent and occupancy costs, including a copy of any rental agreements.	
	Details of accounting and legal costs.	
	List of all creditors having security over the assets and amount owing to each.	
	Copies of all security agreements, loan agreements, promissory notes, indentures, guarantees, line of credit, letters of credit, pledges, banking documents and other evidence of indebtedness related to the assets.	
	Details of any contingent liabilities not caught by the above.	

	<b>DESCRIPTION</b>	<b>COMMENTS</b>
	<b>ACCOUNTING POLICIES AND PROCEDURES</b>	
	Basis of recognizing revenues, other income and profits.	
	Valuations of inventory.	
	Deferral of income or expenditures.	
	Depreciation of fixed assets.	
	Treatment of leases.	
	Capitalization and amortization of intangible fixed assets.	
	Allowance for doubtful accounts.	
	<b>BUSINESS PLAN</b>	
	Is there a business plan?	
	<b>MARKETING PLAN</b>	
	Is there a marketing plan?	
	<b>EMPLOYMENT</b>	
	How many employees? Are there any contractors/consultants?	
	Are there any worker health safety concerns?	
	Details of all employment, consulting or other similar contracts entered into by the Companies Provide copies.	
	All documentation and correspondence relating to and recently departed directors and senior executives.	

DESCRIPTION	COMMENTS
Details regarding all employee/management benefit plans, bonus plans, retirement plans, pension plans, deferred compensation payment plans, profit-sharing and management incentive plans.	
Do any of the employees owe money to the Company?	
All WCB premiums paid?	
Any outstanding orders re: WCB?	
All remittances on behalf of the employees paid?	
Any employee assistance plans (ie. Low interest loans for housing purchases)?	
Any on-going negotiations with employees? Details? Status?	
Any employee share purchase plans or stock options (including those in favour of management)?	
Do the Companies belong to any employer association?	
Provide details of any existing, pending or threatened grievance under any collective agreements.	
Severance policy.	
<b>INFORMATION SYSTEMS (IS)</b>	
Details of computer hardware and software owned and/or used by the Company including software development, licensing and any support and maintenance agreements.	

	<b>DESCRIPTION</b>	<b>COMMENTS</b>
	Contracts and lease arrangements.	
	Details of any plans to extend or replace any material computer equipment or software.	
	Disaster recovery plans.	
	<b>ENVIRONMENTAL ISSUES</b>	
	Provide a list of facilities or other properties currently or formerly owned, leased, or operated by the Company and its predecessors, if any.	
	Provide a complete list of all environmental permits, licenses, inspection reports, and approvals held by the Company.	
	Are all of the above in good standing? Are there any violations of the above? Is consent to assignment required?	
	Will any of the permits, licenses or approvals expire shortly and if so, what steps have been taken to renew those that will expire?	
	Reports of environmental audits or site assessments in the possession of the Company.	
	Did the company own, lease, occupy, manage or control any property in the past that may be contaminated? Obtain details.	
	Is the Company aware of any contamination on the past or present properties?	

	<b>DESCRIPTION</b>	<b>COMMENTS</b>
	<b>INVESTIGATION AND CLAIMS</b>	
	Have any orders or notices been issued to the Company relating to environmental matters?	
	Have the Company been subject to any environmental investigations? Are any such investigations on-going at the moment?	
	Has the Company been involved in any environmental litigation? Is any such litigation on-going at the present time?	
	Has the Company received any correspondence from any government agency (federal, provincial or municipal) or from any member of the public, which indicates any concerns from an environmental perspective?	
	Has the Company been involved in any spills of any substance and if so, were appropriate reports made? How was the spill handled and are there any on-going liabilities in relation to the spill?	
	Is the Company on the Provincial Government's non-compliance list?	
	<b>STATUTORY COMPLIANCE</b>	
	Has the Company conducted any environmental audits of its operations – internal or external? Obtain copies.	
	Are there any violations of environmental laws? Are there any "understandings" etc. with any environmental authority?	

	DESCRIPTION	COMMENTS
	Is the Company in the compliance with all labeling, handling and training requirements of the Workplace Hazardous Materials Information System (WHMIS)?	
	Has the Company filed all reports, monitoring data, etc. required under environmental laws or permits? Is the Company registered in the National Pollutant Release Inventory (NPRI)?	
	<b><i>Storage, Disposal and Transportation of Hazardous Material</i></b>	
	Obtain a complete list of all hazardous/toxic substances handled by the Company in its operations. Obtain details of the storage of such material.	
	Are there any worker health or safety concerns?	
	Are all required contingency plans in place with respect to any hazardous/toxic substance?	
	Where has the Company disposed of waste (including waste fluids) in the past?	
	Is the Company involved in the transportation of dangerous goods?	
	List all flammable/combustible materials handled by the Company and identify how those materials are stored.	
	Is the Company bound by any environmental agreements?	

	<b>DESCRIPTION</b>	<b>COMMENTS</b>
	Are there any major capital expenditures required in relation to environmental matters?	
	<b>GENERAL CORPORATE</b>	
	What environmental insurance do the Companies maintain now and in the past?	
	List all of the Company's subsidiaries?	
	Did the company have any subsidiaries in the past? What happened to them? What properties or businesses did those subsidiaries own, lease, occupy, manage or control?	
	Has the Company managed, controlled or loaned money to any other company or entity? If so, what business or property was owned or operated by that company or entity?	
	<b>LITIGATION</b>	
	Details concerning all existing, pending or threatened litigation, claims, actions, proceedings, investigations whether judicial, arbitral or administrative to which the Company are a party or which may affect the Company or its property or business.	
	Outstanding judgments, writs, injunctions, decrees or orders of any court, administrative tribunal or other governmental authority involving the Company.	
	Settlement Agreements in connection with any litigation involving the Company or assets being purchased.	

	<b>DESCRIPTION</b>	<b>COMMENTS</b>
	Details of any contractual dispute involving the Company, the amounts at issue and the potential liability for the Company.	
	Description of all outstanding or anticipated notices of any actual or alleged violation of any zoning requirement, environmental, pollution control, occupational safety or other federal, provincial or local statute, ordinance, regulation or bylaw relating to the Company, its property or business or the health and safety of its employee.	
	<b>INTELLECTUAL PROPERTY/TRADEMARKS</b>	
	List of all patents, trademarks, trade names, service marks and copyrights owned or used by the Company.	
	Copies of all licenses, confidential disclosure or other agreements relating to patents, trademarks, trade names, industrial designs, copyrights, know-how, trade secret and similar intellectual property arrangements to which the Company is a party.	
	<b>INSURANCE</b>	
	Please provide details (including copy) of all insurance policies held under the Company's name.	
	<b>MATERIAL CONTRACTS</b>	
	List of all agreements to which the Companies are a party	
	<ul style="list-style-type: none"> <li>• Amendments to the above?</li> </ul>	
	<ul style="list-style-type: none"> <li>• Defaults?</li> </ul>	



	<b>DESCRIPTION</b>	<b>COMMENTS</b>
	<ul style="list-style-type: none"> <li>● Outstanding financial obligations?</li> </ul>	
	<ul style="list-style-type: none"> <li>● On-going negotiations?</li> </ul>	
	<ul style="list-style-type: none"> <li>● Any that will expire before closing or shortly thereafter?</li> </ul>	
	<ul style="list-style-type: none"> <li>● Unwritten agreements?</li> </ul>	
	<ul style="list-style-type: none"> <li>● All material suppliers of goods and services</li> </ul>	
	<ul style="list-style-type: none"> <li>● Access agreements</li> </ul>	
	<ul style="list-style-type: none"> <li>● Utility agreements</li> </ul>	
	<ul style="list-style-type: none"> <li>● Equipment agreements</li> </ul>	
	<ul style="list-style-type: none"> <li>● Vehicle agreements</li> </ul>	
	<ul style="list-style-type: none"> <li>● Service agreements</li> </ul>	
	<ul style="list-style-type: none"> <li>● Contracts with suppliers</li> </ul>	
	<ul style="list-style-type: none"> <li>● Partnership or joint venture agreements</li> </ul>	
	<ul style="list-style-type: none"> <li>● Agreements for the sale of assets except in the ordinary course of business</li> </ul>	
	<ul style="list-style-type: none"> <li>● Any agreements limiting the freedom of the Company to engage in any line of business or to compete with any person (ie. Restrictive covenants against the Companies)</li> </ul>	
	<ul style="list-style-type: none"> <li>● Restrictive covenants in favour of the Company</li> </ul>	

	<b>DESCRIPTION</b>	<b>COMMENTS</b>
	<ul style="list-style-type: none"> <li>Any other agreements entered into outside the ordinary course of business</li> </ul>	
	<ul style="list-style-type: none"> <li>Agreements regarding product warranties</li> </ul>	
	State and provide any guarantees or similar commitments by or on behalf of the Company.	
	<b>REAL PROPERTY</b>	
	List of all corporations, partnerships, associations, joint ventures and other business entities in which the Company owns, directly or indirectly, an interest or any shares of capital stock.	
	List of all real property owned or leased by Company and details of all encumbrances registered against the below: <ul style="list-style-type: none"> <li>Land buildings</li> <li>Machinery, equipment and vehicles</li> <li>Furniture and accessories</li> <li>Intangible (trade secrets, brand names, trademarks)</li> <li>Computer equipment</li> <li>Prepaid expenses and refundable deposits</li> </ul>	
	<ul style="list-style-type: none"> <li>Leasehold interests/improvements</li> <li>Software licenses</li> </ul>	

	<b>DESCRIPTION</b>	<b>COMMENTS</b>
	Any leases on the real property of the Company	
	Any appraisals of the properties?	
	Copies of any subleases	
	Property taxes owing?	
	Are the buildings and the use of the properties in compliance with all local bylaws?	

## DEAL SHEET

**Date:** \_\_\_\_\_

Except as expressly provided herein, this Deal Sheet does not constitute a binding agreement among the parties hereto and represents an expression of intent of the terms to be contained in definitive agreements. Any investment by the Investor in the Business will be in all respects contingent upon the subject to, among other things, satisfactory completion of due diligence and negotiation of satisfactory documentation.

**1. BUSINESS:** \_\_\_\_\_ (the “Business”)

**2. ENTREPRENEUR:** \_\_\_\_\_ (the “Entrepreneurs”)

**3. INVESTORS:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(collectively, the “Investors”). It is acknowledged that the Investors may fulfill their obligations either personally or through one or more companies owned, controlled by them or partnered with them.

**4. AMOUNT:**                     \$ \_\_\_\_\_ CAD

\$ \_\_\_\_\_ USD

**5. USE OF FUNDS:** \_\_\_\_\_  
\_\_\_\_\_

**6. SPECIFICS OF INVESTMENT:**

Subject to more specific details to be determined pursuant to Section 7 below, the following are the specifics of the proposed investment:

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**7. SUBJECT CONDITIONS/TIMELINE:**

The obligation of the Investors to invest in the Business is subject to the following conditions precedent being satisfied or waived by the Investors on or before the date specified:

- a) Provision Of Information: The Business and the Entrepreneurs providing the Investors with all information set forth in the attached due diligence request within 15 days after the date of this Deal Sheet;
- b) Due Diligence: The Investors being satisfied, in their sole discretion, with the results of their due diligence on the Business and the Entrepreneurs within 30 days after the date on which Section 7(a) is satisfied or waived;
- c) Deal Structure: The parties have agree up the precise structure of the investment within 30 days after the date on which Section 7(a) is satisfied or waived; and

d) Formal Documentation: formal documentation for the investment transaction (including, and investment agreement, shareholders' agreement and ancillary documents, as applicable) being prepared and finalized, in a form acceptable to the Investors in their sole discretion, within 15 days after the date on which both Section 7(b) and 7(c) are satisfied or waived.

**8. TARGET CLOSING DATE:**

The transaction contemplated by this Deal Sheet is to close on or about \_\_\_\_\_

**9. INFORMATION ACCESS:**

The Business and the Entrepreneurs will co-operate fully with the Investors and their advisors, and provide unrestricted access to all property, books, documents, records and officers, employees and consultants of the Business and the Entrepreneurs.

The Investors will treat information not otherwise in the public domain or obtained by Investors from third parties not subject to a confidentiality obligation in favor of the Business as confidential and use the same only for the purpose OF evaluation the investment contemplated by this Deal Sheet.

**10. EXCLUSIVITY:**

The Business and the Entrepreneurs agree that for a period of 120 days after the date hereof that the Investors will have the exclusive right to negotiate and complete the investment transaction contemplated in this Deal Sheet.

**11. NON-DISCLOSURE:**

Other than by means of the Business and the Entrepreneurs will not disclose the existence or content of this Deal Sheet, or the state of negotiations among Investors, the Business and the Entrepreneurs, to any person other than their advisors and personnel of the Business having a need-to-know and subject to a similar obligation of confidentiality. Upon closing, the fact of the transaction may be publicly disclosed, provided such disclosure is reviewed and approval by Investors prior to release.

**12.BINDING  
AGREEMENT:**

The provision contained in Sections 1 through 8, inclusive, of this Deal Sheet reflect the understanding of the parties of the matters described herein, but are not to constitute a complete statement of the matters described herein, or a legally binding or enforceable agreement or commitment on the part of the Business, the Entrepreneurs or the Investors. It is acknowledged by the Business, the Entrepreneurs and the Investors that neither of them will have any legally binding obligations to the other in respect of the matters described in Sections 1 through 9, inclusive, of this Deal Sheet unless and until definitive agreements are finalized and executed by them.

Upon execution of this Deal Sheet by the Business, the entrepreneurs and the Investors, Sections 9 through 13, inclusive, will constitute legally binding and enforceable covenants and agreements of the Business, the entrepreneurs and the Investors in pursuing the transaction described in this Deal Sheet and further in consideration of their mutual covenants and agreements as to the matters described herein.

**13.GOVERNING LAW  
ATTORNMENT:**

This Deal Sheet and all of the binding provisions contained in this Deal Sheet are governed by the laws of British Columbia and applicable federal laws of Canada, and the parties hereby attorn to the jurisdiction of the Courts of British Columbia for that purpose.

**BUSINESS**

Per: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**ENTREPRENEURS**

Sign: \_\_\_\_\_

Sign: \_\_\_\_\_

Full Legal Name: \_\_\_\_\_

Full Legal Name: \_\_\_\_\_

Sign: \_\_\_\_\_

Sign: \_\_\_\_\_

Full Legal Name: \_\_\_\_\_

Full Legal Name: \_\_\_\_\_

**INVESTORS**

\_\_\_\_\_  
Darren Jacklin and or Tatiana Mersiadis, for and on behalf of the Investors.



