

Category	Action Item
Officers and Directors	<ul style="list-style-type: none"> • Is the list of your directors and officers up to date and are there proper Board consents or minutes reflecting the actions electing them? • Do your corporate records reflect approval of salaries, benefits and other economic terms applicable to your officers, directors and other employees? • Have any officers or directors resigned in the past year and are these departures reflected in the official corporate records? • Have you scheduled regular Board of Director meetings to be held throughout the coming year? • Has your company adopted a Conflicts of Interest policy and if so, have all potential conflicts of interest of officers and directors been properly disclosed in compliance with that policy? • Is your D&O insurance policy up to date and adequate to cover any potential liability, when viewed in the context of your company's current situation?
Employees	<ul style="list-style-type: none"> • Are all of your contractors and employees properly classified as either W-2 employees or independent contractors? • Are all of your restrictive covenant agreements and non-compete agreements in place and customized for the employee's specific circumstances (such as scope of responsibility and geographic location)? • Is your company's employee handbook up to date and do your practices comply with the requirements set forth in the handbook?
Shareholders	<ul style="list-style-type: none"> • Do your company bylaws or other organizational documents require an annual shareholder meeting, and if so, must it occur on or before a particular date? • What sort of notices and other proxy-like materials need to be prepared and how much time does your company need to prepare? • Is your company a party to a shareholders agreement and if so, is your company in compliance with its terms? • Do you have a program in place to ensure good investor relations, including appropriate communication of the company's performance?
Annual Reports and Franchise Taxes	<ul style="list-style-type: none"> • Has your company filed its annual report and paid the applicable franchise tax to the Secretary of State of your state of organization? • Has your company filed and paid fees with the states in which your company is authorized to do business?
Minute Book Maintenance	<ul style="list-style-type: none"> • Is your company's minute book up to date, including final resolutions, signed consents and properly approved minutes of the Board and shareholder meetings? • Has your Board approved all material corporate actions taken in the previous year, including significant purchases of equipment, stock issuances, redemptions and major contracts that the Company has entered into? • Is your capitalization table up to date?

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<p>Material Contracts</p>	<ul style="list-style-type: none"> • Does your company maintain copies of all of its fully executed contracts and is there a central compliance program in place to ensure the integrity of the company’s contracts? • Have your company’s relationships with customers and vendors changed in the past year and if so, have written amendments been executed, if required?
<p>Business and professional license review</p>	<ul style="list-style-type: none"> • Are all necessary business licenses in place and currently valid? • Do your employees have business or other licenses that are critical to your company’s operations and are these employees in good standing under these licenses? • Many agencies put themselves at risk of regulatory violations by not verifying employee licenses or leaving license renewals up to their agents. Consider if you want to bring this compliance function in house.
<p>Intellectual Property protection</p>	<ul style="list-style-type: none"> • Does your company have an intellectual property protection program? • Are there renewals and other filings that need to be made? • Did your company create or acquire any intellectual property in the past year that should be reviewed to determine whether intellectual property protection is desirable? • Are all of your company’s employees subject to confidentiality and inventions/work for hire agreements?
<p>Certificate of Incorporation and Bylaws</p>	<ul style="list-style-type: none"> • Have you reviewed your company’s organizational documents recently to ensure that the company is operating in compliance with the expectations of its investors? • Do your organizational documents include requirements that you notify investors of material events and if so, is your company in compliance with these requirements?
<p>Regulatory Compliance</p>	<ul style="list-style-type: none"> • Does your company have an appointed regulatory compliance officer? • What filings and other submissions to regulatory agencies need to be made and what is the timing of these filings? • Are your employee handbooks and procedures up to date with any recent changes in the law? • Have you recently undergone a compliance audit or mock market conduct examination to proactively identify any area of regulatory compliance weakness? If not, consider the benefits of identifying weaknesses before they come to the attention of a regulator. Using outside counsel can help ensure that the audit is privileged. • Does your company maintain a website and if so, has it been reviewed to determine legal compliance with laws regarding internet communications, restrictions on advertising and applicable industry regulations?



Brooks Binder is a Partner in the firm’s Insurance and Reinsurance, Corporate and Securities Practices. He concentrates in the areas of mergers and acquisitions, strategic investments, recapitalizations, venture capital financings, leveraged buyouts, debt offerings including mezzanine loans, equipment leasing and other commercial lending transactions. Brooks received his bachelor’s degree from the University of North Carolina at Chapel Hill and his law degree from Emory University.