*Please provide the following in electronic format:*

Partnership Information

1. Inception / History
2. Funds organized to date along with respective vintage years and amounts of committed capital
3. Organizational structure
4. Descriptions of all entities associated / affiliated with the Partnership
5. Describe presence in Michigan (i.e., number of years located/based in Michigan) along with number of full-time professionals based on the ground in Michigan

Fund raising information

1. Timing of next fund raising
2. Target / maximum amount of capital to be raised
3. Expected date of initial and final close
4. Prior funds’ schedule of LPs along with individual commitment amounts
5. Preliminary indications of interest for the new fund, with expected commitment amounts
6. Investors not investing in new fund and reason(s) for non-participation
7. Amount of capital drawn down for the prior fund along with estimated reserves for fees, expenses and future rounds of financing

Investment Focus

1. Investment strategy / philosophy along with an in-depth discussion of the changes (if any) as compared to the prior fund
2. Areas of focus across various dimensions including geography, stage and sector
3. The Firm’s competitive advantages given the aforementioned strategy / areas of focus
4. An analysis of the Michigan private equity market as it relates to the key sectors in the State / region along with potential areas of growth and opportunity
5. Any affiliations and/or partnerships with Michigan-based research institutions, universities, companies, etc.

Investment Profile

1. Investment plan as determined by number of investments, average investment size and investment pace during the investment period
2. Target company profile (pre-versus post-revenue, amount of revenues, cash flow negative and/or positive, historical, and projected annual growth rates, etc)
3. Portfolio diversification across various dimensions including:

* Geography
* Stage (early, mid, late, etc; Series A, B, etc)
* Sector and sub-sector
* Company (i.e. maximum total investment per company)
* Investment type (for instance, private versus PIPEs, etc)
* Percentage of investments in SEDI-owned businesses
* Percentage of investment is VSBs (very small businesses with 10 or less employees)

Investment Process

1. Deal flow log for the last five years (or less if applicable) along with statistics showing the number of deals undergoing preliminary screening, detailed due diligence, and actual investments
2. Expertise in sourcing and evaluating Michigan-based deal flow
3. Expertise in sourcing and evaluating overall deal flow
4. Discuss the investment decision-making process at each stage of deal flow (preliminary screening, detailed due diligence, final investment)
5. Describe the composition of the investment committee and any change(s) from the prior fund(s)
6. Please provide a sample deal memorandum for an investment that was made as well as for one that did not go through after completion of full due diligence

Management Team

1. Total number of full-time professionals employed by the GP, broken down into investment professionals, accounting and finance professionals, and miscellaneous support staff
2. Breakdown of investment professionals by designation (Partner, Principal / Vice President, Associate, Analyst, etc) across various office locations in Michigan and outside
3. Detailed biographies of all investment professionals along with relevant biographical information as per the ‘Management Profile’ table in Appendix A
4. Briefly describe any other professional responsibilities of management, including public funds or portfolio company management responsibilities
5. Turnover of senior professionals (Vice President and above) since inception including reasons for departure and other relevant information as per the ‘Management Turnover’ table in Appendix A. Also provide turnover by office location in Michigan and outside
6. Describe the functional responsibilities of each investment professional along with approximate time allocation across various investment activities, including deal sourcing, structuring, execution, monitoring and exit management
7. Describe expected staffing of the mandate and the percentage of time each professional would devote to Michigan
8. Capital commitment by each professional
9. Carried interest split among investment professionals and the vesting schedule, along with comparison to the prior fund(s) if applicable
10. Please complete the attached Litigation Disclosure (Appendix B) for all senior investment professionals of the Firm

Track Record

1. Historical investment track record in Excel showing:

* Actual cash flows, by investment, for realized and unrealized investments
* Actual LP cash flows (net of all expenses) for the prior fund(s)
* Performance of Michigan-based investments

1. Please complete the tables in Appendix C and provide supporting data in Excel format
2. Please provide Transaction Summaries for all investments made to date including the following information:

* Company name, location, and business description
* Investment thesis
* Existing investors in the company by round along with the respective investment amounts
* Pre- and post-money valuation of all rounds completed to date
* Composition of the Board of Directors
* Recent company developments
* Initiatives taken by the Firm to improve company performance
* Company outlook, including key milestones, progress on operating parameters, etc
* Relevant financial information – Revenues, EBITDA and cash burn rate - both historical (past three years or as applicable) and projected (at least three years)
* Exit plan (prospects for IPO, interest from strategic players, anticipated time frame for liquidity, etc) or if realized, mode of exit along with description of the exit process

1. Please complete Appendix D for all investments made to date
2. Valuation policy

* For financial reporting purposes
* If different than above, the methodology used for calculating returns in the track record

1. Most recent quarterly and annual reports (including most recent audited financials) for each prior partnership

Firm Governance/Risk Management

1. Discuss the Firm’s risk management. What types of risks are monitored and how are they measured?
2. Detail how the Firm’s policies (Compliance Manual, Code of Ethics, etc.) are supervised, monitored and enforced
3. Detail any conflicts of interest (potential, current and historic) within the Firm
4. How will investment opportunities be allocated between active funds?
5. What is the Firm’s policy of personal investments by any employees or affiliates in deals reviewed by the General Partner (both accepted and rejected)? If applicable, provide a list of all previous investments of this nature
6. Describe the Firm’s policies on the handling and safeguarding of any material, non-public information
7. Discuss the Firm’s compliance policies

Legal documents

1. Please provide electronic copies of the following:

* Offering memorandum
* Partnership Agreement (marked to show changes from the prior fund)
* Fund management and/or advisory agreements
* Subscription Agreement
* Legal/Tax opinion letter
* All side-letters

1. Advisory Committee

* Composition of the Committee
* Criteria for selection of the members
* Description of responsibilities

References

Names and contact information for:

* All portfolio company CEOs (including any replaced CEOs)
* Former employees
* All co-investors
* All limited partners
* Bankers and brokers
* Law firms and auditors

Appendix A

Management Profile

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **No.** | **Professional** | **Age** | **Designation** | **Years with Firm** | **Years of Private Equity Investing Experience** |
| 1 |  |  |  |  |  |
| 2 |  |  |  |  |  |
| 3 |  |  |  |  |  |
| 4 |  |  |  |  |  |
| 5 |  |  |  |  |  |
| 6 |  |  |  |  |  |

Turnover

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **No.** | **Name** | **Designation** | **Date Started** | **Date Left** | **Reason for Departure** | **Where working now** | **Contact Info (Phone / E-mail)** |
| 1 |  |  |  |  |  |  |  |
| 2 |  |  |  |  |  |  |  |
| 3 |  |  |  |  |  |  |  |
| 4 |  |  |  |  |  |  |  |
| 5 |  |  |  |  |  |  |  |
| 6 |  |  |  |  |  |  |  |

**Appendix B**

**Litigation Disclosure**

**Principal Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

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

**Note: Please provide details of any “Yes” answers on a separate sheet.**

1. Are you now, or have you ever been, a named defendant in any criminal proceeding or in any civil legal action involving a claim of greater than $250,000?

Yes No

2. Has any organization of which you have been a member of senior management, or in which you have had a meaningful ownership interest (greater than 5%), ever been a named defendant in any criminal proceeding or in any civil legal action involving a claim of greater than $500,000?

Yes No

3. Have you or any organization in which you have had a meaningful ownership interest (greater than 5%), or of which you are, or were, a member of senior management, ever filed voluntarily, or had filed against you involuntarily, a bankruptcy petition?

Yes No

4. Has any licensor, franchisor, or master distributor ever initiated proceedings to terminate a business relationship with you or any organization of which you have ever been a member of senior management?

Yes No

5. Has any business partner, joint venture firm, or subcontractor ever sought injunctive relief or arbitration to terminate any business or contractual relationship?

Yes No

6. Have you or any organization in which you have had a meaningful ownership interest (greater than 5%), or of which you are, or were, a member of senior management, (i) been the subject of any federal, state, or other regulatory investigation or disciplinary hearing or proceeding, (ii) agreed to any consent order or decree in connection with any federal or state securities matters, or (iii) pleaded no contest in any legal proceeding?

Yes No

Name Date

Appendix C

Example Summary Track Record

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**Summary Attribution Table**

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Company Name** | **Description** | **Location** | **Industry** | **Round(s)** | **Origination** | **Lead** | **Board Representation** | **Exit Involvement** | **Co-Investors** | **SEDI-owned (Yes/No)** | **VSP (Yes/No)** |
|  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |

**Appendix D**

**Example Fund Evaluation Table**