Syndicate Subscription Legal Plans

MEZZANINE FINANCE
CORPORATE CLIENT INTAKE QUESTIONNAIRE:

TWO EARLY WARNINGS: (1) the exit is negotiated at the START of a mezzanine deal, not at the end — tag-along, preemptive, first refusal, anti-dilution, registration, and put rights are set in the initial documents; and (2) for S corporations, issuing warrants or a second class of equity can jeopardize the S election. Share financial and deal information only after a non-disclosure agreement is in place.

CONFIDENTIAL. This questionnaire scopes a mezzanine financing — subordinated debt, preferred equity, and hybrid structures with an equity component. It is for issuers and borrowers and for mezzanine funds, institutional investors, banks, pension funds, and sponsors on the investment side. Estimates and ranges are fine. If a question does not apply, write "N/A." If unknown, write "Unknown."

NAME OF THE CLIENT:

Your role:

[__] Issuer / borrower (company)
[__] Mezzanine fund / investor
[__] Bank or institutional lender
[__] Private equity sponsor
[__] Management / equity participant
[__] Placement agent

[__] Legal Entity Name: ______________________________

Entity type:

[__] C corporation
[__] S corporation
[__] LLC
[__] Limited partnership
[__] Trust
[__] Other

State / country of organization: ______________________ Year founded: ____________

Contact person & title: ______________________

Syndicate Plan Member ID: ______________________

Address: ______________________________

City: ______________________ State: ____________ Country: ___ Zip: _______

Phone: ______________________ Email: ______________________

PART 1 — THE TRANSACTION

1.1 Structure contemplated:

[__] Subordinated debt with warrants
[__] Second lien debt
[__] Preferred equity
[__] Convertible note
[__] Unitranche
[__] PIK / PIK-toggle notes
[__] Equity co-investment alongside debt
[__] Not yet determined

1.2 Use of proceeds:

[__] Growth capital
[__] Acquisition financing
[__] Recapitalization
[__] Management buyout
[__] Shareholder buyout
[__] Dividend recap
[__] Refinancing existing debt
[__] Bridge to sale or IPO

1.3 Amount sought / offered: $ ____________________________ Target closing: ____________________

1.4 Counterparty (investor or company), if identified: ____

1.5 Has a term sheet or letter of intent been signed? [__] Yes [__] No

1.6 Describe the business and why mezzanine capital fits the situation: ________________________

____

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PART 2 — COMPANY FINANCIAL PROFILE

Metric	Amount $
Revenue (last fiscal year)	
EBITDA (last fiscal year)	
Revenue (trailing twelve months)	
EBITDA (trailing twelve months)	
Total senior debt outstanding	
Total debt after this financing	
Enterprise value / valuation	

2.1 Auditor / accountant: __________________________________ Audited, reviewed, or internal? ________

2.2 Are financial projections and a model available? [__] Yes [__] No

2.3 Has the company had covenant defaults, losses, or restructurings in the last three years? [__] Yes [__] No

If yes, explain: ____

____

PART 3 — DEBT TERMS

3.1 Cash interest rate: _________________________ PIK rate: ___________ Term / maturity: ___________

3.2 Fees (closing, commitment, exit): _______________________ Target investor return (IRR / MOIC): ___

3.3 Payment & prepayment terms:

- [__] Interest only with bullet maturity
- [__] Scheduled amortization
- [__] Excess cash flow sweep
- [__] Call protection / prepayment premium
- [__] Make-whole
- [__] Not yet determined

3.4 Covenants & governance:

- [__] Financial covenants (leverage, coverage)
- [__] Negative covenants (debt, liens, distributions)
- [__] Reporting covenants
- [__] Covenant match with senior debt
- [__] Board observer rights
- [__] Board seat

3.5 Will the mezzanine debt be secured (second lien or equity pledge)? [__] Yes [__] No

PART 4 — EQUITY COMPONENT & INVESTOR PROTECTIONS

4.1 Equity kicker:

- [__] Warrants
- [__] Convertible feature
- [__] Common equity co-investment
- [__] Success fee in lieu of equity
- [__] Penny warrants
- [__] Preferred equity
- [__] Stock or capital appreciation rights
- [__] None

Warrant coverage (% of fully diluted): ____________________ Strike / conversion price: ____________

Investor Protection	Include	Exclude	Negotiable
Tag-along rights	[__]	[__]	[__]
Drag-along rights	[__]	[__]	[__]
Preemptive rights	[__]	[__]	[__]
Right of first refusal	[__]	[__]	[__]
Anti-dilution protection	[__]	[__]	[__]
Registration rights	[__]	[__]	[__]
Put right (company or third party)	[__]	[__]	[__]
Call right (company)	[__]	[__]	[__]
Protective / consent provisions	[__]	[__]	[__]
Information rights	[__]	[__]	[__]

4.2 Anticipated exit path and timing (strategic sale, IPO, recapitalization, refinancing): ________________

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Put rights, registration rights, and transfer protections are the mechanisms by which a mezzanine investor realizes its equity return, so they are negotiated in the initial documents.

PART 5 — CAPITAL STRUCTURE & EXISTING DEBT

Class of Equity / Instrument	Holder(s)	Amount / Shares	Special Rights

Existing Debt	Lender	Outstanding $	Maturity	Secured?

5.1 Will a senior lender’s consent or intercreditor agreement be needed? [__] Yes [__] No

5.2 Intercreditor issues expected:

[__] Payment blockage periods
[__] Standstill on enforcement
[__] Cap on senior debt
[__] Permitted payments of mezzanine interest
[__] Purchase option for mezzanine lender
[__] Not yet negotiated

5.3 Are there existing shareholder, buy-sell, or investor rights agreements? [__] Yes [__] No

If yes, explain: ____

____

5.4 Is the company sponsor-owned, founder-owned, or management-owned? [__] Yes [__] No

If yes, explain: ____

____

PART 6 — TAX, SECURITIES & ENTITY ISSUES

6.1 (S corps) Could warrants or preferred create a second class of stock? [__] Yes [__] No

An S corporation may generally have only one class of stock. Certain straight debt and properly structured instruments can qualify for safe harbors, but this should be confirmed before issuing equity-linked securities.

6.2 (LLCs / partnerships) Will the investor receive units, profits interests, or a preferred return? [__] Yes [__] No

Consideration	Applies	Not Sure	N/A
Original issue discount (OID)	[__]	[__]	[__]
Applicable high yield discount obligation (AHYDO) rules	[__]	[__]	[__]
Interest deductibility limits	[__]	[__]	[__]
Withholding on non-U.S. investors	[__]	[__]	[__]
Securities exemption for the issuance (Reg D / 4(a)(2))	[__]	[__]	[__]
Blue sky / Form D filing	[__]	[__]	[__]
ERISA plan asset considerations (fund investors)	[__]	[__]	[__]
Valuation / cheap stock for equity awards	[__]	[__]	[__]

6.3 Is an IPO contemplated within the investment horizon? [__] Yes [__] No

If yes, explain: ____

____

PART 7 — DILIGENCE, DOCUMENTS & CERTIFICATION

7.1 Diligence areas to cover:

[__] Corporate records & cap table
[__] Material contracts & customer concentration
[__] Litigation & regulatory matters
[__] Real property & leases
[__] Intellectual property
[__] Employment & benefit plans
[__] Environmental
[__] Insurance

7.2 Is a non-disclosure agreement required before documents are shared? [__] Yes [__] No

Please provide the following, if applicable. Check each item available.

[__] Formation documents & bylaws / operating agreement

[__] Capitalization table (fully diluted)

[__] Financial statements & projections

[__] Existing credit agreements & intercreditor documents

[__] Shareholder & investor rights agreements

[__] Term sheet / letter of intent

[__] Board & shareholder resolutions

[__] Material contracts

[__] Equity plan & option grants

[__] Prior offering documents & Form Ds

Certification:

I declare that the information provided in this questionnaire is true, correct, and complete to the best of my knowledge, and that I am authorized to provide it on behalf of the entity named above. I understand this information is provided to Syndicate Subscription Legal Plans in confidence for the purpose of evaluating and scoping this transaction.

Signed and dated this ____ day of ________________________, 20___

Signature: ____

Print Name: ______________________________

Title: ______________________________

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