

DSCEU - Reverse Merger Due Diligence Preparation - Checklist

Before You Start

This checklist supports Reverse Merger Due Diligence Preparation. The goal is to gather records first so the online intake can be completed without stopping.

- Set aside 45-90 minutes (longer if you have many contracts or unresolved banking issues).
- Create a folder named Reverse_Merger_Due_Diligence and add the subfolders listed in the File Naming download.
- Scan paper documents into clear PDFs and combine multi-page documents into one PDF when possible.

Define the Parties

Use consistent terminology throughout the file set:

- AcquirerNV: the Nevada holding company (buyer).
- TargetFL: the Florida operating company (target).

Entity Formation and Status Records

Gather these for each party:

- Formation filing (articles/certificate).
- Annual report / statement of information / good standing proof (if available).
- Registered agent receipt and principal address.
- EIN letter (CP 575) or IRS 147C confirmation.

Ownership, Cap Table, and Authority

Gather items needed to build schedules and authority packets:

- Share/membership ledger and certificates (if maintained).
- Cap table with percentages/classes and notes.
- Bylaws or operating agreement.
- Minutes and resolutions, including banking resolutions and signatory matrix.

IP, Goodwill, and Contract Migration

Gather lists and proof for what must move to Nevada:

- Domains, websites, CRM workflows, SOPs, templates, scripts, disclosures.
- Trademark/copyright registrations and proof of ownership (if any).
- Material contracts list (customers, vendors, processors, platforms).
- Assignment clause notes and consent requirements (if known).

Bankability and Financial Records

Gather items that are frequently requested by banks, processors, or underwriters:

- 12 months bank statements (if requested).
- 12 months merchant statements (if applicable).
- Year-to-date P&L; and monthly cash flow summary.
- Debt schedule.
- Any KYC requests, decline notices, or exception reasons.

Uploads by Step (Matches the Online Form)

Use these upload steps to organize your files:

- Upload (Optional): LOI, term sheet, executive summary.
- Upload Step A: entity formation and status records.
- Upload Step B: ownership and governance evidence.
- Upload Step C: contracts and IP support.
- Upload Step D: financial and bankability records.

File Size Rule

If a PDF is too large to upload (common limit is 20MB), compress or split the PDF.

If it still fails, email the PDF to sirmalcolm@dsceu.com with a clear subject that includes the page name and upload step.