



National Minority Supplier Development Council
Minority Controlled Company (MCC)
Certification Application

GENERAL INFORMATION:

When answers require additional space, use plain white paper. Properly identify the item referred to by the appropriate number. At the top of each additional answer or exhibit, state the name of the applicant, date of application and item number. Please answer all questions as completely as possible; if a particular question does not apply to your business operation, write not applicable (NA) in the space provided.

The application must be signed, dated and include all applicable fees.

Date of Application ___/___/___ (Day, Month, Year)

Which designation is your company applying for:

[] Minority-Controlled Private Held [] Minority-Controlled Publicly Traded

The investment transaction requiring Growth Initiative certification (the "Transaction")
___ has not yet closed ___ Closed on the following date _____

Business Information:

Company Name: _____

Owner: _____ Title: _____

Primary Contact: _____ Title: _____

Business Street Address (Also mailing address, if different)

City State Zip

Primary Contact Phone Number Email Address Web Site

Certified by what Regional Council: _____

Date of Last Certification: _____

Certification Expiration Date: _____

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Are you a Corporate Plus Member?

Yes No

If you are a Corporate Plus Member, list the name of your corporate sponsor:

Year company was established: _____

Legal Structure (e.g., Corporation, LLC, etc.): _____

Type of Business

Industry: _____

Briefly describe product/services:

D & B Number: _____ Federal EIN(xx-xxxxxxx): _____

Does the Applicant have any subsidiaries or Affiliates?

Yes No

Is the Applicant a subsidiary or Affiliate of another concern?

Yes No

If yes to either or both questions, provide the name, address and telephone number of the subsidiary, Affiliate or parent company.

Name: _____

_____ Business Street Address (Also mailing address, if different)

_____ City State Zip

_____ Telephone Number

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Minority Classification

AIF- Asian Indian Female

AIM- Asian Indian Male

APF- Asian Pacific Female

APM- Asian Pacific Male

BLF- Black Female

BLM- Black Male

HIF- Hispanic Female

HIM- Hispanic Male

NAF- Native American Female

NAM- Native American Male

Employees

Full Time Employees: _____

Full Time Minority Employees: _____

Part-Time Employees _____

Part-Time Minority Employees: _____

Contract (1099) Employees: _____

Contract (1099) Employees: _____

Annual Revenue

*Revenue must be in whole dollar amount

2021 _____

2020 _____

2019 _____

NAICS Codes

* Maximum of 10 NAICS codes allowed

Geographic Market

International National

Local Regional

Major Customers

List three of your major customers

Company	Buyer	Product/Service	Dollar Value
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Ownership Information:

Total number of Applicant shares outstanding: _____

Total number of minority-owned shares: _____

Minority ownership percentage: _____

Do any outstanding classes of shares or shareholder have different conversion rights, dividend rights, liquidation preferences, waterfalls or any other preferential payment rights upon sale or liquidation of Applicant?

Yes No

2. **Control Information:**

Name of Board Chair: _____

Race/Ethnicity: _____

Number of Board Members: _____

Number of Minority Board Members: _____

Number and names of all "Independent Directors" as defined in NMSDC Growth Initiative Guidelines ("Guidelines")

Number and names of all directors that are not an "Affiliate" of any Investor (you may exclude directors included as Independent Directors)

What is the percentage of voting control held by minority shareholders? _____

Do minority shareholders have the voting power to elect a majority of the Applicant's Board of Directors?

Yes No

3. **Management Information:**

Name/Title of Chief Executive Officer, President or person responsible for daily operation.

How many executive officers does the Applicant have? _____

Does your business concern or any person listed in this application have or intends to enter into any type of agreement with any other concern person which relates to or affects the on-going administration, management, or operations of the applicant concern:

Yes No

Such agreements include but are not limited to management and/or joint venture agreements and any arrangement or contract involving the provision of such services as administrative, service marketing, production and other types of compensated services.

4. **Exhibits and Exhibit Index**

The Applicant must submit all documents requested in this Application. All such documents are incorporated into this Application.

The Applicant must submit an exhibit index setting forth the documents submitted with the application.

5. **Fees**

The Applicant must submit a non-refundable fee payable to NMSDC upon submission of the Application pursuant to the schedule below.

	<u>Initial Fee</u>	<u>Renewal Fee</u>
<u>Growth Initiative</u>		
Gross Revenue <\$50MM	\$ 7,500	\$ 6,000
Gross Revenue \$50MM - \$150MM	\$ 10,000	\$ 8,000
Gross Revenue >\$150MM	\$ 15,000	\$ 12,000

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AFFIDAVIT OF APPLICANT

Read the following paragraphs carefully! Your signature on this application indicates acceptance and understanding of the conditions.

- A. **OMISSION** of information may be cause for this application not receiving timely and complete consideration.
- B. **THE NMSDC RESERVES THE RIGHT** to request further information from the applicant prior to certification.
- C. **APPLICANT AGREES** to immediately notify the NMSDC of all facts that would result in a failure to satisfy the requirements contained in the guidelines.
- D. **CERTIFICATION** may be terminated at any time for good cause by the NMSDC in accordance with the guidelines established by the NMSDC Board of Directors from time to time or for the best interests of the NMSDC.
- E. **ALL INFORMATION** in this application is true and accurate and is submitted for consideration of certification and affiliate membership.
- F. **IF** the NMSDC discovers that a statement has been made herein which the applicant knows to be false, the certification process will be terminated immediately.
- G. **ALL MATERIALS** submitted with this package shall become the property of the NMSDC.
- H. **DE-CERTIFICATION IS AUTOMATIC** if a certified MBE has a change in ownership, control or management and does not inform NMSDC within 30 days of said change.
- I. **IF THE APPLICANT** is awarded certification, the applicant agrees to abide by all rules governing their status as may be determined by the NMSDC Board of Directors from time to time.

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The undersigned represents that s/he is the duly elected officer set forth below and is legally authorized (i) to make the affidavit is Section on their own behalf and on behalf of the Applicant and (ii) sign and submit this Application.

The undersigned hereby swears under penalty of law that all information contained in this Application are true and accurate in all respects and that this Application does not omit any material facts necessary to make the statements therein not misleading.

The Applicant agrees to hold the NMSDC and its directors, officers, agents and representatives (collectively the "Indemnified Parties") free and harmless for any claim arising out of this Application or any subsequent grant of certification and agrees to fully indemnify and hold harmless the Indemnified Parties for, and will pay to the Indemnified Parties the amount of any loss, liability, claim, damage, expense (including attorney's fees), whether or not involving a 3rd party claim arising, directly or indirectly, from or in connection with this Application or any subsequent grant of certification.

Business Name

Signature of CEO, President, or Managing Member of Applicant:

By:

Signature

Print Name

Title

Date

NMSDC Staff Notes

Exhibits/Attachments

Instructions

Please submit the documents listed below and include an Exhibit Index showing all documents submitted. The document should be clearly marked at the top of the page indicating the information request to which it is responding. Your Exhibit Index should also note if any requested document was non-applicable. Terms not defined in this Application have the same meaning as set forth in the NMSDC Growth Initiative Guidelines (“Guidelines”).

A. Terms of the Transaction

1. A summary of the material features of the Transaction including the terms of the investment and the reasons for the investor(s) and Applicant engaging in the Transaction.
2. A diagram outlining the transaction if the Applicant believes it would assist in the understanding of the Transaction.

B. Transaction Documents

1. A copy of all documents in connection with the transaction including: any stock purchase or investment agreement, voting agreements, voting proxy agreements, employment contracts, options or warrants, profit sharing agreements, side letter agreements, legal opinions, etc. Include an index of the Transaction documents with this attachment.
2. Applicant's articles of incorporation, or other organizational documents, as amended.
3. Applicant's bylaws.
4. Copies of all minutes of Applicant's shareholders, directors, members, or partners for the period 1 year prior to the earlier of (i) the Transaction closing date or (ii) the date of this Application (“Application Date”) through the Application Date. The minutes must be submitted with a certification by the Applicant's Secretary or other appropriate officer that the minutes are true, correct, and complete copies and remain in full force and effect.

C. Applicant Information

1. A brief description of the business done or to be done by the Applicant and its subsidiaries focusing on Applicant's dominant business segments.
2. A list of all subsidiaries and their locations and their primary business activities or if the Applicant is a subsidiary of another company, provide details on the parent's business activities.
3. A comparison of the rights and preferences of each class of security (e.g., voting, dividend, liquidation, etc.) if the Applicant has more than one class of securities outstanding.
4. A description any past, present, or proposed material contracts,

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arrangements, understandings, relationships, negotiations, or transactions (excluding the Transaction) the Applicant has with any investor(s).

D. Applicant Financials

1. An income statement and balance sheet for the Applicant's most recently completed fiscal year. These financial statements must be reviewed or audited by an outside Certified Public Accountant.
2. An income statement for the most recently completed fiscal quarter. This quarterly income statement/P&L is not required to be reviewed or audited by an outside Certified Public Accountant.
3. A copy of the Applicant's federal tax return for its most recent fiscal year end.
4. A schedule of outstanding debt of the Applicant setting forth the name of the lender, type of loan (e.g., term loan, line of credit, etc.) amount outstanding, and expiration date. Briefly describe details if any outstanding debt is guaranteed by any shareholders. State whether the Applicant has any debt outstanding with any investors or an Affiliate(s) of any investors or other shareholders. If any such debt is outstanding to any investors, shareholders, or their Affiliates, provide full details of such loans along with copies of the loan documents.

E. Ownership

1. A table setting forth the equity ownership of the Applicant in substantially the following form:

Name of Owner	Minority/Citizenship Status	Class of Shares	Ownership Amount	% Ownership of Class	% Ownership Of Total Equity
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Below the table, set forth the total number of outstanding shares, total amount of minority-owned shares, and minority ownership percentage.

Instructions to Ownership Table

Include all shareholders owning over 5% or more of the total outstanding equity.

Under the column Minority/Citizenship Status, for each owner use the following codes as applicable: B = Black, E = Asian Pacific, H = Hispanic, AI = Asian Indian NA = Native American, and C = Caucasian. In addition, include an X = Non-U.S. Citizen, if applicable.

Include a footnote providing additional disclosure if any shareholder has

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pledged any shares as security (stating the number of such shares) and/or may acquire any shares (stating the number of such shares) upon exercise of an option or warrant within 60 days.

For purposes of this table, ownership (i.e., beneficial ownership) shall be determined in accordance with Rule 13d-3 under the Exchange Act of 1934.

If there is more than 1 beneficial owner for the same shares, provide appropriate disclosure in a footnote to avoid confusion. The shares should not be double counted for purposes of determining shares outstanding or ownership percentage.

If any shares are held in trust, provide the name of the trust, provide the name(s) and ethnicity(ies) of the trustee(s) and beneficiaries and submit a brief description of the trustee(s) power to vote and sell the shares held in trust.

F. Conversion Rights, participation Rights, liquidation preferences, etc.

If the Applicant's charter or any transaction or other documents provide for any conversion rights, participation rights, liquidation preferences, waterfalls or any other terms giving a certain class or group of shareholders payments senior to other shareholders or in an amount greater than such shareholder's percentage of equity ownership, provide the following:

1. A detailed summary of how the preferential payments apply upon the sale and/or liquidation of the Applicant.
2. A step-by-step detailed analysis of the amount and percentage of the total amount each minority shareholder and all minority shareholders collectively would receive assuming: (i) the Applicant was sold the day after closing of the Transaction to an unrelated 3rd party at the same purchase price used in the Transaction, (ii) the Applicant has no outstanding debt or other obligations to pay (i.e., entire purchase price went to shareholders), and the entire purchase price was paid in cash.
3. If any investor(s) also hold any senior debt or other debt or payment obligations not covered in F.2 above, provide a table setting forth the amount and percentage of the purchase price received by the investor(s) and minority shareholder(s) accounting for the payment of such debt.

G. Management

1. A table containing the name, title, ethnicity, and date of appointment for all executive officers of the Applicant.
2. A brief description of any agreement, arrangement or understanding between any officer and any other person(s) (naming such person) pursuant to which such officer was or is to be selected as an officer.

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3. The employment agreement for each executive officer.
4. Resume for each executive officer.
5. An organizational chart including all executive officers and the names, titles, and ethnicities of all senior management.
6. A copy of any agreement(s) impacting the management of the Applicant. Such agreements include but are not limited to management and/or joint venture agreements and any arrangement or contract involving the provision of such services as administrative, marketing services, production, and other types of compensated services.
7. Additional disclosure (e.g., background, name of other business, title, functions, etc.) if any executive officer performs management or supervisory functions for another business, or owns or works for any other company that has a relationship with the Applicant (e.g., ownership interest, financial investor, etc.)

H. Voting Control

1. A description, citing the specific provisions in the Applicant's Transaction documents, organizational documents or other documents, of the minority shareholders ability to elect or appoint a majority of the Applicant's Board of Directors.

I. Board Composition

1. A table of the Applicant's Board of Directors setting forth:
 - Name of director
 - Ethnicity of each director
 - Position on Board and/or committee assignments
 - Expiration of each director's term
 - Whether each director is an Affiliate of the Applicant, an Affiliate of the investor(s) or an Independent Director as defined in the Guidelines.
2. Resume of each director.
3. A description of any transaction, in the past 2 years, or any currently proposed transaction, in which the Applicant was or is to be a participant and in which any director or executive officer had or will have a direct or indirect material interest.
4. Each director claiming to be a non-Affiliate with the investor(s) must provide a certificate, signed by such director, certifying that such director:
 - a. Does not own, directly or indirectly, 25% of the equity or have voting control of any investor(s)
 - b. Is not an officer, director, partner, member, or employee of any investor(s)
 - c. Does not directly or indirectly control, is controlled by or under common control with any investor(s)
5. Each director claiming to be an Independent Director, must provide a certificate, signed by such director, certifying that such director:

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- a. Is not an Affiliate of the Applicant or any investor(s)
 - b. Meets the requirements of items (A) – (E) under the definition of Independent Director (certifying to each item individually) contain in the Guidelines.
6. A brief description of any arrangement or understanding between any director and any other person(s) (naming such person) pursuant to which such director was or is to be selected as a director.

J. Qualified Program Investor

Instructions

Provide and/or respond to the following for the type of Qualified Program Investor participating in the Transaction:

1. Angel Investment Group

- a. Name, address, and website of the group
- b. Brief background of the group and investment strategy
- c. Total number of investors in the group and number of minority investors
- d. Letter from authorized representative of the group certifying that all members of the group are “accredited investors.”
- e. The investment track record of the group including names and locations of its portfolio companies, date of investment, type of investment (e.g., equity, SAFE), brief description of each portfolio company, total amount of financing raised by each portfolio company, total amount invested by group.
- f. Realized gain or loss.

2. Independent Sponsor

- a. Name, address, and website of the firm
- b. Brief background of the firm and investment strategy
- c. Names, positions, and ethnicities of firm leadership
- d. The investment track record of the firm including names and locations of its portfolio companies, date of investment, brief description of each portfolio company, type of security purchased, total amount of financing raised by each portfolio company, total amount invested by firm.
- e. Realized gain or loss.
- f. Evidence that firm has a minimum of \$25 million in investments plus available/access to cash (“AUM”).

3. NMSDC Certified Investment Fund

- a. Current Certified Investment Fund certificate showing status.

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4. Investment Fund

- a. Name, address, and website of the fund
- b. Brief background of the fund and investment strategy
- c. Evidence that the fund has a minimum of \$25 million of AUM.
- d. The number of investors in the fund and whether any such investors are Affiliates of the general partner or of each other.
- e. The legal structure of the general partner and the names of the individuals or entity comprising the general partner.
- f. A statement whether the fund is a minority-managed fund.

5. Family Office

- a. Name, address, and website of the firm
- b. Brief background of the firm, its investment strategy and wealth management and concierge services provided.
- c. The number of families for which the firm provides services.
- d. Disclosure whether the firm provides investment advisory services to the general public.
- e. Names, positions, and ethnicities of firm leadership
- f. The investment track record of the firm including names and locations of its portfolio companies, date of investment, type of security purchased, a brief description of its portfolio companies, total amount of financing raised by each portfolio company, total amount invested by firm.
- g. Realized gain or loss.
- h. Certificate from firm's management that the firm has a minimum of \$50 million in AUM for each family for which it provides services.

6. Foreign Operating Company

- a. Name and location of company
- b. A chart showing the company and its subsidiaries clearly showing the entity making the investment in the Applicant.
- c. Country where the company is organized.
- d. Percentage of the company's revenues generated outside the U.S. and percentage of its total assets and located outside the U.S. (provide computations as well as percentages)
- e. Evidence (e.g., audited financial statements) of the company's total revenue in its most recent fiscal year.
- f. Provide a list of NAICs codes that the company and the Applicant have in common based on their business activities.
- g. If the company and Applicant are in the same industry provide:
 1. Analysis showing the difference between the company and the Applicant relative to product mix, customer mix and geography of markets, and
 2. Analysis showing the difference between the company and the

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Applicant relative to revenue generated in the U.S. from the same or similar products and services.

h. Public Market (i.e., transaction results in Applicant being publicly traded)

- a. The SEC Form S-1 or other SEC form used in the public offering.
- b. Name the securities exchange where the Applicant's shares are/will be listed.

K. Miscellaneous

1. Provide any additional material documents or other documents that you would like NMSDC to consider in reviewing your Application.
2. If the Applicant's initial certification was subject to any special conditions, provide disclosure that the Applicant remains in compliance with such conditions.