

Key Functions To Be Provided By Delegated Underwriter

- Underwriting/Financial Due Diligence:
 1. Lien & Tax search
 2. Credit history search
 3. Cash flow forecast analysis including a remaining months liquidity analysis.
- Loan Documentation:
 1. Draft and negotiate a loan and security agreement and ensure perfection on all assets including Intellectual Property.
- Loan Administration:
 1. Monitor compliance with loan and security agreement.
- Disbursement and Collection
 1. Disbursements to be made based upon required financial milestones and CIRM approval.
 2. Collection of interest and principal.
 3. Documentation, monitoring, and transfer of warrants.

Loan Administration

Delegated Underwriter monitors:

- Ensure in full compliance with all Government regulations and are in Good Standing
- That books are kept in accordance with GAAP and submitted to Delegated Underwriter as required
- That any Inventory is kept in good market conditions
- That all taxes are paid as required
- That insurance is kept in good standing for both the collateral and the business
- That all IP is properly documented and registered
- That any changes in Management are reported to Delegated Underwriter promptly
- That all rental payments for real property are made on time and current
- That insurance is maintained with Delegated Underwriter named as lost payee