MARKET STREET
INVESTOR RELATIONS

Due Diligence Checklist

Company Overview

- ☐ 1 Company cap table or entity ownership manifest
- ☐ 2 Resumes or detailed biographies for top three executives with compensation package information
- ☐ 3 Standard sales presentation, RFPs, or sales materials
- ☐ 4 Board Presentations (last 6 months)
- ☐ 5 Information on any product or roadmap development planned for the next two years
- ☐ 6 List of the company's three key competitors
- ☐ 7 Copies of all required state, federal, or industry licensing, permits or operating certificates
- ☐ 8 Company formation and governance documents (articles, bylaws, certificates, etc.)
- ☐ 9 Descriptions of patents or registered IP owned by the company, if applicable
- ☐ 10 Documentation related to any internally-developed in-house assets or processes, if applicable (user's manual, software systems, workflow systems, etc.)
- ☐ 11 Any third-party valuation documentation/analysis conducted within the last three years, if applicable (409a, 3rd-party valuation exercise, etc.)
- ☐ 12 Company's active insurance packages and coverage programs on insurance company paper (commercial liability, key person life, etc.)
- ☐ 13 Documentation associated with any equity investment, including convertible debt agreements/notes, if applicable

Financial Information

- ☐ 14 Monthly pro forma financial statement projections for next 12 months
- ☐ 15 Current YTD financial statements (broken out by month)
- ☐ 16 Year-end financial statements (previous three years)
- ☐ 17 Tax returns (previous three years)
- ☐ 18 Bank statements from previous four months
- ☐ 19 Margin analysis by product segment, if applicable
- ☐ 20 Detailed AR and AP aging reports (0-30 days, 31-60 days, 61-90 days, 90+ days)
- ☐ 21 Current inventory valuation, if applicable

Customer Information

- ☐ 22 List of the ten largest customers ranked by revenue contribution from previous two years and YTD (shown by year), as well as projections through year end
- ☐ 23 Customer attrition and churn analysis for prior two years (customer usage and retention)
- ☐ 24 Current sales pipeline (accounts, size, time line projections, closing stage, closing confidence level, etc.)
- ☐ 25 Executed contracts and payment term information associated with five largest customers

Supplier & Distribution Information

- ☐ 26 List of five largest suppliers with amounts of total volume supplied in the last two years, if applicable
- ☐ 27 Contracts or agreements associated with primary channel, vendor, or distribution partners, if applicable

Commercial Obligations & Debt Information

- ☐ 28 Debt schedule with debt terms, if applicable
- ☐ 29 Copies of paperwork associated with any outstanding notes, credit obligations, credit lines, factoring, term debt, seller's notes, trade lines, etc., if applicable
- ☐ 30 Documentation associated with any related party debt or intercreditor agreements, if applicable:
    - Owners
    - Related Entities
    - Founders
    - Employees
- ☐ 31 Copies of paperwork associated with any outstanding lease obligations, if applicable (operating, capital, real estate, etc.)

Disclosures & References

- ☐ 32 Complete the Company Disclosure Questionnaire (Questionnaire located in DropBox folder)
- ☐ 33 List of references. Typically calls are placed to the company's customers, accounting/tax firm, legal counsel, board members, investors, and/or advisors.

Additional Information

Additional company specific due diligence items TBD by Market Street