

Startup Fundraising Checklist

Propel your startup's success with our comprehensive fundraising due diligence checklist and confidently tackle even the toughest questions and concerns of your investors.



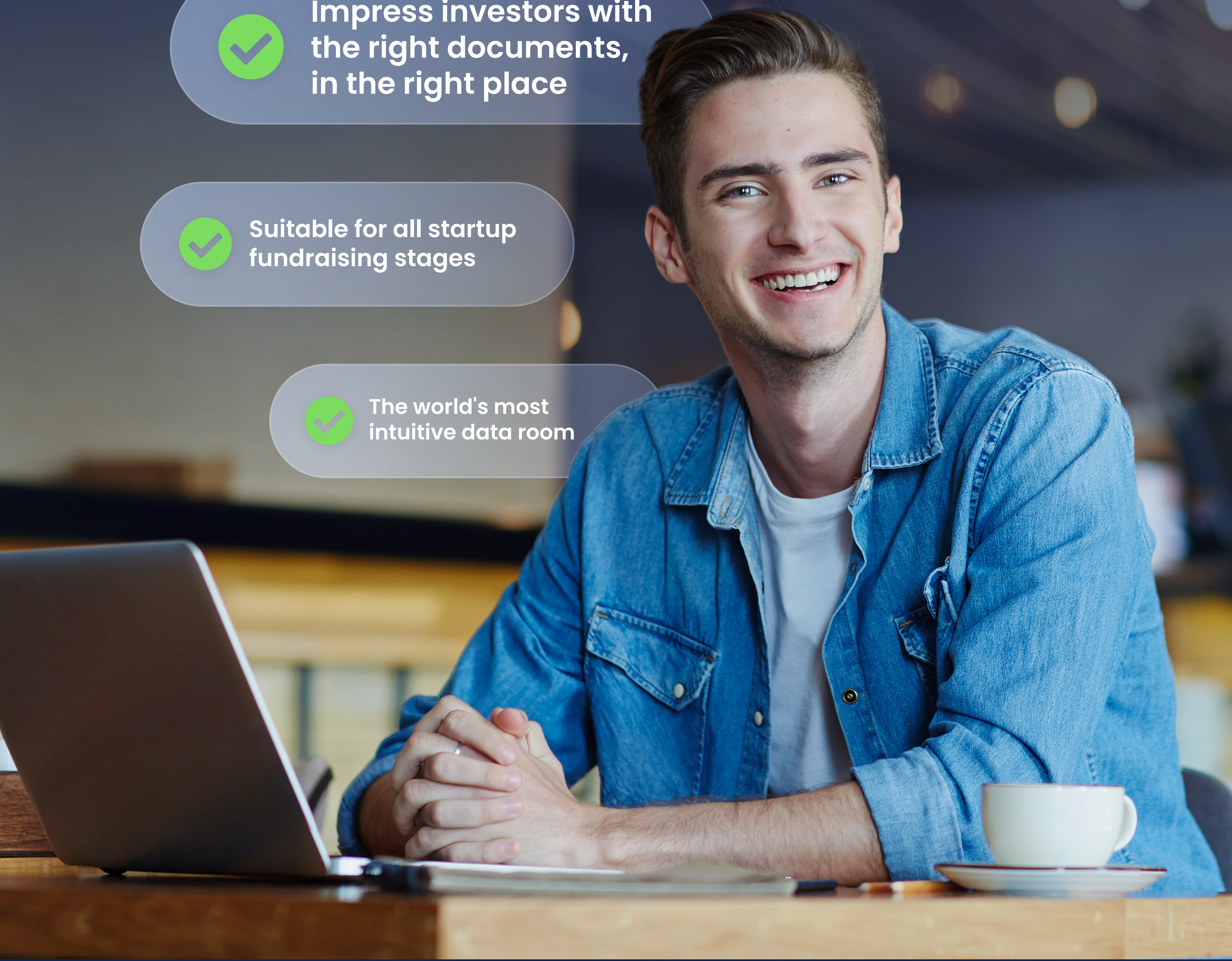
Impress investors with the right documents, in the right place



Suitable for all startup fundraising stages



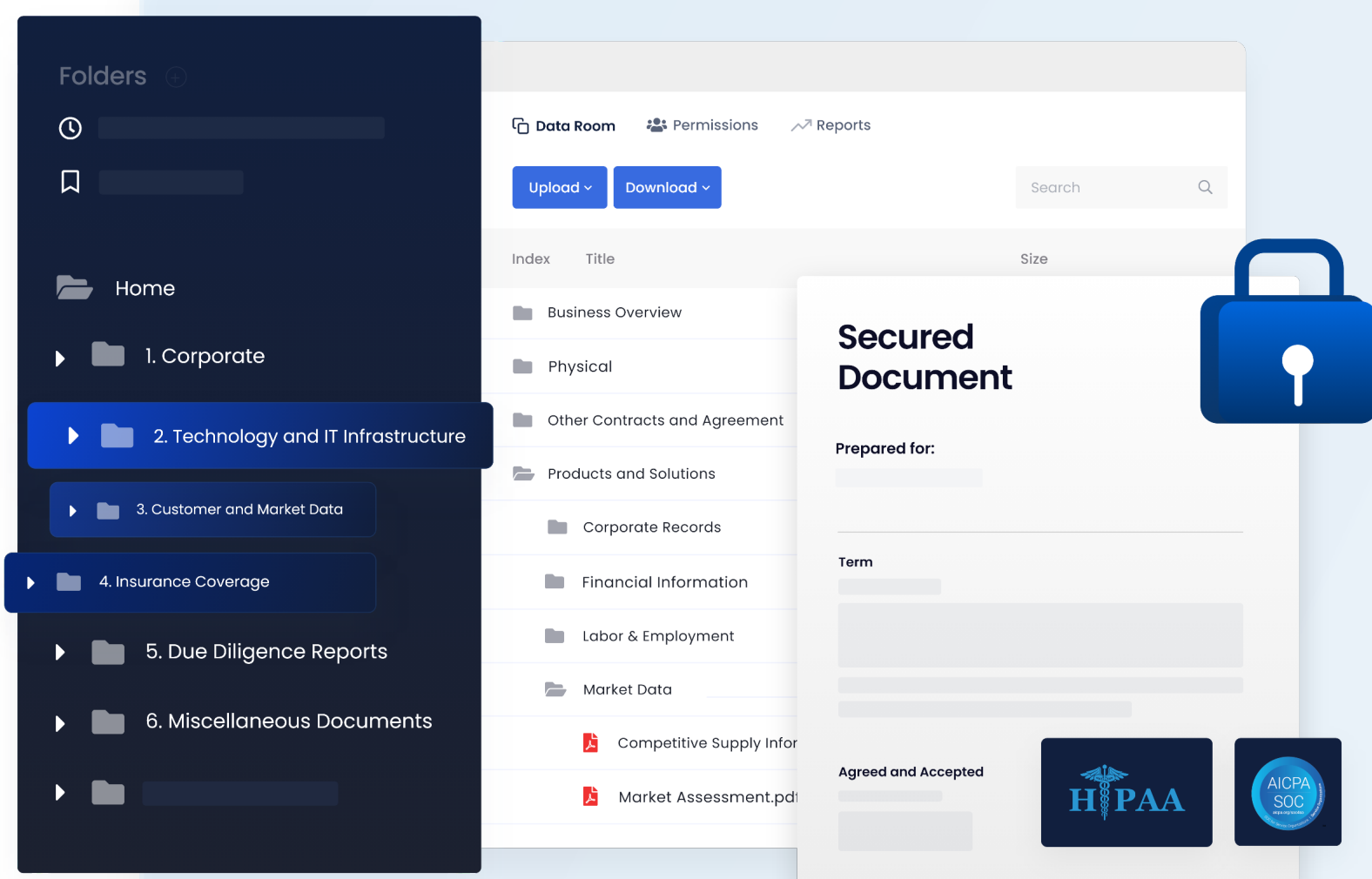
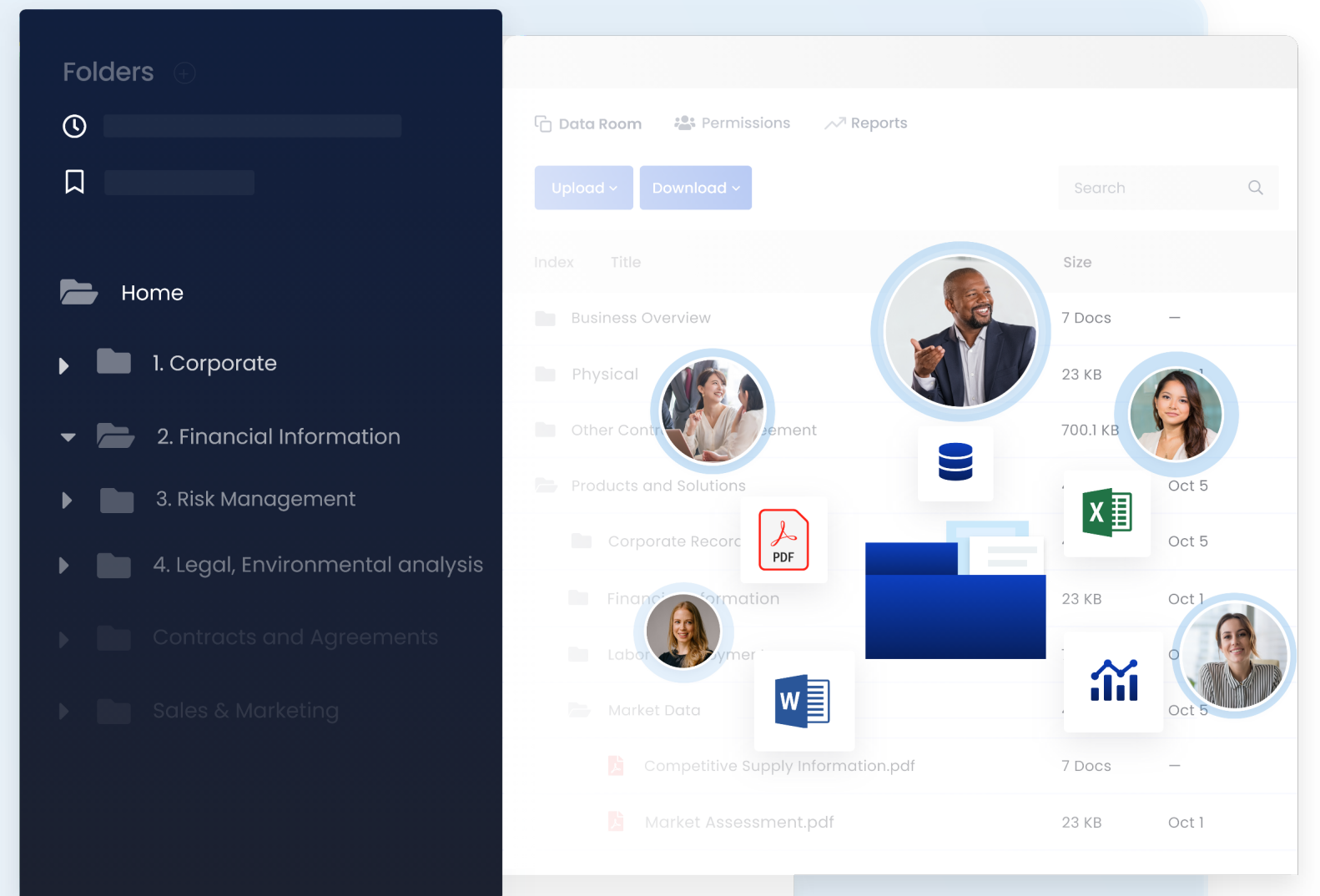
The world's most intuitive data room



Why FirmRoom is the Perfect Partner for Startups:

Streamlined Dealmaking

FirmRoom's virtual data room accelerates the dealmaking process by offering a secure, organized platform for storing, managing, and sharing vital documents with investors and stakeholders. No more chaos, just smooth sailing.

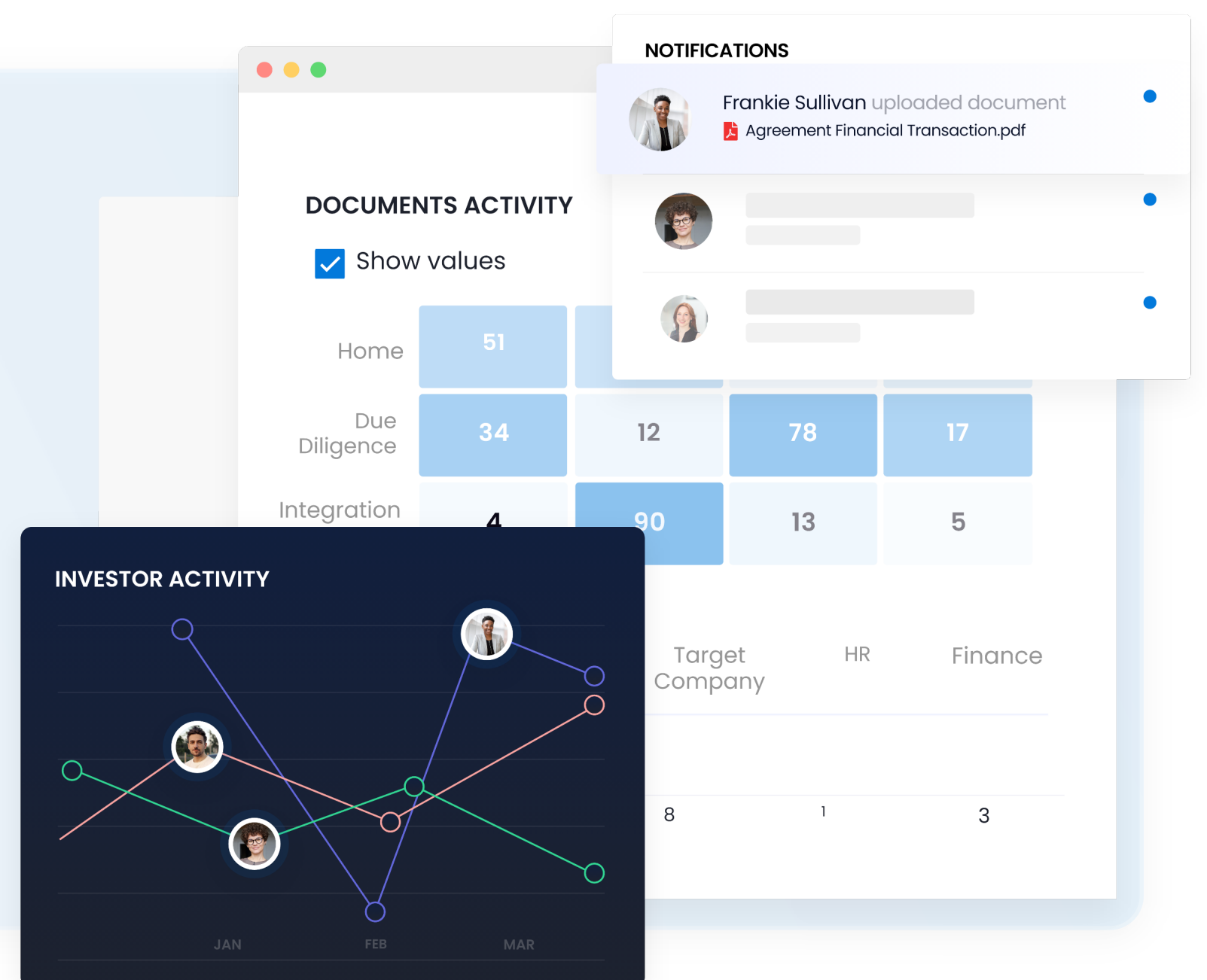


Uncompromised Security

Our industry-leading security features shield your startup's sensitive data and intellectual property. Rest easy knowing advanced encryption, access controls, and military-grade security compliance is protecting your valuable assets.

Actionable Insights

Stay ahead with FirmRoom's analytics suite. Track investor activity and measure their intreats in order to make data-driven decisions and maximize your startup's potential.



Looking for more?

Access additional fundraising knowledge and see how FirmRoom can assist your raise.

Try it now at
<https://firmroom.com/role/startup-fundraising>



Use this ultimate **startup fundraising** due diligence checklist to learn which critical documents you will be expected to provide.

Fundraise smarter and use our premade checklist to save time, stay organized, and confidently tackle each step of the diligence process.

Corporate Information and Structure

- ☐ An organizational chart including all relevant shareholdings, branches, and places of business.
- ☐ Up-to-date articles of incorporation, amendments, and by-laws.
- ☐ Describe the company's core activities and what it does in addition.
- ☐ Documentation of the chain of transfer of the shares/partnership interests to their current holders, incl. sale and purchase agreements as well as a certificate of incorporation.
- ☐ List of all current shareholders including the size of respective shareholding and capitalization table.
- ☐ Provide copies of any agreements where third-party consent is required for any transaction.
- ☐ Prepare all minutes of shareholders' & partners' meetings and resolutions.
- ☐ Furnish minutes of the meetings of any advisory board (or their committees).
- ☐ Copies of all agreements pertaining to the shares/partnership interests (including but not limited to pledges, security interests, options, nominee ships, trust agreements, usufruct, and sub-participations).
- ☐ Provide details about any capital changes in the company from the date of incorporation.
- ☐ Background and contact information of all managing directors and members of the advisory board and their committees.

Material Importance Agreements

- ☐ Overview of all marketing, service, and distribution agreements (including key details).
- ☐ Overview of agreements with major customers (general terms of business, framework agreements, etc.), if any (including key details).

Looking for more?

Access additional fundraising knowledge and see how FirmRoom can assist your raise.

Try it now at
<https://firmroom.com/role/startup-fundraising>



- ☐ Overview of all material suppliers and customers by product line and region (including key details and any discounts if applicable).
- ☐ All joint venture and co-operation agreements/descriptions, if any with other enterprises.
- ☐ List of loan agreements, guarantee agreements, contracts of suretyship, and other agreements regarding liabilities of third parties (including key details).
- ☐ Summary list of all shareholder's loans.
- ☐ Security agreements, pledges, mortgages, and other agreements establishing the rights of third parties to assets of the entities.
- ☐ List of all leases, financial leases, distribution agreements, and any other contracts involving continuous obligations (including a summary of their contents).
- ☐ List of main contracts with suppliers including key terms.
- ☐ Main contracts with distributors, licensees, agents, or other persons involved in the distribution.
- ☐ Review all secrecy agreements.
- ☐ All major existing consultancy agreements.
- ☐ List of all main insurance contracts including descriptions of risks covered and any pending damaging events.
- ☐ Standard forms used by the entities (including but not limited to general terms and conditions, bills, order forms, or warranties).
- ☐ Compilation of a list of all other important agreements, especially those with provisions for change of control or that can only be terminated with a lengthy notice period.
- ☐ Describe the contracts whether written or unwritten that can restrict the activities of the company.
- ☐ All agreements with shareholders/partners and related persons, especially employment contracts, advisory agreements, lease agreements, and loan agreements.
- ☐ All material contracts outside of the ordinary course of business (to the extent that they are not included above).
- ☐ Agreements on confidentiality and nondisclosure with employees, partners, suppliers, etc.

Looking for more?

Access additional fundraising knowledge and see how FirmRoom can assist your raise.

Try it now at
<https://firmroom.com/role/startup-fundraising>



General Asset Information

- ☐ Provide details of all assets that were acquired, disposed and not in possession of by the company in the past five years.
- ☐ Secure all official copies of any property formerly owned, used or occupied by the company, or real estate which can be a liability for the company.
- ☐ Provide details of changes in the real estate ownership of the company or the changes in which the company used its real estate assets.
- ☐ Provide details of all rent, service charge, or any other monetary sum paid by the company in terms of lease or license pertaining to any real estate asset owned or used by the company.

Intellectual Property and Technology

- ☐ Copies of the intellectual property and invention agreements signed by key employees and consultants (including those who didn't sign).
- ☐ Overview, descriptions, and specs for both owned and developed items, as well as leased/rented products.
- ☐ Identify the regulation and status of patents, trademarks, copyrights, licenses, utility models, designs, etc. utilized by the company (applications and pending applications).
- ☐ Secure all hardware and software licenses (incl. standard, technical, and accounting software) and maintenance contracts signed by the company.
- ☐ Describe the R&D capabilities and product and technology roadmap for the next few years.
- ☐ Provide details of any complaints, disputes or objections, or claims filed regarding the intellectual property as well as the technology utilized by the company.
- ☐ Examine whether and how the acquisition may change any licenses, agreements, or arrangements (breach, termination, etc.)
- ☐ Analyze the circumstances in which the company might lose its access to its IP asset, software or hardwares.
- ☐ List any data security issues as well as company policies on recording, monitoring, and using the phone system, e-mail system, and internet access

Labor and Employment

- ☐ List of the current average number of employees and historic development, by business unit, age profile, pay, lengths of the service profile, and technical skills.
- ☐ A list and breakdown of all outstanding accrued salaries, paid time off, and reimbursable expenses.

Looking for more?

Access additional fundraising knowledge and see how FirmRoom can assist your raise.

Try it now at
<https://firmroom.com/role/startup-fundraising>



- ☐ Provide information about company pension policies and all members of the pension scheme (including those employees who are not participating).
- ☐ Standard form employment contract, including supplementary agreements (on secrecy, employee inventions, prohibition on competition, etc.)
- ☐ Information on any severance agreements with employees and former employees which have not been fully completed.
- ☐ List any pending or planned offer of employment.
- ☐ List all loans granted to employees.
- ☐ Provide details of all perks/benefits the company will provide to its employees such as company car, life insurance, and health insurance.
- ☐ Copies of all offers letters currently sent out by the company which are accepted/not yet accepted.
- ☐ Copies of any reports and investigations into health and safety issues, as well as professional illness.
- ☐ Description of overall management structure and curriculum vitae of management and other key staff members.

Accounting and Finance

- ☐ Income statement, balance sheets, cash flows, and disclosures (for the past 5 years up to date).
- ☐ Budget versus actual (for the past 5 years up to date).
- ☐ Provide information on the company's debt securities, mortgages, and any other company property that has been utilized as collateral.
- ☐ Provide details about the capital commitments and capital expenditure.
- ☐ Monthly internal reporting for the last 5 years (management financial reports).
- ☐ Breakdown of a major contributor to sales, expenses, and profits.
- ☐ Financial projections for the next 5 years (by revenue, product/services, customers, etc.)
- ☐ Business plan, including detailed comment on all underlying assumptions.
- ☐ Copies of all current internal financial cash flow analyses of the company and each other entity.

Looking for more?

Access additional fundraising knowledge and see how FirmRoom can assist your raise.

Try it now at
<https://firmroom.com/role/startup-fundraising>



- ☐ Copies of accounting manuals, authorization manuals, and internal control procedure manuals.
- ☐ Provide details about any change in accounting reference since the starting date of accounts.
- ☐ Explanation of projected capital expenditures, depreciation, and working capital arrangements.
- ☐ Provide and analyze the accounts receivables and payables aging schedule.
- ☐ Collate all information on billed & unbilled receivables with a specific focus on uncollectible any current backlog by customers.
- ☐ Provide a copy of the last audited accounts of the company and the previous sets of audited accounts.
- ☐ Identify the major growth drivers, prospects, and predictability of the business.
- ☐ Identify any external financing arrangement assumptions.
- ☐ Copies of all tax declarations and tax assessment notices of the entities within the last 5 years (including but not limited to corporate income tax, trade tax, VAT, social security tax, and property tax).
- ☐ Report on last tax audit and note on current or announced future tax audits.
- ☐ List of all unpaid tax debts.
- ☐ A complete description of all disputed with tax authorities.

1,250+ Organizations Trust FirmRoom



J.P.Morgan

Morgan Stanley

Harris Williams



Looking for more?

Access additional fundraising knowledge and see how FirmRoom can assist your raise.

Try it now at
<https://firmroom.com/role/startup-fundraising>



“

Switching to FirmRoom was like trading in an old map for a GPS.

It's given us real-time insights and clear directions in our fundraising efforts. We know exactly who's interested and why!"

“

I'm no longer in the dark after hitting 'send' on investor emails.

The platform's real-time notifications and analytics give me insights into investor behavior, highlighting their areas of interest"

Seed Funding

Series Funding

IPO

Exit

Acquisition



Open a FREE Data Room



Looking for more?

Access additional fundraising knowledge and see how FirmRoom can assist your raise.

Try it now at
<https://firmroom.com/role/startup-fundraising>

