



unbank  
ventures

## MARKET ASSESSMENT

- Does the company's product or service address a new market or an existing market? Is it the right market for this product or service?
- Is there an opportunity to develop additional products or services? Or is this potentially a "one-trick pony"?
- Does the company's product or service have a seasonal aspect?
- Does the company have a well-thought-out go-to-market (if applicable), sales and marketing plan?
- Does the company have key relationships and partnerships in place? If not, is it working on building it?
- What is the potential market size?
- If the company has already introduced its product or service into the market, what is the number of current customers?
- What are the distribution channels?

## COMPETITIVE ARENA

- Who are the company's competitors? Has the company done a detailed feature-by-feature analysis?
- What makes the company stand out in the market? What is the differentiator from the competitors?
- Does the company have adequate intellectual property protection? Does it need it?
- What do the company's current and potential market share look like?
- Is the company relying on being first to market, rather than on competitive advantage, and is this realistic?

## MANAGEMENT TEAM

- How big is the team? Do they have the required skills and experience to grow this company?
- What is the team's overall track record?
- Does the company have a board of advisors and, if so, who is on the board? Do the advisors actively participate in the company's development? How are advisors compensated?
- Is the team open to suggestions and constructive feedback on improvement to their business model?
- How are management and all other employees being compensated?

## **STRUCTURE AND GOVERNANCE**

- What is the company's corporate structure?
- Is the corporate structure overly complicated? If so, why?
- Does the corporate structure fit with the business model?
- Does the corporate structure allow the company to grow?
- How many existing shareholders? If too numerous, then why?
- What is the founder share allocation? Do they have a large enough ownership to have the incentive to succeed, but not so large as to ignore board and other advisors?
- Is there an exit strategy?

## **COMPANY OPERATIONS**

- What is their stage of development?
- Has the company considered all aspects of operations to successfully launch (if applicable) a product or service or grow existing operations?
- Does the company have all required permits and licenses?
- Does the company meet all the regulatory compliance?
- Does the plan take into consideration all cash needs and anticipated cash flow?

## **FINANCIAL DOCUMENTS**

- Has the company completed financial projections?
- Has the company used an outside, independent accounting firm to compile, review, or audit financials?
- Are the assumptions realistic? Is the current cash flow available? What are the costs of operations? What is the projected growth rate?
- When does the company reach cash flow positive, and how much more funding it needs to get there? Has the company properly anticipated future needs?
- Has the company already received funding? If so, how much and on what terms?
- What are the follow-on funding requirements? Does the company have potential sources?
- Does the company have any outstanding debt? If so, how much and on what terms?

### **Compare to:**

- Similar companies that were recently funded in this space
- Third-party reports, publications, and market analysis

### **Red Flags/Deal Breakers**

- Unrealistic financial projections
- Missing or wrong assumptions about the market and user One-product or one service company (one-trick pony) Lack of legal documents, permits, licenses
- Lack of board and structure in the management team Lack of experience and skills
- Complicated investment terms
- Heavy debt