

Venture Capital Due Diligence Checklist

1. Company Overview

- Company name, address, and contact details
- Founders and executive team bios
- Corporate structure and ownership
- History and milestones
- Mission and vision statements

2. Financial Information

- Historical financial statements (balance sheet, P&L, cash flow)
- Current cap table
- Budgets and projections
- Key financial metrics (burn rate, runway, revenue, EBITDA)
- Outstanding debts or liabilities
- Previous financing rounds

3. Legal & Regulatory

- Articles of incorporation, bylaws
- Shareholder agreements
- Intellectual property documents (patents, copyrights, trademarks)
- Material contracts (leases, vendor agreements, customer contracts)
- Pending or previous litigation
- Compliance with local, state, federal regulations

4. Product & Technology

- Product/service overview and roadmap
- Technical documentation and architecture
- Status of product development
- Third-party dependencies
- Data security and privacy measures

5. Market & Competition

- Industry analysis and market size
- Target customers and user personas
- Competitive landscape and differentiation
- Go-to-market strategy
- Marketing and sales pipeline

6. Team & HR

- Organizational chart
- Resumes of key employees
- Hiring plans
- Compensation structure

- Employee agreements & option pool
- HR policies and procedures

7. Customer & Revenue

- Customer list and profiles
- Major contracts and partnerships
- Churn, retention, and acquisition metrics
- Revenue model and pricing strategy
- Customer feedback and case studies

8. Other

- Risk factors
- Strategic plans and exit strategies
- References and testimonials

Important Notes

- This checklist serves as a guideline and may be adapted per deal or sector specifics.
- Not all items will apply to every company; focus may shift based on stage and industry.
- Thorough documentation ensures transparency and risk mitigation for both parties.
- Early, clear communication with founders streamlines the due diligence process.
- Legal counsel review is recommended before any investment decision.