

1. CORPORATE MATTERS	
A.	Is this a Delaware C corp and if not are we comfortable that it allows future liquidity?
B.	What is the corporate organization structure - is it simple and clear and does it allow for growth?
C.	Do we have current cap table and shareholder agreements?
i.	Is cap table acceptable as structured or does it need changes?
ii.	Are there adequate shares and options for current and future management?
D.	Is the board independent or does it need to be restructured?
i.	Who are the current directors, how are they compensated, and do they match Company's needs?
E.	Does the Company have all required permits and licenses, including FDA clearance if appropriate?
i.	If not, what is the plan to get these and is it acceptable?
F.	Is there any open or pending litigation that is meaningful to a successful business and investment?
2. FINANCIAL MATTERS AND ASSUMPTIONS	
A.	Does the Company have a clear, current business plan?
B.	Budgets, financial projections, business plans and capital expenditure plans
i.	Identify the five to 10 principal risks to the Company's achievement of its Business Plan (e.g., technical problems, market acceptance, competition, management execution, inability to raise funding, etc.). This material will form the basis of the "Risk Factors" section of the offering materials present to the NWA members.
ii.	Are the underlying assumptions clear and reasonable?
C.	Do we have a current balance sheet that has been audited or reviewed by outside accountants?
i.	Is our investment being used to refinance prior balance sheet commitments or to fuel growth?
ii.	Is there any debt to founders/management/other stockholders expected to carry forward and why is that reasonable?
D.	Do we have a clear cash flow projection identifying when the company will need more cash?
i.	What milestones are expected to be achieved before raising additional cash and is current raise adequate to achieve these milestones?
E.	Does a review of the last two years of income statements and cash flows support the thesis?
F.	What is the exit strategy and does it make sense based on projections and market assessment?
G.	When does the company reach cash-flow positive and what cash requirements will it take to get there?
H.	What are the follow-on funding requirements and sources? Has the company properly anticipated future needs?
3. MARKET ASSESSMENT & COMPETITIVE DYNAMICS	
A.	How big is the target market and how big are the segments of the market being pursued?
B.	Is the market well established or is the Company hoping to create/expand the market?
C.	How many competitors are competing for this market and are they ahead, behind, or at the same stage as Company?
D.	Does the Company have a clear go-to-market plan that fits with the customer buying process and the competitive dynamics?
E.	What share of market does the company need to achieve to reach financial goals?
i.	Is this market share assumption reasonable given competition, product, and plan?
F.	What validation (research, pilot test, market test) do they have for their assumptions?
G.	Have we been able to talk with current customers and testers who have not yet bought the product?
H.	Does the distribution and pricing model make sense for customer fit and competitive response?
I.	Is the Company clearly differentiated from the competitors?
i.	Is this point of differentiation meaningful enough to customers that they will pay for it?
J.	What does the Company need to do to beat its closest competitor?
K.	Does the company have key relationships in place, or is it working on the same with marketing and/or sales partners?
L.	Has the company conducted thorough market research to substantiate their assumptions, revenue model, and valuation?
M.	What are the characteristics of the ideal customer for this company's product?
4. PRODUCT ASSESSMENT	
A.	At what stage is development? Alpha, beta, concept, shipping?
B.	What is the product "promise" that makes it unique and better than competition?
i.	How has this premise been validated?
ii.	Is it protected by some intellectual property like patents?
iii.	How strong is the intellectual property protection?
iv.	What evidence is there of product quality and strength of the supply chain?
C.	Have we validated a benefit comparison grid of Company's product versus key competitors?
D.	Are customers clamoring for this product's benefits or are they new and nice to have additions?
5. MANAGEMENT TEAM	
A.	Is the team complete or are there holes?
B.	How experienced is the management team and do they have the requisite skills needed for success?
i.	What is the team's overall track record in previous ventures?
ii.	Has the management team been previously funded?
D.	How coachable is the management team, especially the CEO?
D.	Is management team adequately incented with stock or options?
E.	Are salaries commensurate with this type of start-up?
F.	Is there any reason to believe that when we do background check and reference checks issues will emerge?
i.	If there is concern, do these before term sheet versus validation later
6. COMPARABLES	
A.	Recent IPOs (10Ks, annual reports)
B.	Recent companies funded in this space
C.	Comparable financial models