

## How to Use the Checklist

Review each section to ensure your start-up addresses key compliance areas. Each checklist provides actionable steps to meet South African regulatory standards and support sustainable business practices. While it's a general guide, it's recommended to seek further clarification on specific requirements from relevant legal or compliance advisors.

<b>Start-Up Governance Checklist</b>	
<b>1. Foundational Governance Structures</b>	
<b>Board of Directors</b>	
<input type="checkbox"/> Appoint a board of directors or an advisory board with relevant expertise.	Explain
<input type="checkbox"/> Define board roles and responsibilities (e.g., chairperson, independent directors).	Explain
<input type="checkbox"/> Establish a schedule for regular board meetings (monthly or quarterly).	Explain
<b>Executive Team</b>	
<input type="checkbox"/> Define clear roles for the executive team (e.g., CEO, COO, CTO).	Explain
<input type="checkbox"/> Create an organizational chart that clarifies roles and reporting lines.	Explain
<input type="checkbox"/> Conduct regular executive meetings to discuss strategy and performance.	Explain
<b>2. Core Governance Documents</b>	
<b>Founders Agreement</b>	
<input type="checkbox"/> Draft a founders agreement covering roles, equity, and decision-making powers.	Explain
<b>Shareholders Agreement</b>	
<input type="checkbox"/> Create a shareholders agreement outlining shareholder rights and obligations.	Explain
<input type="checkbox"/> Include terms on voting rights, transfer of shares, and exit conditions.	Explain
<b>Memorandum of Incorporation (Moi)</b>	
<input type="checkbox"/> Develop and file the Moi as required by South African law.	Explain

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<input type="checkbox"/> Ensure it includes key governance terms, such as director powers and shareholder rights.	Explain
<b>3. Financial Controls and Reporting</b>	
<b>Budgeting and Cash Flow</b>	
<input type="checkbox"/> Implement a regular budgeting process to manage cash flow and expenses.	Explain
<b>Financial Reporting</b>	
<input type="checkbox"/> Prepare monthly or quarterly financial statements (income statement, cash flow statement, and balance sheet).	Explain
<b>Audits (if applicable)</b>	
<input type="checkbox"/> Schedule an external audit if required or if it would build investor confidence.	Explain
<b>4. Compliance and Risk Management</b>	
<b>Legal Compliance</b>	
<input type="checkbox"/> Register with relevant authorities and comply with local laws (e.g., Companies Act, tax regulations).	Explain
<b>Risk Management</b>	
<input type="checkbox"/> Conduct a risk assessment to identify major risks.	Explain
<input type="checkbox"/> Create a risk register to track, manage, and review key risks.	Explain
<b>Data Privacy and Security (POPIA Compliance)</b>	
<input type="checkbox"/> Implement data protection policies in line with POPIA.	Explain
<input type="checkbox"/> Educate employees on data security practices and set up cybersecurity measures.	Explain
<b>5. Governance Policies</b>	
<b>Code of Conduct</b>	
<input type="checkbox"/> Develop a code of conduct outlining ethical expectations and standards.	Explain
<input type="checkbox"/> Ensure all employees review and sign the code of conduct during onboarding.	Explain
<b>Conflict of Interest Policy</b>	

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<input type="checkbox"/> Create a policy requiring directors and executives to disclose conflicts of interest.	Explain
<input type="checkbox"/> Include a procedure for managing conflicts in decision-making.	Explain
<b>Whistleblower Policy</b>	
<input type="checkbox"/> Establish a whistleblower policy to encourage reporting of unethical behavior.	Explain
<b>6. Decision-Making Framework</b>	
<b>Approval Hierarchy</b>	
<input type="checkbox"/> Define which decisions require board or shareholder approval.	Explain
<b>Voting and Conflict Resolution</b>	
<input type="checkbox"/> Set up voting thresholds for critical decisions (e.g., major acquisitions).	Explain
<input type="checkbox"/> Outline conflict resolution mechanisms for disagreements between shareholders or directors.	Explain
<b>7. Investor Relations and Communication</b>	
<b>Investor Reporting</b>	
<input type="checkbox"/> Provide quarterly or bi-annual updates on financial performance and key milestones.	Explain
<b>Annual General Meeting (AGM)</b>	
<input type="checkbox"/> Schedule and prepare for an AGM to inform shareholders and discuss future goals.	Explain
<b>Cap Table Management</b>	
<input type="checkbox"/> Maintain an up-to-date cap table to track equity ownership, especially during financing rounds.	Explain
<b>8. Succession and Long-Term Planning</b>	
<b>Succession Planning</b>	
<input type="checkbox"/> Identify potential successors for key positions.	Explain
<input type="checkbox"/> Develop emergency plans for unexpected departures of founders or executives.	Explain
<b>Exit Strategy</b>	

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<input type="checkbox"/> Establish a strategy for potential exits, whether through acquisition, sale, or IPO.	Explain
<b>9. Ongoing Governance Review and Improvement</b>	
<b>Annual Governance Review</b>	
<input type="checkbox"/> Conduct an annual governance review to assess policies, procedures, and structures.	Explain
<b>Performance Evaluations</b>	
<input type="checkbox"/> Perform regular evaluations of board members, executives, and the effectiveness of governance practices.	Explain
<b>Updates and Adjustments</b>	
<input type="checkbox"/> Update governance policies and structures to adapt to the company's growth stage and regulatory changes.	Explain

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