



**STANDARD DUE DILIGENCE REPORT
for Angel investments and Pre-seed startups**

Diligence Scope	Diligence Coverage Areas	Information Required	Available	Not Applicable	Notes
A	Legal Diligence	1. Details of Company Personnel - CEO, COO, CTO, CFO, VPs, Key management staff, Director where applicable	a. Resumes of all key management team members b. Employment agreement incl. compensation (base salary, bonus, stock options, etc.) c. Personal references from former colleagues and investors		
		2. Detailed organization chart (with compensation of key employees on the Organizational Chart)	a. Detailed organogram with roles of each person on the company's payroll b. Last 6-months payroll c. Hiring projections by functional areas and locations for the next 4 Quarters d. List of all Human Resources related issues that the department or HR manager has had to deal with		
		3. Board of Directors	a. Bios & contact information b. Affiliation (Who do they represent) & other board activities c. Board committees and members if any d. List of former directors and senior executives who have left during the last three years, with brief details why they left		
		4. Key investors and shareholders	a. List of key investors in the company along with details of holdings, amount invested, with dates and type of investment etc. (cap table) b. What current employees or Directors of your startup (or any of any of your subsidiaries), if any, hold stock, options, warrants or other ownership interests in the Company? And if so, list name of the individual, the date of acquisition of the ownership interest and the percentage ownership (on a fully-diluted basis). c. Do the founders own interest either directly or indirect through beneficial ownership in any business or company other than this startup? d. Details of any restrictive covenants, confidentiality provisions and 'golden parachutes'.		
		5. Corporate Information and Documents	a. Articles/Certificate of Incorporation and amendments b. Bylaws and amendments c. Minutes of Board of Directors meetings (including committees) and all Board Consents d. Minutes/Consents of Shareholders meeting e. Share option plan and form agreements. Please include a description of any employees or others who hold options or stock for which the vesting accelerates upon a change of control or other events. f. Any material agreements between the Company and any officers, directors or shareholders g. Lists of any subsidiaries and corporate documents, such as Articles/Certificate of Incorporation, Bylaws, minute books related to such subsidiaries.		
		6. Litigation	a. Pending or threatened disputes and investigations b. Litigation (current or in the past)		
B	Financial Diligence	1. Historical	a. Audited financial statements (consolidated and by subsidiaries) for the last 3 years or Management accounts for the last 3 years where audited financials are not available		

			b. List of Accounting software used by the company.			
			c. List of vendors, their products, and the contracts with the company			
			d. Quarterly statements for the last 3 years (Balance Sheet, Income statement and Cash Flow statement)			
		2. Investment	a. Detailed capitalization table, in addition to the list of each stockholder, and each option, warrant, or convertible debt holder, include the following information:			
			i. How much has been raised to date			
			ii. When			
			iii. At what valuations			
			iv. Number of employees at the time of the raise			
			b. All agreements related to any Preferred Stock financings			
			c. Ordinary Share Purchase Agreements (including all exhibits)			
			d. SAFE/ Debt/Convertible Loan/Warrant financing (including all exhibits)			
			Documents relating to tax details, filings and documentation obtained and filed by the company, including tax certificates or returns.			
			Also confirm if there are any outstanding tax liabilities or unresolved issues with the tax authorities			
C	Tax Diligence	Tax Documents				
			a. List all trademarks, trade names and service marks and any filings the Company has made related to these, and any claims made against the company			
			b. Patents (titles, patent number, serial number of issued and pending)			
			c. Provide a copy of the form of Invention Assignment and Confidentiality Agreement that you require all employees to sign			
			d. License agreements involving patents, trade secrets or other Intellectual Property			
E	Regulatory Compliance	Licenses	A list of regulatory licenses required by the company and a list of regulatory licenses owned by the company.			
			A list of licenses used by the company but not owned directly by the company and license agreements			
F	Online Reputational diligence on the Management team and Ultimate Beneficial Owners of the potential portfolio company	<i>Diligence Africa conducts reputational diligence based on information provided by the company. No additional data is required for this.</i>				