WAIT Investor Diligence

Investor Diligence Passport

Northstar Ledger, Inc. - FICTIONAL SAMPLE

Sample Founder

64
/ 100

Needs Attention
Diligence Readiness Score

1. Executive Summary

64

Needs Attention

1 critical, 2 high, 0 medium issues identified across 4 diligence categories.

1 of 3 extracted claims lack supporting evidence. 3 high-priority documents are missing.

Top Red Flags

1. ARR claim does not match available evidence (critical) — The headline revenue claim needs a reconciliation.
2. Customer concentration is high (high) — A single churn event could materially change runway.
3. IP assignments are incomplete (high) — Ownership of product work is not fully evidenced.

Top Strengths

No category scored 75 or higher in the scoring engine.

2. Readiness Score by Category

Category	Score	Explanation
Evidence readiness	62	Core records are present, but financial and IP evidence needs attention.
Claims backed by evidence	55	Two of six investor-facing claims are supported by the fictional evidence.
Financial clarity	48	The sample ARR claim cannot be reconciled to the available contracts.
Technical readiness	45	Deployment and security evidence is incomplete in this fictional example.

3. Critical Red Flags

ARR claim does not match available evidence

CRITICAL

The deck states $2.1M ARR while sample contracts support approximately $840K.

Investor concern: The headline revenue claim needs a reconciliation.
Fix: Reconcile the calculation and identify what the ARR figure includes.

Customer concentration is high

HIGH

One fictional customer accounts for 41% of reported ARR.

Investor concern: A single churn event could materially change runway.
Fix: Prepare renewal evidence and a downside scenario.

IP assignments are incomplete

HIGH

Two fictional contractor assignments were not provided.

Investor concern: Ownership of product work is not fully evidenced.
Fix: Collect signed assignments or other ownership evidence.

4. Claim Evidence Matrix

Claim	Type	Status	Evidence	Source	Page
ARR is $2.1M	revenue	contradicted	Sample contracts support approximately $840K ARR.	Sample pitch deck	7
NPS is 72	traction	supported	The fictional survey summary reports NPS 72.	Sample customer survey	—

Technology is patent-pending	legal	partial	A filing reference was mentioned but not provided.	Sample pitch deck	11

5. Missing Documents

- **CRITICAL** Financial model assumptions
- **HIGH** Contractor IP assignments
- **HIGH** Deployment and security evidence

6. Investor Q&A Pack

Q1. How is ARR calculated?

Not provided in the sample evidence.

Evidence: not_provided

Q2. Who owns contractor-created IP?

Two assignments remain missing in this fictional example.

Evidence: partial

Open Questions

How is ARR calculated?

Not provided in the sample evidence.

7. 30-Day Fix Plan

Reconcile ARR

CRITICAL

Create one ARR schedule tied to signed contracts.

Category: Financial · Status: open

Complete IP assignments

HIGH

Collect signed agreements for all product contributors.

Category: Legal · Status: open