

**BLUETREE ALLIED ANGELS
FORMAL SCREENING SCORING SHEET GUIDE**

MANAGEMENT/TEAM/BOARD
CEO - What is CEO's experience, start-up track record?
TEAM - Other management team member skills and experience? Is the team balanced? Plan to fill gaps?
BOARD/ADVISORS - Industry leaders, fill management gaps?
MARKET
MARKET SIZE - What is the total addressable market size (customers and revenue)?
MARKET GROWTH - How is the market expected to grow? How quickly?
% MARKET SHARE - Based on company's year 5 projections?
PRODUCT/SERVICE
USER/CUSTOMER - Is the user and/or customer clear and compelling?
VALUE PROPOSITION - Is the value proposition clear and focused?
DIFFERENTIATION / UNIQUENESS - Is the product disruptive? Is it unique?
BARRIERS TO ENTRY/IP - What is the secret sauce? Patents? Are there significant barriers to entry?
COMPETITION - How many direct competitors?
COMPETITIVE ADVANTAGE - Effectiveness, features, benefits?
TECHNOLOGY RISK - Is development stage & data sufficient to eliminate tech risk?
REGULATORY RISK - FDA Clinical Trials needed? etc.
BUSINESS PLAN
REVENUE MODEL - How does the company make money? Is it clear? Is there potential for multiple revenue streams?
PRODUCT/MARKET EXTENSION - Long term ability for product or market extension?
ASSUMPTIONS - Reasonable, realistic assumptions?
SALES/MARKETING
GO TO MARKET STRATEGY - Direct sales, channel partners, licensing?
SCALABILITY - Is the model scalable? Cost & other barriers to scale?
REGULATORY DRIVERS/BARRIERS - New FDA, FTC, FCC, FAA, OSHA, etc. rules driving or slowing adoption?
FINANCIALS
REVENUE - Actual/projected 5 year estimate
GROSS MARGIN % - Compared to industry average. Economies of scale?
EBITDA % - Current/projected 5 year estimate, compared to industry average?
BREAKEVEN - How long/how much revenue to breakeven?
ASK - Is ask In BlueTree's range, or is it a possible syndication?
RAISED TO DATE - How much has been raised, from who?
LEAD - If not in region, who is local lead?
PRE-MONEY VALUATION - Is it in BlueTree's range of <\$5M?
ADDITIONAL CAPITAL - Future rounds needed, capital efficient?
EXIT STRATEGY
POSSIBLE ACQUIRERS - Who might acquire?
COMPARABLE RECENT EXITS - Who bought who for how much, & at what multiple?
EXIT VALUE / MULTIPLE - Possible acquisition price? (Based on comparable exits). Multiples?
TIME TO EXIT - How long, at what stage?