

INTERPRETATION OF SELECTION FACTORS

1. Value Proposition

- Company has a proprietary solution that offers abundant value to the customer
- The solution solves a real and immediate customer problem
- The solution significantly surpasses current or imminent solutions

2. Market

- Large, growing addressable market (adequate for projected returns)
- · Reachable customers
- Potential to reach dominate position in a clear market niche

Revenue Model

- · Recurring revenue
- Potential for sustained growth
- Multiple revenue streams

4. Business Model

- Easily scalable
- · High gross margin
- Cash flow supports operations

Competitiveness

- Sustainable competitive advantage
- Weak, disorganized competition
- Company knows the competitive landscape

6. Team

- Experienced team (management, advisors, partners)
- Relevant experience and industry connections
- Marketing ability

7. Appropriate Funding

- Investment amount appropriate for this audience
- Clear plan to apply funds to accelerate growth
- Reasonable capital plan to reach break-even
- Reasonable expectation of a good return on invested capital

8. Presentability

- CEO presents well
- CEO accepts criticism well
- Realistic expectations that presentation can be coached into shape by October

9. Write-in Factor for Weighting

- A catch-all for other factors, good or bad, that affects the fundability of this company. This is an opportunity
 to skew your score for things you see that don't quite fit the other eight factors. These could include, for
 example, an impossible go-to-market challenge, technical uncertainty, company stage (too early, too late)
 or external factors peculiar to this opportunity such as government regulations.
- If you don't want to skew your total write in '3' as a neutral score for this item. Write in your reason for this factor.

10. Exit Strategy