





## ALPHA™ Score Final Report

<b>Prepared for:</b>	ABC Company
<b>Review Date:</b>	January 1, 2023
<b>Report Date:</b>	January 10, 2023
<b>Reviewed by:</b>	
<b>Your ALPHA Score:</b>	 <b>78</b>


<b>SUMMARY:</b>	We believe that ABC Company (the “Company”) is in an adequate position, legally, based on the documents that were submitted to us. However, as we will discuss below, we recommend certain actions be taken to further enhance the Company’s legal protection.
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### BUSINESS STRUCTURE AND GOVERNANCE


Strengths	Weaknesses	Recommendations	Section Score
Overall quality of the documents was very good. The provisions in each document were standard and provided the most legal protection.	LLC operating agreement is missing key provisions for removal and buyout of members.	Our recommendation is that an operating agreement be updated to address succession planning and transition issues.	 <b>17</b>

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## COMMERCIAL CONTRACTS

Strengths	Weaknesses	Recommendations	Section Score
Company uses a standard form of agreement with customers that contains key terms that provide good legal protection.	<p>Website terms of use and privacy policy are missing.</p> <p>Lease is expired.</p> <p>No documentation retention policy.</p>	<p>Website terms and privacy policy should be considered.</p> <p>Lease renewal should be pursued.</p> <p>Consider a written document retention policy.</p>	 <p><b>13</b></p>

## EMPLOYMENT


Strengths	Weaknesses	Recommendations	Section Score
The employment handbook submitted to us is structured well, is substantially complete as submitted and has been reviewed recently.	Lack of formality for making offers of employment. Use of several independent contractor agreements raise concerns about conformity with state laws on misclassification.	<p>Standard hiring documents should be formalized.</p> <p>Use of independent contractor agreement should be revisited.</p>	 <p><b>13</b></p>

## INTELLECTUAL PROPERTY

Strengths	Weaknesses	Recommendations	Section Score
Responses to the client intake survey indicate that the Company has good practices in place regarding confidentiality and protection of information.	No steps have been taken by the Company to evaluate the legal availability of the Company's logo and branding. A quick search indicates potential area of concern for trademark infringement.	A thorough evaluation of Company's continued use of its name, logo, and brand for trademark protection and potential infringement should be considered.	 <p><b>15</b></p>

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**FINANCING**

Strengths	Weaknesses	Recommendations	Section Score
<p>The documents submitted are from institutional lenders and the documents contain standard terms.</p> <p>Founder loans to Company are documented appropriately.</p>	<p>None identified.</p>	<p>None.</p>	 <p><b>20</b></p>

<p><b>NEXT STEPS:</b></p>	<p>Based upon our evaluation, should the Company wish to take further action to improve its legal documentation and position, next steps that should be considered are as follows:</p> <p>High priority - Update independent contractor agreement and hiring forms Conduct more thorough trademark analysis</p> <p>Medium priority - Update operating agreement drafted</p> <p>Low priority - Have website terms of use and privacy policy drafted</p>
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**Thank you again for your participation in the ALPHA Score!**

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