

April 7, 2025

UK STARTUP LEGAL & PEOPLE READINESS CHECKLIST

1. Company Structure, Cap Table & Statutory Books

- ✓ Company is properly incorporated with Companies House
- ✓ Shareholdings and founder equity splits are clearly documented
- ✓ Cap table is up-to-date (including any convertible notes, options, or SAFEs)
- ✓ Statutory books (register of members, directors, PSCs, etc.) are accurate and maintained
- ✓ Share certificates have been issued and reflect Companies House filings

2. Founders' Agreement & Shareholders' Agreement

- ✓ Founders' roles and responsibilities are agreed upfront
- ✓ Shareholders' agreement includes vesting, leaver provisions, and reserved matters
- ✓ IP ownership, confidentiality, and dispute resolution clauses included
- ✓ Exit strategy and major decision processes are set out clearly

3. Intellectual Property (IP) Ownership

- ✓ Company owns all relevant IP – founders, freelancers, and employees have assigned rights

- ✓ IP assignments are signed and stored
- ✓ Key trademarks, domain names, and other assets are registered (where appropriate)
- ✓ Patents, designs, and copyright protections considered if applicable

4. SEIS/EIS Advanced Assurance

- ✓ Business structured to meet SEIS/EIS eligibility rules
- ✓ Advanced Assurance received from HMRC
- ✓ Ready to issue compliant SEIS/EIS documentation post-investment
- ✓ Investors reassured with tax-efficient investment options

5. Legal Contracts, Compliance & Data Protection

- ✓ Clear contracts in place for customers, suppliers, and partners
- ✓ Terms & conditions, NDAs, and privacy policies are in place
- ✓ Compliant with UK GDPR – privacy policy, cookies, internal procedures
- ✓ Industry-specific regulations reviewed and met
- ✓ Licences and insurance reviewed and secured

PEOPLE, CULTURE & EMPLOYMENT READINESS

6. Hire the Right People under the Right Contracts

- ✓ Use a skills-based, inclusive recruitment approach to attract diverse talent
- ✓ Clearly distinguish between employees, workers, and self-employed contractors
- ✓ Contracts reflect the correct status and legal obligations

7. Comply with Employment Law Requirements

- ✓ Proper employment contracts in place
- ✓ Clear understanding of responsibilities as an employer
- ✓ Processes in place to manage people fairly and mitigate discrimination risk

8. Stay Updated on Employment Law

- ✓ Monitoring legal changes – the UK is seeing the biggest reforms in 30 years
- ✓ From Autumn 2026, every employee will have Day 1 protection against unfair dismissal
- ✓ Review policies and processes regularly to stay compliant

9. Culture: Build a Thriving, High-Performing Team

- ✓ Intentional about creating a healthy, inclusive culture
- ✓ Leadership supports psychological safety, wellbeing, and performance
- ✓ Mission, values, and behaviours are embedded in daily operations

10. Compensation & Benefits

- ✓ Design creative, competitive compensation packages (e.g., equity, flexible working, development opportunities)
- ✓ Align benefits with employee needs and company values
- ✓ Transparent about pay structures and progression