



BASIC BUSINESS ENTITY START-UP PACKAGES
FOR CLIENTS OF
STUART ADAMS Law office, P.S.C.

Listed below are several basic packages of legal services related to the initial organization of a small business entity in Kentucky or Indiana. Many of the decisions which precede a business start-up require sophisticated analysis of a wide variety of nonlegal issues. The entrepreneur may also need securities, patent, complex tax and other specialized legal advice which will not be part of these packages, but which can be obtained for hire for our client and coordinated by this Firm.

All of the packages below envision the need for additional periodic assistance, as requested by the client. In such instances, the Firm will charge its normal hourly rate on such additional matters (as more particularly specified in an engagement letter or Attorney/Client Agreement) not included in the basic packages below, but requested by the client.

CORPORATE PACKAGE A: \$250.00 plus filing fees

- Draft Articles of Incorporation and Consent of Agent; and
- File Articles with Secretary of State and County Clerk; and
- Obtain Federal Employer I D Number (by Mail); and
- Draft Standard By-laws; and
- Draft Standard Minutes of First Stockholders' Meeting; and
- Draft Standard Minutes of First Directors' Meeting; and
- File Application for "S" status with I.R.S. (if requested by client); and
- Mini Handbook on Operating a Corporation

LIMITED LIABILITY COMPANY PACKAGE A: \$250.00 plus filing fees

- Draft Articles of Organization and Consent of Agent
- Draft Basic Operating Agreement
- File application for federal tax identification number for entity
- Mini Handbook on Operating a Limited Liability Company

PACKAGE B: \$750.00 plus filing fees

All corporate or LLC organizational services listed above in Package A; and
Draft pre-incorporation investor subscription agreement; and either

1. Draft basic Non-compete\Confidentiality\Non-disclosure Agreement; or
2. Basic Stock Restriction\Cross Purchase\Buy-Sell Agreement

NOT-FOR-PROFIT PACKAGE C: \$1,000.00 plus filing fees

Draft not-for-profit Articles of Incorporation; and
 File Articles with Secretary of State and County Clerk; and
 Obtain Federal Employer I D Number (by Mail); and
 Draft Standard By-laws; and
 Draft Standard Minutes of First Members' Meeting; and
 Provide up to three hours assistance in drafting Section 501(c) application with IRS to attempt to obtain tax exempt status

ADDITIONAL FLAT RATE SERVICES:

The following services or a rough draft of the following agreements, in fairly standard and basic form but incorporating your data, can be provided for the flat rates stated below:

- Prepare a basic **Founder's Agreement** to be used by the entrepreneur to preserve certain rights and options when building a company initially, or when financing. For example, this agreement might reserve an option to buy out investors "down the road" at a fixed or formula price, retain certain long term employment or consulting rights, provide for an overriding super majority or other control mechanism, etc.
\$250.00
- We can act as your company's Kentucky **process agent** when you organize.
\$50.00 initial charge and \$50.00 for each additional year or part thereof.
- Prepare **Certificate of Assumed Name** for fictitious name that may be used by entity in addition to legal name
\$75.00 plus filing fees
- Prepare draft of standard **Employment Agreement**
\$150.00
- Prepare draft of standard **Independent Contractor Agreement**
\$150.00
- Prepare draft of standard **Non-competition/Non-Interference Agreement**
\$150.00
- Prepare draft of standard **Non-disclosure/Confidentiality Agreement**
\$150.00
- Prepare draft of standard **Consulting Agreement**
\$150.00
- Prepare draft of standard **Web Development Agreement**
\$250.00
- Prepare draft of standard **Stock Restriction Agreement (a/k/a Buy-Sell)**
\$250.00
- Prepare draft of standard **Distributorship Agreement**
\$250.00

Additionally, please ask us for a list of our trademark/service mark services and pricing.

PARTNERSHIP AGREEMENTS: \$250.00 plus filing fees

Draft Standard Partnership Agreement
 Apply for fictitious name (d/b/a) certificate
 File application for federal tax identification number for entity

OTHER SERVICES:

File Reservation of Corporate Name & d/b/a if needed. Arrange for basic pre-incorporation consulting. Drafting or review of business plan.

The fee quotes above are standard fees for standard services, as described. Additional fees may be charged for additional or non-typical start-up services. All clients will be required to execute an Attorney/Client Agreement and pay a retainer prior to provision of services. The Agreement will specify the initial services to be provided and fees charged. We look forward to being of service to you.

YOUR DUTIES

Please also keep in mind that for the packages of services we are performing specific and limited services for your company. If for instance, we perform those specific services listed in "Package A," we probably are not registering your business with the state revenue agency or any of several local tax authorities with whom you should immediately register and to whom you will probably have to pay a license fee or owe a tax return. We are probably also not making a registration for unemployment insurance or workers compensation, unless you have specifically entered into an agreement in writing with us to do so.

There may be many filings, including licenses and permits which a new business must apply for in order to be in compliance with various law. We specifically are not doing this for you unless we have contracted in writing to do this for you or with you. Frankly, having us do many of these things is not very cost effective for you and this is a good opportunity to have you contact a good small business CPA to help you get your corporate books set up, develop a tickler of government reportings, such as withholding deposits, and other typical or unique nonlegal registrations, postings, filings, and reportings. We are typically taking you to the point of having a legal entity which can open its own bank account.

Unless contracted in writing in addition to services in Package A," we would, for instance if you were to open a bar and restaurant, not be assisting you in applying for a liquor license or obtaining Board of Health approval. These are your responsibilities by default, under our basic services package. We certainly will be happy to help you on any or all of these if you desire, or to try to recommend others who can assist you on such matters. Most people cannot effectively run a business by themselves. This is your opportunity to start building your typical "team" of attorney, CPA, insurance agent, financial advisor and others with professional and practical experience with a business, such as yours. We work with other professionals and firms in most of these areas and will be happy to make a referral to a local accountant, insurance company or bank.

In addition, please feel free to contact me by phone (502.509.4115) or e-mail (biz-law@juristechology.com) if questions arise regarding day-to-day legal issues related to the operation of your business. Often a few words of counsel can prevent a major costly legal problem later. We appreciate the opportunity to be of service to you and look forward to working with you in the future.