

INCORPORATION/ ENTITY FORMATION QUESTIONNAIRE

Name:

1. Legal Form. What form of entity do you wish to establish?

- A. Limited Liability Company ("LLC")¹
- B. Business Corporation (Stock Corporation)
- C. Limited Partnership
- D. Limited Liability Partnership ("LLP")

2. Jurisdiction of Incorporation.

If you know, in which state do you wish to incorporate (or establish a LLC or partnership)? Please be aware that there are potential tax advantages in incorporating in certain states. A New York corporation does not insulate the top 10 shareholders from personal liability for employee salaries and compensation. A Delaware corporation can do business in New York and does not have this problem.

3. Name.

What is the name you wish to use for your company ? A search will have to be performed to ensure that the name is available in the state of incorporation for your purposes. (Please include either "Inc." or "Corp." for a corporation.)

4. Management Positions. Whom do you wish to appoint in the following management positions (* = required for corporations)? Please provide same information as for directors and shareholders if not otherwise disclosed. The founder's tax ID number is needed if we are to prepare the application for tax ID number for the entity. If you leave this blank, we will not file any SS-4 form, and you will be responsible for obtaining the entity's tax ID number.

- A. Incorporator/ Founder: _____
- B. Incorporator's Social Security Number or ITIN (US Taxation): _____
- C. *Initial President² _____
- D. Vice President _____
- E. *Secretary _____
- F. Treasurer _____
- G. Incorporator (for the purposes of the United States incorporation)
- H. Tax matters partner (for LLC's, LLP, LP's and Partnerships only) _____
- I. Manager (for LLC's): _____
- J. General Partner: _____

¹ LLC's, LLP's and LP's require publication of notice of establishment or qualification to transact business in New York. Such publication costs are in addition to organizational costs.

² Delaware and New York law each requires that each corporation have a President and a Secretary.

K. Limited Partner: _____

L. Other (define): _____

You will have to provide the passport documents, immigration status and relevant documents, addresses and telephone numbers of each of the above.

Resignations after organization: *Name and titles*

Replacements to follow resignations: *Name and titles*

5. Shares.

Authorized Number: _____

Par Value (applies only to corporations): _____

Number to be issued initially

Shareholder A: _____

Shareholder B: _____

Shareholder C: _____

How many shares (if LLC or Corp) would you wish to issue, at what par value and how many shares do you wish to have authorized to be issued ?

6. Shareholders.

We will assume that all shareholders are founders and previously knew each other from activities unrelated to the formation of this particular entity. If you have solicited any other persons in a "solicitation" of investments, please check here _____ (Y/N) and consult with us on Blue Sky and Securities law compliance.

A - Name: _____

Address: _____

Nationality: _____

Passport No. (date and place of issue): _____

Telephone: _____

Percentage ownership: _____

Capital contribution (planned): _____

B - Name: _____

Address: _____

Nationality: _____

Passport No. (date and place of issue): _____

Telephone: _____

Percentage ownership: _____

Capital contribution (planned): _____

In case you wish to form a limited liability or a business corporation, please provide the names, home addresses and office addresses, and respective telephone and fax numbers (and e-mail addresses) of the shareholders, their percentage of ownership ? Please provide a photocopy of their passport documents, immigration status and relevant identity documents.

7. Board of Directors of Corporation (or Managers for LLC).

Name: _____

Address: _____

Nationality: _____

Passport No. (date and place of issue): _____

Telephone: _____

Name: _____

Address: _____

Nationality: _____

Passport No. (date and place of issue): _____

Telephone: _____

Name: _____

Address: _____

Nationality: _____

Passport No. (date and place of issue): _____

Telephone: _____

Whom do you wish to appoint to the Board of Directors?

You will have to provide the passport documents, immigration status and relevant documents, addresses and telephone numbers of each of the above, if different.

8. Capital Investment and Capital Structure.

A. What is the amount of capital you intend to invest in the entity immediately?
_____. Additional amounts anticipated within 12 months: _____

B. Do you wish to have the initial funding consist of equity (capital) plus some debt (for example, a loan by the shareholder(s))? Under U.S. income tax rules, loans may generate tax-deductible interest in some cases. Please see use about this issue if you intend to have any loans to the company.\

C. Will all shares or ownership interests be the same? (That is, will all shares have the same voting rights, preferences in the distribution of dividends, redemption and on liquidation, and other attributes?) _____. If not, please describe the proposed capital structure on a separate sheet.

9. Type of Business. What kinds of business ventures will you engage in while in the United States and do you have a list of possible U.S. partners or companies with whom you would like to conduct business?

Describe number of employees initially: _____
Roles: _____

10. Operations. What kinds of agreements, licenses, trade/service marks, did you wish to apply for?

11. Location of Offices and Management. Do wish to operate your business entity from more than one state? (This requires qualification to do business in the applicable states).

12. Banking.
Have you selected a banking organization with whom you wish to conduct business ? Do you know the names of the officers who will be signatories for banking purposes ? Banks usually require a letter of introduction and certification of credit worthiness from a reputable foreign bank. Letters of introduction and proper passport and immigration classifications are also becoming increasingly necessary in banking operations currently. Please advise on the selection of a bank. Clients will be responsible for opening the bank accounts using proper bank resolutions, signature cards, copy of organizational documents and federal Employer ID number.

13. Timing. Is there a deadline for incorporation to be complete?

14. Taxation.

A. *International.* In general, a limited liability company can be used to avoid taxation on the entity, with only one level of taxation (that is, the shareholders pay income tax on the company's taxable income). A corporation may be used in the same manner under "S" status, but only if all the shareholders are U.S. citizens or U.S. residents. Otherwise, a corporation will be subject to taxation, and distributions of dividends will also be taxable to shareholders, though an applicable income tax convention or U.S. law may provide some form of tax credit for foreign taxes paid. For U.S. subsidiaries of foreign companies, LLC's may be useful if there is no U.S. income tax treaty. Where there is an income tax treaty, a corporation may be advisable, depending on the tax treaty. This questionnaire is intended to raise issues only, and no advice is given except by separate letter or memorandum at our usual rates.

B. *Sales taxation.* Check here if you intend to sell goods from a store _____. Check here if you intend to sell goods via the Internet _____ and indicate whether you will sell only to USA _____(Y/N) or worldwide _____(Y/N).

C. *Shareholder Taxation .* For corporations only: Check here if you want to elect "S" corporation status _____(Y/N).

15. Fiscal Year.

16. Minute Book. Do you want us to order a Minute Book? _____(Y/N).
17. Questions. Please feel free to ask any questions. We appreciate this opportunity to be of service.