



Parties to a New Venture

1. Who will participate?
2. Investment by each participant:
 - a. Cash
 - b. Property (value and tax basis)
 - c. Services
3. Management participation by each:
 - a. Board of directors or other governing body
 - b. Officers
 - c. Employees
4. Sharing of profits:
 - a. Compensation of each
 - b. Possibility of dividends or other distributions
 - c. Possibility of electing S corporation status or forming a limited liability company
5. Voting percentage to be held by each
6. Equity percentage to be held by each (if different from voting percentage)
7. Loans to be made by each

Business Matters

1. Type of business to be conducted
2. Location of business
3. Principal assets of business
 - a. To be contributed by shareholders or members
 - b. To be leased
 - c. To be purchased
4. Name of venture and any special significance (e.g., trademark)
5. Any business agreements with third parties reached prior to organization
6. Is limiting liability a concern? Can insurance resolve the concern?

7. Need to plan for disagreements, death, disability, termination of employment, transfers of ownership interests, management roles, etc.
8. Any tangible assets that require special treatment (e.g., patents, trademarks, copyrights)
9. Any licenses, permits, or third-party consents required (e.g., liquor license)
10. Specialist needed for planning (e.g., tax, insurance, banking, marketing)
11. Estimated financial results in initial years of operation
12. Estimated capital needs of the business. Can sufficient capital be obtained from borrowings?
13. Projected financing needs and sources of financing