

CHECKLIST

SMALL BUSINESS LEGAL COMPLIANCE INVENTORY

The following checklist will help you determine if your company is sufficiently legally protected in different areas of business concerns. You should verify with your lawyer if any doubts occur.

CONTRACTS

- ☐ yes ☐ no Are all of the company's important agreements in writing?
- ☐ yes ☐ no Are there good form contracts in place?
- ☐ yes ☐ no Do the contracts provide for disputes to be resolved in courts in the city where the company's principal office is located?
- ☐ yes ☐ no Is there an attorney's fees clause in each contract?
- ☐ yes ☐ no Does the contract say that amendments to the contract may only be made in writing?
- ☐ yes ☐ no Are there provisions in the company's standard form contracts regarding limiting the company's liability?
- ☐ yes ☐ no Is the company complying with the terms of its contracts and leases?

CORPORATE MINUTE BOOK

- ☐ yes ☐ no Do the Articles of Incorporation provide for sufficient authorized number of shares?
- ☐ yes ☐ no Is a copy of the Articles in the Minute Book?
- ☐ yes ☐ no Is a copy of the Bylaws in the Minute Book?
- ☐ yes ☐ no Are there minutes for all meetings of shareholders?
- ☐ yes ☐ no Are there minutes for all meetings of directors?
- ☐ yes ☐ no Are there minutes of annual shareholder meetings?
- ☐ yes ☐ no Are all written consents of shareholders and directors included?

STOCK MATTERS

- ☐ yes ☐ no Has the company received the consideration for each sale of stock?
- ☐ yes ☐ no Is the Stock Ledger current?
- ☐ yes ☐ no Were all sales of stock made in compliance with applicable securities laws?
- ☐ yes ☐ no Did the Board of Directors properly authorize the sale of all stock?
- ☐ yes ☐ no If necessary, did the shareholders properly authorize the sale of stock?
- ☐ yes ☐ no Did the company receive the consideration for the issued stock?
- ☐ yes ☐ no Were stock certificates issued?
- ☐ yes ☐ no Did the stock certificates have appropriate legends?

GOVERNMENT FILINGS

- ☐ yes ☐ no Has the company obtained its Federal Employer ID number?
- ☐ yes ☐ no Has the company obtained its State Employer ID number?
- ☐ yes ☐ no Have any required local and state licenses and permits been obtained?
- ☐ yes ☐ no Has the company qualified to do business in all states it is required to?
- ☐ yes ☐ no Have all annual information statements been filed with the Secretary of State?

INTELLECTUAL PROPERTY PROTECTION