

## CHECKLIST

### SMALL BUSINESS LEGAL COMPLIANCE INVENTORY

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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