

Check-list for the formation of a US Corporation

Corporate name: Depending on the State of incorporation, the name of the corporation must be followed by one of the following: “Incorporation” or “Inc.”; “Corporation” or “Corp.”; “Limited” or “Ltd.” Before filing the incorporation papers, the availability of the proposed corporate name should be checked.

Certificate or Articles of Incorporation: Generally, the existence of a corporation begins upon the filing of the certificate or articles of incorporation with the Secretary of State of the State of incorporation. This document usually includes (among other provisions) the following:

- **The address of the corporation and its Registered Agent.** In most States, Corporations have the statutory obligation to designate a Registered Agent. To obtain prompt incorporation, and thereafter to help assure orderly maintenance of corporate formalities, it is advisable to employ a corporate services company to process the incorporation papers with the State, and to act as the new corporation’s Registered Agent. Corporate services companies can quickly incorporate a new corporation in any US State – often in one day, sometimes within a few hours – and are informed about local paperwork requirements. For a modest annual fee, the services company, acting as Registered Agent, will provide a stable address to receive any litigation documents served against the corporation, and forward them to the client.

- **The corporate purpose** is usually drafted in broad terms to allow the corporation to conduct any business not prohibited by the laws of the State of incorporation.

- **The authorized capital with its class of shares, and their par value, if any.** Contrary to French law, only a fraction of the capital may be issued upon the formation of the corporation.

Registering the corporation in one or more States: A corporation is incorporated in only one State, but it may transact business in any or all of the States. If the corporation has a significant commercial presence in States outside its State of incorporation, it may be necessary for the corporation to register and obtain a "certificate of doing business" in such States.

Federal Tax Identification Number: At its inception, a new corporation is required to obtain a Federal Tax Identification Number from the US Internal Revenue Service (“IRS”). The number is necessary to open a bank account, and is required regardless of whether the new corporation ultimately is liable for US taxes. In some cases, the number may be issued by the IRS over the telephone or via the internet.

First meetings of Shareholders and Directors: Initial meetings of the shareholders and directors of the new corporation should be held promptly after incorporation, to appoint

officers and establish the basics for running the corporation, such as opening a bank account, determining the fiscal year for accounting purposes and adopting bylaws. Often, the initial meetings are done on paper, rather than in person. Generally, directors are not required to be shareholders, nor is US citizenship required. Most States allow new corporations to have only one shareholder, and a sole director.

Share certificates: Share certificates should be issued to shareholders promptly after the authorized capital of the new corporation has been deposited in a bank account. Certificates are issued in "paper" form, and are not "virtual".

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