**CHECKLIST**

**FOR ALL CONTRACTUAL TERMS**

Not all items in this document are relevant in every contractual situation. In some situations, alternate provisions may be more appropriate that are not listed below. The following checklist is, however, a general and basic guide as to what provisions it may be pertinant to include, or at least consider, in the business contracts that you conduct. This document does not intend to provide a substitute for advice provided by legal counsel nor legal wording provided by a competent advisor in the relevant legal jurisdiction.

**Parties**

* Names of parties
* Addresses of parties
* Number of shares subscribed by each
* Cash
* Property
* Description
* Valuation
* The size of the loan to be made by each
* Terms
* Interest
* Maturity

**Agreement to Incorporate**

* Agreement to form company
* State of corporation
* Additional states for qualification
* Name
* Substitute if unavailable
* General purposes and powers
  + All lawful purposes
  + Special purposes and powers
  + Principal office

**Capitalization**

* + Classes of stock (Series & Number of authorised shares)
  + Par or no-par value
  + Preemptive rights
  + Preferences of classes
  + Dividends (Cumulative or non-cumulative)
  + Redemption rights
  + Voting powers of classes
  + For directors
  + For ordinary actions of corporation
  + For extraordinary actions of incorporation
  + Debt capital
  + Amount
  + Terms
  + Lender(s)

**Directors and officers**

* Number of directors
* Names of first directors
* Number and titles of officers
* Names of first officers to be elected

**Implementation of agreement**

* Employment of attorney
* Name and address
* Attorney’s powers and duties
* Responsibility of parties for company expenses
* Proportionate to capital invested by party
* Subscription payments
* Time of payment
* Event causing payment
* Payment into escrow fund until all subscriptions received

**Special provisions**

* Payment to promoters for services
* Cash
* Stock
* Public issue of stock or debt
* Amount
* Underwriters or method of sale
* Manner of compliance with securities and blue-sky laws
* Assumption of property and liabilities of existing business of incorporators
* Allocation of stock or securities
* Property to be purchased
* From incorporators
* From others
* Method of valuation
* Leases, franchises or other special contracts to be entered into by corporation
* Valuation or terms if with incorporation
* Close company provisions
* Restrictions on transferability of stock
* Right of first refusal
* Cross purchase agreements
* Valuation of stock
* Funding of agreements with insurance
* Employment contracts for key employees
* Terms
* Salary
* Class voting to elect stated number of directors by each class of stock
* Class voting to amend articles of incorporation or bylaws
* Percentage vote to approve
* Electing named persons as officers
* *Pro rata* participation in additional stock issues
* Adoption of fringe employment benefits
* Pension and profit-sharing plans
* Life, medical, and other insurance
* Incorporation of agreement into articles of incorporation and bylaws
* Ratification by shareholders and directors

**General provisions**

* Entire agreement between parties
* Amendments only in writing signed by parties
* Further assurances to implement agreement
* Non-assignability of agreement
* Law controlling
* Special tax provisions to be followed

**Closing**

* Signatures
* Witnesses
* Notarization