

**MONTANA LIMITED LIABILITY COMPANY
PRE-FORMATION QUESTIONNAIRE**

Contact name: _____
Address: _____
Phone: (____) _____
Fax: (____) _____
Email: _____

Please list the purpose of forming the LLC: _____

Please list three names for the LLC in order of preference:

1. _____
2. _____
3. _____

Please list the LLC's principal place of business: _____

Please list the LLC's registered agent and registered office:¹ _____

Please list the closing month and day of the LLC's accounting year (typically December 31): _____

Does the LLC expect to have employees in the next twelve months? If so, how many?

¹ The Montana Secretary of State requires a registered agent and registered office to receive annual reports, official correspondence and service of process if the LLC is sued. Our office can serve in these roles at your request.

Please list the following information for each proposed member of the LLC:

1. Name: _____
Address: _____

Phone: (____) _____
Fax: (____) _____
Email: _____
SSN: _____

Initial contribution to the LLC in exchange for membership interest (e.g., real or personal property, cash, services, etc.) (attach legal or other description if appropriate): _____

Proposed member's basis in the contributed property (if known): _____

Approximate value of the contributed property (if known): _____

Description and amount of any encumbrances on the contributed property (if known): _____

2. Name: _____
Address: _____

Phone: (____) _____
Fax: (____) _____
Email: _____
SSN: _____

Initial contribution to the LLC in exchange for membership interest (e.g., real or personal property, cash, services, etc.) (attach legal or other description if appropriate): _____

Proposed member's basis in the contributed property (if known): _____

Approximate value of the contributed property (if known): _____

Description and amount of any encumbrances on the contributed property
(if known): _____

3. Name: _____
Address: _____

Phone: () _____
Fax: () _____
Email: _____
SSN: _____

Initial contribution to the LLC in exchange for membership interest (e.g.,
real or personal property, cash, services, etc.) (attach legal or other
description if appropriate): _____

Proposed member's basis in the contributed property (if known): _____

Approximate value of the contributed property (if known): _____

Description and amount of any encumbrances on the contributed property
(if known): _____

ATTACH INFORMATION FOR EACH ADDITIONAL MEMBER(S), IF ANY

Will the LLC be manager-managed or member-managed?² If manager-managed, who will serve as manager(s)? _____

On a scale of 1 (least important) to 5 (most important), please indicate the significance of the following considerations concerning the LLC:

Asset protection planning	1	2	3	4	5
Estate planning	1	2	3	4	5
Flexibility for members	1	2	3	4	5
Protection for members	1	2	3	4	5
Flexibility for management	1	2	3	4	5
Protection for management	1	2	3	4	5
Protection for non-managing investors	1	2	3	4	5
Secrecy	1	2	3	4	5
Transfer or pledge of ownership should be restricted	1	2	3	4	5
LLC intends to transact business in other states	1	2	3	4	5
Owners will be active in managing the LLC	1	2	3	4	5
Removing assets from the entity, minimizing tax consequences and/or terminating the LLC is important	1	2	3	4	5

It should be relatively simple for

² Montana law requires that an LLC elect in its articles of organization to either be managed by managers (similar to the board of directors of a corporation) or managed by its members (similar to partners in a partnership).

members to leave the LLC and receive
back their capital contribution 1 2 3 4 5

Members desire a preemptive right
to retain their initial percentage of
ownership 1 2 3 4 5

Should the LLC's profits and losses be allocated in proportion to the member's capital accounts, or should they be allocated specially (i.e., with members sharing the economic benefits and burdens of with respect to income, gain, loss, deductions and credits other than in proportion to their capital accounts)? Please explain.

Does the LLC intend to make payments to members (e.g., for performance of services and/or provision of capital) distinct from distributions? If so, for what and in what amounts? _____

Should certain members be entitled to vote on company management decisions and others not? Please explain. _____

Describe where you see the LLC in 5-10 years: _____

Does the ability of any member(s) to bind the LLC need to be restricted? If so, please explain: _____

Please specify the company's term (e.g., at will, through completion of a specified task, for a specified number of years, etc.): _____

Will the company require members to make additional capital contributions? If so, under what circumstances? May the members assume indebtedness for these required contributions? Please explain: _____

Please specify the percentage of ownership units necessary to effect a lawful distribution (e.g., specified percentage, majority, unanimous, etc.): _____

If the LLC is manager-managed, must the manager be an LLC member? _____

If the LLC is manager-managed, what events will cause the managers to cease as such (e.g., death, removal by members owning a specified percentage of membership units, resignation)? _____

If the LLC is manager-managed, please specify the percentage of ownership units necessary to elect a successor manager (e.g., specified percentage, majority, unanimous, etc.): _____

If the LLC, is manager-managed, please specify the percentage of ownership units necessary to remove the manager (e.g., specified percentage, majority, unanimous, etc.): _____

If the LLC is manager-managed, please specify what, if any, compensation the LLC will pay the manager and what, if any, percentage of ownership units may approve this compensation: _____

Please specify the percentage of ownership units necessary to appoint an officer of the company (e.g., specified percentage, majority, unanimous, etc.): _____

May any member call a meeting of the members? If so, shall this request be in writing? _____

May member vote by proxy? _____

Please specify the percentage of ownership units necessary to take the following company actions:

- Any activity inconsistent with the purposes of the company: _____
- Any acting contravention of the operating agreement: _____
- Confession of judgment against the company: _____
- Material change in the nature of the company's business: _____
- Any sale of assets of the company involving total consideration in excess of \$ _____ : _____
- Any transaction by the company involving the incurrence of any indebtedness for borrowed money in excess of \$ _____ : _____
- Issuance of any equity or equity-based security by the company: _____
- Any capital expenditure in excess of \$ _____ : _____
- Any transaction between the company and manager or company and member that the manager does not determine is on an arm's-length basis: _____
- Any material acquisition by the company involving total consideration in excess of \$ _____ : _____
- Any transaction to liquidate or dissolve the company: _____
- Any transaction the sale of all or substantially all of the company's assets: _____
- Any transaction by the company to merge or consolidate with another person or company: _____

Please specify the percentage of ownership units required for a member to receive a return on or of its capital contribution: _____

Please specify the method of accounting the company will use in preparing its financial reports and for tax purposes (e.g., cash basis or accrual): _____

Please list the name of the member specifically authorized to act as tax matters member as defined by the Internal Revenue Code: _____

Please specify the percentage of ownership units necessary to amend the operating agreement (e.g., specified percentage, majority, unanimous, etc.): _____

Under what circumstance, if any, should the company be required to purchase a member's ownership units (i.e., voluntary transfer, retirement or resignation, death, disability, etc.): _____

How should the transferring member's ownership units be valued (e.g., fair market value as of certain date, weighted average, etc.): _____

Should discounts apply under any transfer scenario (e.g., a member's voluntary departure within a specified time)?: _____

Please indicate which of the following should constitute an "adverse act" entitling the company and/or members to the remedies set forth below:

_____ a failure of member to make any capital contribution required pursuant to any provision of the operating agreement;

_____ a determination that a member has committed a material breach of any material covenant contained in the operating agreement or materially defaulted on any material obligation provided for in the operating agreement and such breach or default continues for thirty (30) days after the date written notice has been given to such member by any other member

_____ a transfer of all or any portion of such members interest except as expressly permitted or required by the operating agreement

_____ any dissolution or liquidation of a entity member unless substantially all assets of the member are transferred or are to be transferred to a wholly owned affiliate of such member

_____ the bankruptcy of a member or the occurrence of any other event that would permit a trustee or receiver to require control of the affairs or assets of a member

Please specify the percentage of ownership units held by non-adverse members necessary to elect remedies in the event of an adverse act (e.g., specified percentage, majority, unanimous, etc.): _____

Please specify the percentage of ownership necessary to dissolve, windup and liquidate the company: _____

Please specify the percentage of ownership necessary for members to consent to the assignment of any ownership units in the company (e.g., specified percentage, majority, unanimous, etc.): _____

Other comments: _____

CERTIFICATION

The undersigned is the designated contact in the above-proposed LLC and has authority from all proposed members to act in this capacity. In this capacity, the undersigned has completed this Pre-Formation Questionnaire for the attorney to rely on in making recommendations and tailoring documents to achieve the members' goals in forming the LLC.

Date: _____

Signature: _____

Print: _____

LLC Name _____ EIN Number _____

Document	Date Drafted	Date Signed	Date Filed	Who's on First	Status
Articles of Organization					
Operating Agreement					
SS4 Application					
Deed					
Bill of Sale					
EIN Obtained					
Final Documents Scanned					