



# ACUNA LAW OFFICES

## Entrepreneur's Guide to Forming an Entity

## General Procedure:

So you've decided to make your entrepreneurial dreams into a full-fledged company! After thinking thorough all of the responsibilities and challenges involved, you are ready to take the next steps towards forming your entity. Steps toward entity formation can be complex and require a lot of considerations. Read about the steps involved then reach out to our law firm if you are ready to get started on what's next!

01

### What do you want to do and where do you want to do it?

The first step is to decide why you are forming this company. Where do you want to operate? In what capacity will you operate? What are you selling? How are you raising money? Who do you want to employ? What long term growth do you see? The answers to these questions vary by situation, and it will ultimately shape the kind of company you end up building. Having answers to these questions at the ready will help if you hire an attorney, talk to investors, or reach out to potential clients.

02

### Pick a name

Selecting a name for your business is one of the most important steps you take as an entrepreneur. It can assist in marketing, help with conducting business, and help you overcome many legal obstacles. You must make sure that the name hasn't been taken, that there is a domain name available, and it clears a generic internet search. It should also be easy-to-spell and meaningful.

03

### Form your Entity as a Corporation or LLC

Before you can fully protect yourself from all the liabilities that come with running a business, you must officially register the startup as either an C corporation, an S corporation, or a limited liability company (LLC). The type of entity selected depends largely on how you want to fundraise, structure control amongst owners, and mitigate tax implications. An attorney can help you form the entity and implement best practices in order to fully protect yourself and your company. See our article [here](#) on the types of entities you can form and their pros and cons.



## 04

### Open a Company Bank Account

It is imperative to managing liability that the transactions of individual members of the company and corporate finances be made and kept separately. Fundraising and spending should occur out of the company bank account and not from individual accounts. In order to open a business account with the bank, you will need the formation documents obtained after forming your entity and an Employer Identification Number (EIN).

## 05

### Create a website

Websites are important to marketing, advertising, and providing services to your customers. Important considerations include privacy policies and terms of service. Make sure you work out the intellectual property concerns listed in the next session.

## 06

### Protect your Intellectual Property

After you've conducted searches and settle on a name, you'll want to go through the trademark process and register your name with the U.S. Patent and Trademark Office. This is particularly important before spending money on marketing. You could also consider copyrighting your written, original content which will give you the exclusive right to publish, distribute, and profit off of the work. In addition, consider patenting any invention to give you full rights to make, use, and sell that product. This process often requires a patent lawyer and can be very complicated and lengthy. An NDA and/or IP assignment may be appropriate for service providers. An attorney can help draft any and all of these important protections. See our article [here](#) on protecting your intellectual property.

07

## Further Registration

There will likely be other licenses, permits, or registrations necessary for you to be able to “open your doors”. These can be anything from regulated industry licenses, tax considerations, business permits, health permits, or building permits.

08

## Insurance

Insurance plans are crucial to help protect you from the everyday liabilities of running a company. Plans should be tailored to the specific risks you may encounter in operating your business. These include employee insurance, health insurance, capital insurance, and property insurance.

09

## Fundraising

After your entity is formed and you have set up all necessary components of your company, you can turn your attention to fundraising efforts via equity or debt and/or securing capital from institutional sources, loans, or friends and family. Based on your future goals and how the company is structured, you may have different fundraising options available. See our article on fundraising options here.

# How We Can Help

The entity formation process can be complicated and needs to be tailored to the entrepreneur's specific goals. You should have someone ready to assist you every step of the way.

The professionals at Acuna Law Offices are ready to provide their expertise and guidance during this important stage for your company. Here's how we can help from start to finish:

01

We review and prepare all necessary documents for entity formation while taking into consideration your future goals. In addition to registering the entity with the state and securing an EIN, we will draw up all initial governing documents and agreements.

02

We help limit all liabilities by providing a packet of best practices that include procedures to help your company best protect itself. Forming the entity alone does not remove personal liability. We will be there to assist in any way we can throughout the process.

03

We advise on specific fundraising options as well as facilitate negotiations with potential investors while facilitating your future goals and promoting your best interest.

04

To protect your intellectual property, we handle securing your trademark, drafting and publishing your terms of service and privacy policy. We can handle copyright issues and can help you work through your patent needs.





## READY FOR THE NEXT STEPS?

1. If you have any questions, fill out our info form at [www.acunalawoffices.com/contact](http://www.acunalawoffices.com/contact).
2. If you're ready to get started, fill out our form at [www.acunalawoffices.com/corporate-services-intake-form](http://www.acunalawoffices.com/corporate-services-intake-form), email [info@acunalawoffices.com](mailto:info@acunalawoffices.com), or call (312) 300-4055. You will receive a call back from our staff within 48 hours.

## OTHER SERVICES AVAILABLE

- Landlord- Tenant Disputes and Evictions
- Breach of Contract
- Building Code Violations
- Airbnb
- Condo Association Disputes
- Foreclosure and Liens
- Real Estate Transactional Matters
- Commercial Lease Negotiation
- Startup Entity Formation
- Corporate Governing Documents and Fundraising
- Copyright, Trademark, and Patent Filing and Protection
- TOS and Privacy Policies
- General Contract Review
- Shareholder and Partnership Disputes
- Business Torts

Contact us at [www.acunalawoffices.com/contact](http://www.acunalawoffices.com/contact) to inquire about any of the above