

ARIZONA IRA LIMITED LIABILITY COMPANY FORMATION AGREEMENT
OVER 2,400 ARIZONA LLCs FORMED SINCE 2001
ATTORNEY FORMED, NOT DOCUMENT PREPARER FORMED

Complete this Agreement to hire Arizona IRA LLC attorney Richard Keyt & KEYTLaw, L.L.C. (the "Firm") to form an Arizona **limited liability company that has at least one IRA or retirement plan as a member** for \$997. If your LLC will not have an IRA or a retirement plan as a member do not use this Agreement – use our non-IRA [LLC Formation Agreement](#). Paragraph 4 on this page states exactly what the Firm will do. Richard ("Rick") Keyt, a former partner in one of the largest law firms in Arizona, has practiced law and been forming entities in Arizona since 1980. After law school Rick obtained a masters degree (LL.M.) in federal income tax law from New York University School of Law.

For information about the Firm, see www.keytlaw.com and Rick's [biography](#). For in depth articles and information about: (i) Arizona IRA LLCs, see Rick's [IRA LLC Law](#) website, or (ii) forming and operating Arizona LLCs see Rick's [LLC Law Library](#) website. If you have questions about IRA LLCs or this Agreement or if you have any questions during the formation process, call Rick at 602-906-4953, extension 1 (no charge for questions about forming Arizona IRA LLCs).

WARNING! DO NOT PAY OUR FEE UNTIL AFTER WE FORM THE IRA LLC, IT OPENS A BANK ACCOUNT, THE IRA CUSTODIAN WRITES A CHECK PAYABLE TO THE IRA LLC FOR THE ENTIRE CAPITAL CONTRIBUTION DUE FROM THE IRA AND THE CHECK IS DEPOSITED INTO THE IRA LLC'S BANK ACCOUNT. THE IRA LLC MUST PAY OUR FEE FROM ITS FUNDS. THE IRA OWNER MAY NOT PAY OUR FEE BECAUSE IT WOULD BE A PROHIBITED TRANSACTION. SEE THE END OF PAGE 6 FOR PAYMENT INSTRUCTIONS.

Our Complete IRA LLC Formation Services: The Firm will perform the following 23 legal services for \$997:

1. Unlimited telephone calls with Arizona IRA LLC attorney Richard Keyt about forming the Company.
2. Name selection advice.
3. Prepare custom drafted [Articles of Organization](#) to be reviewed & approved by the contact person & the Custodian.
4. Discuss any formation issues & the Articles of Organization with contact person & the Custodian and make any changes to the Articles requested by the contact person or the Custodian.
5. File the Articles of Organization approved by the contact person and the Custodian with the Arizona Corporation Commission ("ACC") on an **expedited** basis.
6. Prepare the [ACC cover sheet](#) and file it with the ACC.
7. On the day we file the Articles of Organization or the next business day, email to the contact person a copy of the Articles of Organization submitted to the ACC with the ACC's "received" stamp.
8. Obtain a federal employer ID number from the IRS for the IRA LLC and email it to the contact person.
9. Give the contact person a digital generic version of Rick Keyt's **Arizona-specific** 100+ page book called the "[Arizona LLC Quick Start Guide](#)" immediately after we receive this completed and signed IRA LLC Formation Agreement.
10. Give contact person a hard copy version of the Arizona LLC Quick Start Guide customized specifically for your IRA LLC, **including chapter 2 that is a checklist of 25+ to do items that should be done in the first 75 days.**
11. Give the contact person the filed Articles of Organization stamped with the ACC's "approved" stamp.
12. Prepare a [Notice of Publication](#) per the requirements of Arizona law.
13. Publish the Notice of Publication in a newspaper in the appropriate Arizona county before the statutory deadline.
14. Obtain an Affidavit of Publication and file it with the ACC before the statutory deadline.
15. Prepare Rick Keyt's 40+ page **Charging Order Enhanced™** [Operating Agreement](#) custom drafted for your IRA LLC **with provisions specifically applicable only to IRA LLCs and members that are IRAs.**
16. Act as the IRA LLC's statutory agent for its first year at no charge.
17. Prepare [organizational resolutions](#) of the members authorizing the issuance of membership interests.
18. Prepare [membership certificates](#) for all members that are used to prove ownership of the IRA LLC.
19. Give the contact person a copy of the IRS statutes & regulations applicable to IRA LLCs.
20. Give contact person a copy of Rick Keyt's article called "Frequently Asked Questions about Prohibited Transactions," which explains the most common transactions the IRA LLC must avoid to stay in good standing with the IRS.
21. Give the contact person a high-quality [Arizona LLC Portfolio](#) with tabs in which to keep all important IRA LLC documents.
22. Give the contact person a free one year membership in our LLC Concierge™ program (\$297 value).
23. If PENSICO Trust is a Custodian: Rick Keyt will sign and deliver to PENSICO a [Special Advisor Engagement and Representation Letter](#), which is required by PENSICO for certain IRA LLCs.

The \$997 includes all formation costs (\$85 ACC expedited filing fee & \$27 newspaper publication fee for Maricopa County publications), but if the IRA LLC's place of business is not Maricopa county, we will bill you for the publication cost that exceeds \$27. After the first year, we charge \$99 a year payable in advance to continue as the statutory agent for the IRA LLC, but the IRA LLC can avoid this fee by changing its statutory agent at any time as explained in the Quick Start Guide.

We are not advising you with respect to and we are not responsible for selecting a name that does not infringe on a trademark or service mark. Check the ACC's [Name Availability Database](#) to determine if your prospective IRA LLC name is

available in Arizona. Call Rick Keyt at 602-906-4953, ext. 1 for ACC name questions. The ACC will accept a proposed IRA LLC name unless it is identical to the name of an existing Arizona entity or tradename.

Unless there are unforeseen costs (for example you want us to send documents to you via FedEx or out of the U.S.) or developments or you hire us for additional services unrelated to forming your company (at our current hourly rates), the amount you agree to pay in this Agreement will be the only amount you pay us for forming your IRA LLC. We will send itemized invoices. You agree to pay any unpaid amount within thirty days after we mail the invoice. If you do not pay an invoice within thirty days, we may charge interest on unpaid amounts at the rate of 1.5% per month, and we may terminate our services and/or withdraw from further representation of the company. After three years, we may destroy all documents we collect during the time we provide services.

We are not acting as your attorney in advising you with respect to this Agreement because we would have a conflict of interest in doing so. If the IRA LLC has only one member, we represent the sole member. If the IRA LLC has more than one member, we will represent only the IRA LLC rather than the interests of any member or manager even if we are paid by a party other than the IRA LLC. If you or any person or entity affiliated with the company have questions about this Agreement, we recommend that each concerned person consult with other legal counsel. You are hiring the Firm only to form your Arizona IRA LLC, not to advise the IRA LLC or its members or managers with respect to federal or state income tax issues or securities law. The members and managers should consult with an experienced tax accountant as soon as possible for advice on federal and state income tax issues affecting the IRA LLC and its members. You must consult with other attorneys to advise you on federal and state tax and securities laws.

Because your IRA LLC will have at least one member that is an individual retirement account or a qualified plan such as a profit sharing plan, money purchase plan, pension plan, or 401(k) (collectively an "IRA/Plan"), we will not advise any IRA/Plan or its beneficiaries, administrators or custodians with respect to any issue related to compliance with federal tax law. Each IRA/Plan and its beneficiaries, administrators or custodians should consult with their tax advisor, IRA/Plan advisor, IRA custodian or qualified plan trustee or plan administrator for advice on complying with federal tax law and law applicable to the IRA/Plan and operation of the IRA LLC after it is formed.

SELECT YOUR DESIRED SERVICES & GUARANTEED FIXED FEE

Click your mouse on the boxes below to select your services & associated fees.

\$997 **Complete IRA LLC Formation Service:** We provide the 23 services listed in the 4th paragraph on page 1. Normal time to prepare the Articles of Organization & send to the Custodian for review is about 7 days.

\$200 **Register the IRA LLC to Do Business in Another State:** If your IRA LLC will own real estate or do business in a state other than Arizona, the state may require the LLC to register to do business in the foreign state. We prepare & file the documents to register the IRA LLC to business in another state. State filing fees & overnight deliver fees are additional and we will bill the IRA LLC for these amounts.

\$100 **KEYTLaw Address Service (Prevents Your Address from Being Displayed on the Internet on the ACC's Website):** Use KEYTLaw's address as the company's known place of business in Arizona and/or the address of members and managers. Arizona law requires that the LLC have a known place of business in Arizona and that the Articles of Organization contain the address of all managers and members who own 20%. Name and address information will be on the internet to anybody who searches the ACC's online database for your IRA LLC. Select this option if any member or manager does not want his or her address to be listed on the ACC's website. This is an annual fee. [See a sample of a typical ACC website report that displays addresses of members and managers.](#) Do not tell the IRS, AZ Department of Revenue, customers, clients, or others to send correspondence to the KEYTLaw address. Tell everybody to send correspondence to the address where you want the LLC to receive its mail. If we receive correspondence for the company, we charge a \$35 handling fee to compensate us for our time to mail the correspondence to the company.

\$200 **One Business Day Super Expedited Service** to prepare the Articles of Organization (normally 7 - 10 days)

\$100 **Three Business Day Expedited Service** to prepare the Articles of Organization (normally 7 - 10 days)

\$500 **Buy-Sell Agreement with Buy-Sell Provisions (90+ pages,** needed only if the IRA LLC is a multi-member LLC that has at least one member that is not the IRA owner or spouse): Most multimember LLCs eventually break up so you must plan now for a possible company divorce later. **Without an Operating Agreement with buy-sell provisions, there is no easy or inexpensive way for members to part and go their separate ways when they need an LLC "divorce."** See [Why Multi-Member LLCs Must Adopt an Operating Agreement with Buy-Sell Provisions](#). The fee includes one hour of attorney time conferring with members and managers of the LLC about the agreement and modifying it to the members' satisfaction. We bill for time over one hour at \$250/hour.

- \$50 **Discount:** Insert your AZREIA membership number or promotional code: _____.

\$_____ Total amount to be paid to KEYTLaw, LLC **from the IRA LLC's bank account.**

1ST MEMBER INFORMATION PAGE
Complete for the 1st member that is an IRA/Plan

CUSTODIAN INFO:

Name of Custodian	FBO	Account Number	
Street address	City	State	Zip code

CUSTODIAN CONTACT:

Name	Phone	Email address
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OWNERSHIP PERCENTAGE:

_____ percent. The total percentage of the company this member will own.

If there are no other members, go to page 6.

2ND MEMBER INFORMATION PAGE
Complete for the 2nd member that is an IRA/Plan

CUSTODIAN INFO:

Name of custodian	FBO	Account Number	
Street address	City	State	Zip code

CUSTODIAN CONTACT:

Name	Phone	Email address
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OWNERSHIP PERCENTAGE:

_____ percent. The total percentage of the company the member will own.

If there are no other members, go to page 6.

3RD MEMBER INFORMATION PAGE
COMPLETE & SUBMIT THIS PAGE FOR EVERY MEMBER & SPOUSE

IF MEMBER IS A PERSON:

Member's name _____ Is Member Married? Yes No

Spouse's Name _____

If the member is married, list both spouses here. If both spouses will own their interests in the company as separate property, prepare a Member Information page for each spouse.

FOR MARRIED MEMBERS ONLY: HOW WILL MEMBER HOLD TITLE (SELECT ONLY ONE)?

Community property with right of survivorship (each spouse owns an undivided ½ interest in the spouses' total ownership interest in the company – interest passes on death to the surviving spouse without a probate).

Separate property (other spouse has no ownership interest – interest passes to beneficiary named in member's Will & may require a probate). If you select this option, we will prepare a Disclaimer for the non-member spouse to sign, which if not signed, will allow the non-member spouse to claim a community property interest in the company.

IF MEMBER IS AN ENTITY:

Exact name of the entity _____ Entity's state of formation _____

Name of person who signs for the entity _____ Signer's title _____

IF MEMBER IS A TRUST:

Exact name of the trust _____ Date of Trust Agreement _____

Name(s) of trustee(s) _____

MEMBER'S ADDRESS, PHONE NUMBER & EMAIL ADDRESS:

Street address _____ City _____ State _____ Zip code _____

Use KEYTLaw's address (\$100/year total amount for all members) to keep the member's address from being shown on the Arizona Corporation Commission's website. Do not tell your customers, clients, or others to send correspondence to the KEYTLaw address.

Primary phone _____ Email address _____

OWNERSHIP PERCENTAGE:

_____ percent. The total percentage of the company the member will own. If a husband and wife own their interest as community property, this number is the total amount of the company they both own. If owned as separate property, it is the amount owned by the member named on line 1.

INITIAL CAPITAL CONTRIBUTION:

\$_____. This is the amount of money this member is obligated to pay into the company when it is formed. Arizona law does not require that a member contribute money or property to the company. Insert amounts and due dates here and/or below if you want the **member to be legally obligated to contribute money, property or services to the company.**

DUE DATE OF INITIAL CAPITAL CONTRIBUTION:

_____. This is the deadline for the member to pay the member's initial capital contribution to the company. It cannot be before the formation date.

IS MEMBER OBLIGATED TO MAKE FUTURE CAPITAL CONTRIBUTIONS:

Yes No. If the answer is yes, the member must contribute \$_____ on or before _____

4TH MEMBER INFORMATION PAGE
COMPLETE & SUBMIT THIS PAGE FOR EVERY MEMBER & SPOUSE

IF MEMBER IS A PERSON:

_____ Is Member Married? Yes No
 Member's name _____

 Spouse's Name

If the member is married, list both spouses here. If both spouses will own their interests in the company as separate property, prepare a Member Information page for each spouse.

FOR MARRIED MEMBERS ONLY: HOW WILL MEMBER HOLD TITLE (SELECT ONLY ONE)?

Community property with right of survivorship (each spouse owns an undivided ½ interest in the spouses' total ownership interest in the company – interest passes on death to the surviving spouse without a probate).

Separate property (other spouse has no ownership interest – interest passes to beneficiary named in member's Will & may require a probate). If you select this option, we will prepare a Disclaimer for the non-member spouse to sign, which if not signed, will allow the non-member spouse to claim a community property interest in the company.

IF MEMBER IS AN ENTITY:

 Exact name of the entity Entity's state of formation

 Name of person who signs for the entity Signer's title

IF MEMBER IS A TRUST:

 Exact name of the trust Date of Trust Agreement

 Name(s) of trustee(s)

MEMBER'S ADDRESS, PHONE NUMBER & EMAIL ADDRESS:

 Street address City State Zip code

Use KEYTLaw's address (\$100/year total amount for all members) to keep the member's address from being shown on the Arizona Corporation Commission's website. Do not tell your customers, clients, or others to send correspondence to the KEYTLaw address.

 Primary phone Email address

OWNERSHIP PERCENTAGE:

_____ percent. The total percentage of the company the member will own. If a husband and wife own their interest as community property, this number is the total amount of the company they both own. If owned as separate property, it is the amount owned by the member named on line 1.

INITIAL CAPITAL CONTRIBUTION:

\$_____. This is the amount of money this member is obligated to pay into the company when it is formed. Arizona law does not require that a member contribute money or property to the company. Insert amounts and due dates here and/or below if you want the **member to be legally obligated to contribute money, property or services to the company.**

DUE DATE OF INITIAL CAPITAL CONTRIBUTION:

_____. This is the deadline for the member to pay the member's initial capital contribution to the company. It cannot be before the formation date.

IS MEMBER OBLIGATED TO MAKE FUTURE CAPITAL CONTRIBUTIONS:

Yes No. If the answer is yes, the member must contribute \$_____ on or before

HOW TO DELIVER THIS AGREEMENT TO RICHARD KEYT

Deliver this signed Agreement to us by one of the following methods:

1. **Email:** Scan the completed and signed IRA LLC Formation Agreement into Adobe pdf format then email it to rickkeyt@keytlaw.com as an attachment to your email. Send a copy of the email to katie@keytlaw.com.
2. **Fax:** Fax this Agreement directly to Richard Keyt at 602-297-6890. You do not need a cover sheet.
3. **Snail Mail:** Mail or deliver the Agreement in a sealed envelope addressed as indicated to one of the following addresses:

Preferred Address (our UPS Store mail box)

Give the envelope to the clerk behind the counter

Richard Keyt
5025 North Central Avenue, #467
Phoenix, Arizona 85012

Secondary Address (Office)

Give the envelope to the receptionist in Suite 130

Richard Keyt
3001 East Camelback Road, Suite 130
Phoenix, Arizona 85016

WHAT HAPPENS AFTER YOU DELIVER THIS AGREEMENT TO RICHARD KEYT

1. Within one business day after receiving this Formation Agreement, you should get an email message from Richard Keyt notifying you that he received it. If you do not get the email notice, call Rick's legal assistant Katie at 602-906-4953, ext. 7 to check if we received this Agreement or to arrange to get a signed copy of this Agreement.
2. If the contact person listed on page 6 has not previously opted in to KEYTLaw's double opt in email system, we will send that person an email message to the address shown on page 6 inviting the contact person to opt in to our LLC Concierge™ email alert system. If you do not get an email from Richard Keyt inviting you to opt in to our LLC compliance alert system, contact Katie at 602-906-4953, ext. 7
3. Once the contact person opts in to our LLC email system, the contact person will get a series of email alerts and messages over the next year giving the contact person information about the LLC and reminding the contact person of LLC administrative matters that should be addressed during the year, including those listed in the checklist in Chapter 2 of the Quick Start Guide.
4. One of the early emails we will send to the contact person contains the digital version of the Quick Start Guide, including links to websites referred to in the QSG. A customized copy of the QSG specific to your IRA LLC will be in the IRA LLC's portfolio that we will mail to you a day or two after we submit the Articles of Organization to the ACC.
5. The day we file the Articles of Organization with the Arizona Corporation Commission or the day after, we will email to the contact person a copy of the Articles of Organization submitted to the ACC. The LLC will be formed as of the date stamped on the Articles of Organization. The new IRA LLC is born and can start doing business as of the date stamped on the AOO.

THE MANAGER MUST COMPLETE & SIGN THE IRS FORM SS-4

You are hiring us to get a federal employer ID number (EIN) for the IRA LLC. **Before we can apply for the EIN, the manager must complete, sign and deliver to us an IRS Form SS-4.** This document authorizes KEYTLaw, LLC, legal assistant Katie to obtain the EIN on behalf of the IRA LLC. Get the IRS Form SS-4 here: <http://www.keytlaw.com/azllc/ss-4.pdf>. Deliver the completed and signed SS-4 to us using one of the three methods found at the top of this page under **HOW TO DELIVER THIS AGREEMENT TO RICHARD KEYT.**

HOW TO PAY OUR FEE

1. **DO NOT PAY US: (A) IN ADVANCE OF FORMING YOUR IRA LLC, OR (B) WITH FUNDS FROM ANY SOURCE OTHER THAN A CHECK DRAWN ON THE NEW IRA LLC'S BANK ACCOUNT.**
2. After we give you the Articles of Organization with the ACC received stamp on it and the IRA LLC's federal employer id number, the manager should immediately take those two items to a bank of the manager's choice and open a bank account in the name of the IRA LLC. The manager should be a signer on the bank account.
3. Cause the Custodian to write a check payable to the IRA LLC for the total amount to be contributed by the IRA/Plan to the IRA LLC.
4. Deposit the Custodian's check in the IRA LLC's bank account.
5. The manager should write a check on the IRA LLC's bank account payable to KEYTLaw, LLC in the total amount owed under this Agreement.
6. Mail or deliver the check to Richard Keyt, 5025 North Central, #467, Phoenix, AZ 85012.