

ARIZONA IRA LIMITED LIABILITY COMPANY FORMATION AGREEMENT
OVER 3,400 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 [Arizona LLC Law](#) 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).

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 the name is identical to the name of an existing Arizona entity or tradename.

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. Before we can get the EIN the IRA owner must authorize us to do so by completing, signing and sending to us an IRS Form SS-4 found here: www.keytlaw.com/azllc/ss-4.pdf
9. Give the contact person a digital generic version of Rick Keyt's **Arizona-specific** 170+ page book called the "[Arizona LLC Quick Start Guide](#)."
10. Give contact person a hard copy version of the Arizona LLC Quick Start Guide customized specifically for your IRA LLC, **including chapter 3 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 the contact person a copy of Rick Keyt's article "**Frequently Asked Questions about Prohibited Transactions**," which explains 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). If your IRA LLC will have a place of business outside Maricopa County we will state in the Articles of Organization that the LLC's initial place of business is c/o KEYTLaw, LLC, 3001 E. Camelback Road, Suite 130, Phoenix, AZ 85016. As soon as the ACC approves the Articles of Organization we will send the IRA LLC's contact person an email

message with a link to a change of address form to be completed, signed and filed with the ACC by the IRA LLC to change the IRA LLC's address to where ever it wants in Arizona. We do this to avoid the outrageous newspaper publication fees charged by newspapers outside Maricopa County. For example, we published Articles of Incorporation for a nonprofit corporation that had a place of business in Yuma County and the only ACC approved newspaper in that county charged \$585 after a 10% charitable discount to publish what I could have published in Maricopa County for \$85. This procedure can easily save an out of Maricopa County IRA LLC \$50 – \$200, depending on the county of the IRA LLC's place of business.

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.

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.

\$_____ Total amount to be paid to KEYTLaw, LLC **by the IRA custodian.**

Completion Instructions

Complete Parts 1, 2 and 3 for all members. Make sure that the information in Parts 3 & 4 on each line corresponds to the appropriate member's number that you enter for the member in Parts 1 & 2. Member 1 in Part 1 is member 1 in all other Parts of this agreement. **It's best to enter all info for one member at a time so you make sure to put the member's info on the same line of each part.**

Part 1: Names of Members that are Custodians For the Benefit of an IRA or Retirement Account
Complete for Each Member that is a Custodian, not a Person

No.	Name of Custodian	Name of IRA Owner	Account #	Roth?
1	_____	_____	_____	Y N
2	_____	_____	_____	Y N

Part 2: If the only owner(s)/member(s) are the IRA custodian for the benefit of the IRA owner, skip to Part 3.
Names of All Members Who are People & Their Spouses
Complete for Each Member that is a Person (Husband & Wife Owning as Separate Property Equals Two Members & Two Line Entries)

No.	Name of Member	Spouse's Name	CP/SP*
3	_____	Single _____	CP SP
4	_____	Single _____	CP SP

* **Arizona Community Property vs. Separate Property (Not Applicable to Singles, Trusts or Entities):** Arizona law contains a presumption that property acquired by a spouse while married is community property unless it is acquired by inheritance or as a gift. This means that if you are married and an Arizona resident, your ownership interest in the LLC will be community property unless you: (1) select the radio button above to indicate you are to own your interest as separate property, and (2) get your spouse to sign the Disclaimer of Membership Interest that we will prepare and send to you. **If a member is married, select the appropriate box to indicate how the married member will own his or her interest in the LLC: community property (CP) or separate property (SP).** Under Arizona law: (A) community property with right of survivorship means: (i) each spouse owns an undivided ½ interest in the spouses' total ownership interest in the LLC, (ii) **the interest of the first spouse to die passes to the surviving spouse without a probate**, and (iii) if they divorce, each is entitled to his or her ½ interest in the total amount owned by the couple, and (B) separate property means: (iv) the spouse who owns as separate property owns 100% of the membership interest, (v) the other spouse has no ownership rights in or to that interest, (vi) if they divorce, the owner spouse gets all of the interest and the other spouse gets none of the owner spouse's interest, and (vii) if the spouse who owns the membership interest dies, the interest goes as provided in the deceased spouse's Will or trust, but if the deceased spouse does not have a Will or a trust, the interest goes according to the laws of intestate succession of the state where the deceased spouse resided immediately before death and a probate may be required to transfer ownership to the lawful heirs. If you select the Separate Property option for a member, we will prepare a Disclaimer of Membership Interest for the non-member spouse to sign, which if signed will cause the membership interest of the owner spouse to be the solely owned separate property of the owner spouse.

Part 3: Member Contact Information
Insert Address for Our Records Even if You Purchase Our Address Service

No.	Member's Address	Telephone	Email
1	_____	_____	_____
2	_____	_____	_____
3	_____	_____	_____
4	_____	_____	_____

Part 4: Membership Percentages & Capital Contributions

Indicate Ownership % of Each Member & Amount & Due Date of Payments of Money to the LLC

Note: Members are Not Required to Contribute Money or Property to an Arizona LLC. If you want a member to be legally obligated to contribute money or property to the LLC, the member must sign a written document by which the member agrees to contribute money or property. If you indicate below that a member is to contribute money, show the amounts and due dates and we will insert that information into the Operating Agreement, which if signed by the member, will create the legal obligation for the member to contribute the money. If you want a member to contribute specific property, send Richard Keyt an email message that states the member(s) who are to contribute the property, the due date of the contribution and a description of the property.

No.	Percentage Owned	Initial Capital Contribution	Pay on or Before	Future Capital Contribution	Pay on or Before
1	_____ %	\$ _____	_____	\$ _____	_____
2	_____ %	\$ _____	_____	\$ _____	_____
3	_____ %	\$ _____	_____	\$ _____	_____
4	_____ %	\$ _____	_____	\$ _____	_____

COMPANY INFORMATION

1. **Company Name:**

2. **Type of business:**

_____ (for KEYTLaw’s information only – not disclosed to the ACC)

3. **The LLC's known place of business in Arizona. This address appears on the ACC's website and public records:**

Street address _____ City, State Zip Code _____

Use KEYTLaw’s address for \$100 a year. If you select this option, members and managers may also use our address (at no additional cost) in the Articles of Organization so that their home addresses are not displayed on the Arizona Corporation Commission's website. The address will be c/o KEYTLaw, LLC, 3001 East Camelback, Suite 130, Phoenix, Arizona 85016. Use our address solely to satisfy the Arizona law that requires an LLC to have a known place of business in Arizona. Do not tell the IRS or your customers or others to send correspondence to our address. Tell them to send correspondence directly to the LLC.

4. **Contact Person:**

_____ For KEYTLaw use only. We will send documents & correspondence to this person and contact him or her if we need more information & instructions with respect to the company.

_____ Contact’s Primary Voice Phone

_____ Contact’s Email Address

5. **Name & Address of All Managers:**

You must name at least one manager. Most IRA owners want to be the manager to have check book control. Name all the people you want to have the power to sign contracts and bind the company on legal obligations. Only managers may sign contracts for the IRA LLC. Members who are not managers do not have any management power or authority and cannot sign contracts for the IRA LLC. A manager does not have to be a member.

IRA OWNER MUST SIGN BELOW

The undersigned signs this agreement on behalf of the undersigned and the to be formed company named above.

Print Signer's Name

KEYTLaw, L.L.C., an Arizona limited liability company

Signature of Member or Manager

By: _____
Richard Keyt, Manager

HOW TO DELIVER THIS SIGNED 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 Richard Keyt, KEYTLaw, LLC, 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. You must arrange for the custodian to pay our fee as soon as possible after opening your account. See How to Pay Our Fee below.
3. 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 dated 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. We require payment in advance before we will form the IRA LLC.
2. **WARNING: DO NOT PAY US WITH FUNDS FROM ANY SOURCE OTHER THAN A CHECK ISSUED BY THE IRA'S CUSTODIAN OR THE RETIREMENT PLAN'S TRUSTEE.** The IRA owner, his or her spouse or any other disqualified person may not pay our fee because it would be a prohibited transaction. We must be paid with funds that come directly from the IRA or retirement account.
3. As soon as possible after you open an account with the custodian you should arrange for a direct transfer of your IRA or retirement funds to the new custodian. The sooner this occurs the sooner you can pay our fee and we can form the IRA LLC.
4. **You Must Submit Two Forms to the Custodian to Cause it to Pay Us.** The IRA owner must submit two documents to the custodian to cause it to pay our fee:
 - (A) Prepare a KEYTLaw, LLC, invoice and send it to the custodian. Click on this [KEYTLaw Invoice link](#) and fill out and print our simple Adobe pdf fillable form.
 - (B) Print, sign and deliver to the custodian its disbursement request form and instruct the custodian to (i) wire the funds to pay our fee to our bank account (save 3 – 7 days of delay), or (ii) write a check payable to KEYTLaw, LLC and mail it to Richard Keyt, KEYTLaw, LLC, 3001 East Camelback Road, Suite 130, Phoenix, Arizona 85016.