



MCKENZIE LEGAL & FINANCIAL

FINANCIAL CONSULTING | ESTATE PLANNING | ELDER LAW

THOMAS L. MCKENZIE, JD, RFC
2631 Copa De Oro Drive, Los Alamitos, CA 90720
TEL: (562) 594-4200 ♦ Fax: (562) 394-9512
Website: www.ThomasMcKenzieLaw.com

TRANSMITTAL MEMO

Greetings:

Enclosed you will find a confidential questionnaire regarding the formation of a California Limited Liability Company. Please answer all applicable questions as completely as you can.

If you would like an appointment to discuss the establishment of your LLC, once you have finished the questionnaire, please forward it to our office as soon as possible for our review.

Appointments may be made by calling our office at (562) 594-4200.

If you have already scheduled a meeting (or if you will be scheduling a meeting), please bring **the completed questionnaire and any other relevant information, to your appointment.**

Please note that no attorney-client relationship is established until an Agreement for legal services has been executed by yourself and Thomas L. McKenzie, Attorney at Law.

Thank you for your cooperation,

THOMAS L. MCKENZIE, Esq.

TLM:nam



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Thomas L. McKenzie JD, RFC Financial and Legal Consulting

Thomas L. McKenzie received his *Juris Doctor* degree from Western State University College of Law, in Fullerton, California. While working full-time at night and attending full-time daily classes, Tom graduated law school with honors in 1993. While at law school, Tom was on the Dean's List, and was selected as Associate Editor of Western State's Law Review. He also received several American Jurisprudence Awards for excellence in academics. During his second year of law school, Mr. McKenzie was the recipient of the Scott McCune Scholarship. Passing the bar on his first try, Tom established *McKenzie Legal & Financial*, and went on to practice in the areas of estate planning, financial consulting, elder law and long-term care planning.

Tom is a member of the California State Bar, as well as the Trust & Estates Section of the Bar. He is an active member of the National Academy of Elder Law Attorneys, and was a member of their National Multidisciplinary Task Force. Mr. McKenzie is a member of the Orange County Bar Association, and is a past Chairman of the Board of Directors of the Elder Law Section of the Orange County Bar Association. He is also a member of ElderCounsel, a network of attorneys who serve the needs of the disabled and elderly. Finally, Mr. McKenzie is an accredited attorney by the US Veterans Administration.

Mr. McKenzie has written numerous articles for various publications and legal periodicals, including the Los Angeles and San Francisco Daily Journals, the National Academy of Elder Law Attorneys' NAELANEWS, the Gilfix Elderlaw Newsletter, the Leisure World News, the Los Cerritos Community News, and the Orange County Bar Association's Elder Law Section Newsletter. He frequently lectures on estate planning, financial planning, elder law, and Medi-Cal long-term care planning issues. Tom has been an expert panelist on programs sponsored by Continuing Education of the Bar (University of California), Orange County Bar Association, and California Advocates for Nursing Home Reform.

Mr. McKenzie is also a Registered Financial Consultant, a Series 7 licensed securities broker and Registered Representative, a licensed independent insurance broker, and a Series 65 Investment Advisor Representative. He is a member of the Financial Planning Association of Orange County, and the International Association of Registered Financial Consultants. In January of 2011, Tom was selected as a "Five Star Wealth Manager Award Winner" by *Los Angeles Magazine*, which is an award given to less than 2% of all wealth managers in Southern California. In February of 2011, Mr. McKenzie was profiled in **Newsweek Magazine's** "Wealth Managers of Los Angeles" section, as one of the Southland's top advisers. In 2012, Tom was also profiled in *Orange Coast Magazine* as one of Orange County's top wealth managers. With an understanding of both legal and financial issues, Mr. McKenzie is uniquely situated to advise his clients in the development of a truly comprehensive estate and financial plan.

Mr. McKenzie resides in Orange County with his wife, Natalie, and their four children, Macy, age 14; Ryan, age 13; Cody, age 8; and Noah, age 6. The firm offers estate planning, long-term care planning, financial consulting and educational services to consumers throughout California.



OF ORANGE COUNTY



ELDERCOUNSEL



MCKENZIE LEGAL & FINANCIAL – DRIVING INSTRUCTIONS
2631 COPA DE ORO DRIVE, LOS ALAMITOS, CA
(562) 594-4200

Please note that as a result of Mr. McKenzie's desire to spend more time with his wife and four school-age children, his offices have been relocated from his prior high-rise offices in Torrance and Fountain Valley, to his current office in Los Alamitos. This custom-built office complex is in a residential tract, in an area of North Orange County known as "Rossmoor." Rossmoor is at the intersection of the 405 Freeway, the 605 Freeway and the 22 Freeway, and is bordered by Long Beach on the West, Seal Beach on the South, and Los Alamitos on the East. Following, are directions to our office:

From the 5 Freeway or the 605 Freeway traveling South: If you are on the 5 Freeway, take the 5 Freeway to the 605 Freeway South. When on the 605 Freeway, travel South to exit 1D to merge onto Katella Ave./E. Willow St. towards Los Alamitos. Continue to follow Katella Ave. approximately 1 mile to Los Alamitos Blvd. and turn right. In approximately 0.3 miles, turn right onto Bradbury Rd. Travel to Montecito Rd. and turn left. Take the 6th right onto Copa De Oro Drive. Our office will be approximately 0.7 miles on the right.

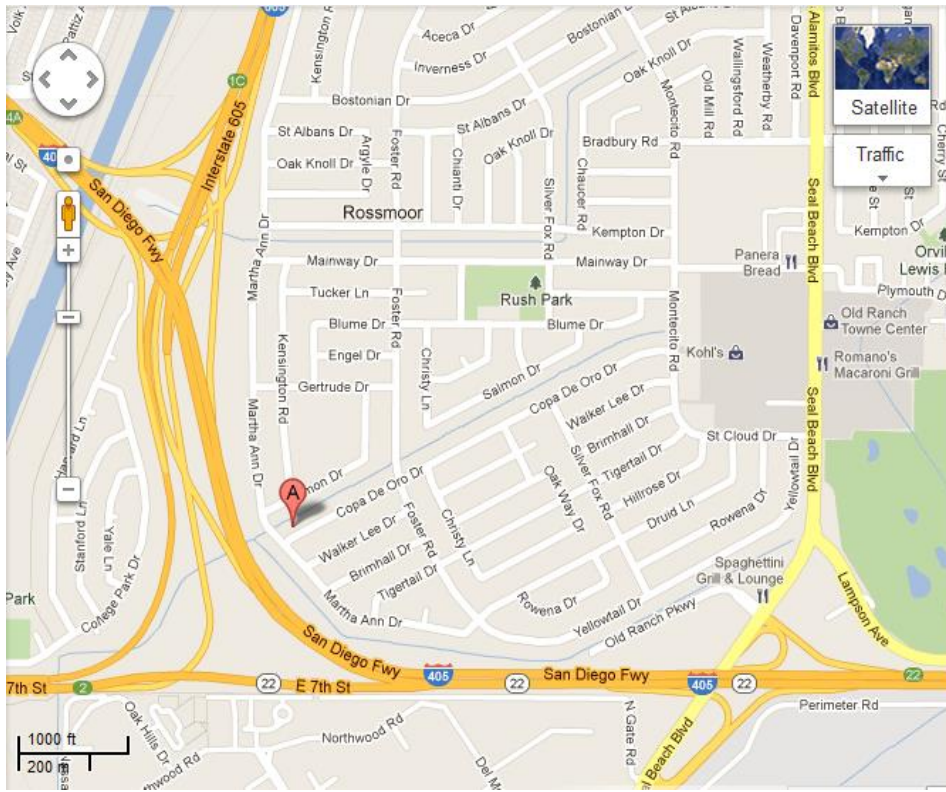
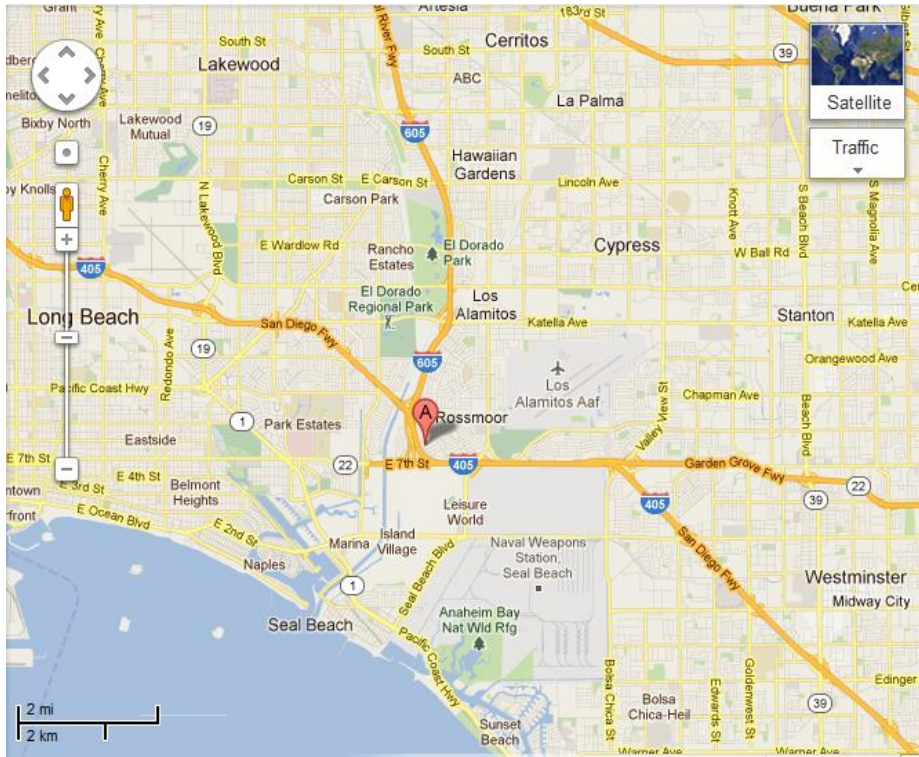
From the 405 Freeway traveling South: Take the 405 Freeway to South to the Seal Beach Blvd. exit, Exit 22, toward Los Alamitos Blvd. Keep right to take the ramp towards Los Alamitos/Seal Beach/Rossmoor. Then, merge right onto Seal Beach Blvd. Travel approximately 0.2 miles and turn left onto St. Cloud Dr., (which will become Montecito Rd.). Travel approximately 0.1 miles and turn left onto Copa De Oro Drive. Our office will be approximately 0.7 miles on the right.

From the 405 Freeway traveling North: Take the 405 Freeway to exit 22 for Seal Beach Blvd. toward Los Alamitos Ave. Turn right onto Seal Beach Blvd. Travel approximately 0.3 miles and turn left onto St. Cloud Dr., which will become Montecito Rd. Travel approximately 0.1 miles and turn left onto Copa De Oro Drive. Our office will be approximately 0.7 miles on the right.

From the 22 Freeway traveling West: Take the 22 Freeway toward Long Beach. Merge onto the 405 Freeway, North. Take exit 22 for Seal Beach Blvd. toward Los Alamitos Ave. Turn right onto Seal Beach Blvd. Travel approximately 0.3 miles and turn left onto St. Cloud Dr., which will become Montecito Rd. Travel approximately 0.1 miles and turn left onto Copa De Oro Drive. Our office will be approximately 0.7 miles on the right.

From the 91 Freeway traveling West towards the 605 Freeway. Take the 91 Freeway West to the 605 Freeway, South. Take exit 1D to merge onto Katella Ave./E Willow St. toward Los Alamitos. Continue to follow Katella Ave., then turn right onto Los Alamitos Blvd. In approximately 0.3 miles, turn right onto Bradbury Rd. Travel to Montecito Rd. and turn left. Take the 6th right onto Copa De Oro Drive. Our office will be approximately 0.7 miles on the right.

2631 Copa De Oro Drive, Los Alamitos, CA 90720





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Forming a California LLC (General Overview)

Generally, to form a Limited Liability Company (LLC) in California, you need to take the following steps. (Please note that the following is general information, and NOT a substitute for legal advice. In addition, receiving this information does not establish an attorney/client relationship between you, and McKenzie Legal & Financial).

1. Choose a Name for Your LLC

Under California law, an LLC's name must end with "Limited Liability Company" or the abbreviations "LLC" or "L.L.C." The words "limited" and "Company" may be abbreviated to "Ltd." and "Co." The LLC's name may not contain the words "bank," "trust," "trustee," "incorporated," "inc.," "corporation," "corp.," "insurer," "insurance company," or any other words suggesting that it is in the insurance business. In addition, the name you choose must not be:

- the same as, or too similar to, an existing name in the California Secretary of State records, or
- misleading to the public.

Names may be checked for availability by searching the California Secretary of State's business name database. Note that when this database is searched, names are checked only against those of other LLCs registered with the California Secretary of State.

An available name may be reserved for up to 60 days by filing a Name Reservation Request Form. The form must be postal mailed or hand delivered to the California Secretary of State's office. A \$10 fee must be paid to reserve a name.

The Secretary of State provides additional, important information regarding business name availability both online and in downloadable publication (*Business Entity: Name Regulations & Additional Statutory Requirements and Restrictions*).

2. File Articles of Organization with the State

A California LLC is created by filing articles of organization with the California Secretary of State's office. The articles of organization must include the following information: the LLC's name, its purpose, information on how it will be managed, its address, and the name and

address of its registered agent. Form LLC-1 can be filed by postal mail or hand delivered to the Secretary of State's office. The filing fee is \$70.

3. Appoint a Registered Agent

Every California LLC must have an agent for service of process in the state. This is an individual or corporation that agrees to accept legal papers on the LLC's behalf if it is sued. An LLC may not serve as its own agent for service of process and only one agent can be designated. The agent should agree to accept service of process on behalf of the limited liability company prior to designation. Individual agents must reside in California and their street address (not a P.O. box) must be listed in the LLC's articles of organization. The agent may be affiliated with the LLC. Corporate agents must have previously filed a California Corporations Code Section 1505 Certificate with the Secretary of State's office. The California Secretary of State maintains a list of private service companies that can act as agent for service of process. Not all companies are on the list.

4. Prepare an Operating Agreement

An LLC operating agreement should be prepared prior to finalizing the establishment of the LLC. The LLC operating agreement is not filed with the California Secretary of State.

5. Publication Requirements

There are no publication requirements in California.

6. File a Statement of Information With the State

Every California and foreign LLC registered in California must file a *Statement of Information*, with the California Secretary of State within 90 days after filing their articles of organization. Thereafter, a Statement of Information must be filed every two years during the applicable filing period. The filing period is the calendar month during which the original articles of organization (or Application for Registration by a foreign LLC) were filed and the prior five calendar months. For example, if you filed your articles of organization on September 15 of an odd-numbered year, you should file statements of information every other year at some point between April 1 and September 30 of each subsequent odd-numbered year. The initial Form LLC-12 must be filed by mail or hand delivered. Subsequent filings can be completed and filed online, as well as by mail or hand delivery. The filing fee is \$20.

The Statement of Information must include:

- the LLC's name and California Secretary of State file number
- the name and address of the LLC's agent for service of process
- the street address of the LLC's principal executive office

- the LLC's mailing address, if different from the street address of its principal executive office
- the name and complete business or residence addresses of any manager or managers and chief executive officer, if any; if no manager has been elected or appointed, the name and business or residence address of each member
- a valid email address, if the LLC chooses to receive renewal notices and any other notifications from the secretary of state by electronic mail instead of by United States mail, and
- the general type of business that is the LLC's principal business activity (for example, manufacturer of aircraft; wholesale liquor distributor, or retail department store).

7. Pay Your State Tax Obligations

All LLCs and foreign LLCs must pay California taxes to the California Franchise Tax Board (FTB) if:

- they are organized in California, registered in California, or conduct business in California, and
- they have not elected to be taxed as corporations--that is, they are taxed as partnerships or sole proprietorships (disregarded entities). LLCs taxed as corporations must comply with California's corporate tax rules.

Annual minimum tax: All LLCs doing business in California must pay an annual minimum franchise tax of \$800. The LLC must pay an additional fee if the California total income is equal to or greater than \$250,000.

Additional taxes: LLCs with income over certain levels must pay an additional fee based on their total annual income.

- An LLC treated as a partnership must provide each member with a California Schedule K-1 that states the member's distributive share of the LLC's items of income, deductions, credits, property, payroll and sales.
- An LLC that is owned by only one member (an individual), will be treated as a disregarded entity and all income and expenses of the LLC will be reported on the member's tax return as a sole proprietorship. A husband and wife owning an LLC may elect to be treated as a partnership, or a disregarded entity.

Please remember that our firm does not give tax advice. If you establish a California LLC, you should seek the advice of a competent CPA, tax attorney, or other advisor, regarding all tax matters.

Filing procedures: All LLCs must file California Form 568, *Limited Liability Company Return of Income*, by the 15th day of the 4th month after the close of the LLC's taxable year. For details and tax forms, see the California Franchise Tax Board website.

8. Comply With Other Tax and Regulatory Requirements

You will need to comply with any other tax and regulatory requirements that apply to your LLC. These may include:

EIN: If your LLC has more than one member, you will need to get an IRS Employer Identification Number (EIN) for it, even if the LLC has no employees. If you form a one-member LLC, you must obtain an EIN for it only if it will have employees or you elect to have it taxed as a corporation instead of a sole proprietorship (disregarded entity).

Business licenses: Depending on what type of business your LLC is engaged in and where it is located, you may need to obtain other local and state business licenses. For more information, go to CalGold on the California Office of Business and Economic Development website.

Sales and employer taxes: In some cases, for example if you will be selling goods and collecting sales tax or if you have employees, you will need to register with the appropriate California taxing authority. For example, if you will be collecting sales tax, you'll have to register with California State Board of Equalization (BOE), which you can do online or in person at a BOE field office. For employer taxes, register with the California Employment Development Department (EDD).

9. Special California Rules for Professional Services

Under California law, LLCs cannot be formed to provide professional services. Professional services include any service that requires a professional state license. As an alternative to forming an LLC, California professionals may form limited liability partnerships (LLPs).

10. Foreign LLCs Doing Business in California

All LLCs organized outside of California must register with the California Secretary of State to do business in California. To register, you must file an [*Application to Register a Foreign Limited Liability Company*](#) and pay a \$70 fee. The form must be filed by postal mail or may be dropped off in person for an additional fee. The LLC must appoint a California agent for service of process and provide a certificate of good standing from the agency where the LLC was originally formed.

11. Key Features

An LLC is a hybrid business entity that can be treated as a partnership, but it has the limited liability protection under civil law.

- Forming an LLC is simpler and faster than forming and maintaining a civil law corporation.

- An LLC is typically managed by its members, unless the members agree to have a manager handle the LLC's business affairs.
- An LLC may have one or more owners, and may have different classes of owners. In addition, an LLC may be owned by any combination of individuals or business entities.
- In general, all the owners (members) are shielded from individual liability for debts and obligations of the LLC.
- LLCs do not issue stock and are not required to hold annual meetings or keep written minutes, which a corporation must do in order to preserve the liability shield for its owners.
- An LLC's life is perpetual in nature. However, the members may agree to a date or event of termination.

Disclaimer: These materials are not a substitute for legal advice. If you require legal advice regarding any issues discussed herein, please call our office for an appointment at (562) 594-4200, or seek the assistance of another qualified attorney.



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Confidential Questionnaire (Limited Liability Company)

PART ONE -- PERSONAL INFORMATION

Referred By: _____

INSTRUCTIONS:

Today's Date: _____

1. Please print or type, and complete all relevant items.
2. If you have scheduled an appointment, please bring your existing estate planning documents with you, if any, and all evidence of ownership of any properties which you wish to place in your LLC (e.g. deeds, statements, etc.).
3. All Members of the LLC which you wish to establish should attend the first meeting.

LLC #1: Please provide the following information for your LLC.

(Please note the following. Owners of interests in the LLC are referred to as "Members." Those who manage the LLC interests are called "Managers." One, two, or even all of the Members can be Managers.)

Name of Member One: _____ Date of Birth _____
(per Driver's License)

Citizen of USA? Yes No--I am a citizen of _____ Social Security No. _____

Home Phone #: _____ E-Mail: _____

Employer _____ Work Phone (_____) _____

Home Address: _____

Will this member also be a manager of the LLC? Yes No Name of Spouse: _____

Do you have a living trust?: Yes No

Name of Member Two (if any) _____ Date of Birth _____
(per CA Driver's License)

Citizen of USA? Yes No--I am a citizen of _____ Social Security No. _____

Home Phone #: _____ E-Mail: _____

Employer _____ Work Phone (_____) _____

Home Address: _____

Will this member also be a manager of the LLC? Yes No Name of Spouse: _____

Do you have a living trust?: Yes No

Name of Member Three (if any) _____ Date of Birth _____
(per CA Driver's License)

Citizen of USA? Yes No--I am a citizen of _____ Social Security No. _____

Home Phone #: _____ E-Mail: _____

Employer _____ Work Phone (_____) _____

Home Address: _____

Will this member also be a manager of the LLC? Yes No Name of Spouse: _____

Do you have a living trust?: Yes No

Name of Member Who Will Be the Agent for Service of Process _____

Name of Your LLC (e.g. Thompson Enterprises, LLC): Please choose three name preferences, in order:

First Choice: _____

Second Choice: _____

Third Choice: _____

Business Purpose of your LLC (e.g. real estate investment): _____

What Property or Interests Will Be Held By Your LLC?: _____

LLC #2: If you will be establishing a second LLC, please fill out the following:

Name of Member One: _____ Date of Birth _____
(per CA Driver's License)

Citizen of USA? Yes No--I am a citizen of _____ Social Security No. _____

Home Phone #: _____ E-Mail: _____

Employer _____ Work Phone (_____) _____

Home Address: _____

Will this member also be a manager of the LLC? Yes No Name of Spouse: _____

Do you have a living trust?: Yes No

Name of Member Two (if any) _____ Date of Birth _____
(per CA Driver's License)

Citizen of USA? Yes No--I am a citizen of _____ Social Security No. _____

Home Phone #: _____ E-Mail: _____

Employer _____ Work Phone (_____) _____

Home Address: _____

Will this member also be a manager of the LLC? Yes No Name of Spouse: _____

Do you have a living trust?: Yes No

Name of Member Three (if any) _____ Date of Birth _____
(per CA Driver's License)

Citizen of USA? Yes No--I am a citizen of _____ Social Security No. _____

Home Phone #: _____ E-Mail: _____

Employer _____ Work Phone (_____) _____

Home Address: _____

Will this member also be a manager of the LLC? Yes No Name of Spouse: _____

Do you have a living trust?: Yes No

Name of Member Who Will Be the Agent for Service of Process _____

Name of Your LLC (e.g. Thompson Enterprises, LLC): Please choose three name preferences, in order:

First Choice: _____

Second Choice: _____

Third Choice: _____

Business Purpose of your LLC (e.g. real estate investment): _____

What Property or Interests Will Be Held By Your LLC?: _____

LLC #3: If you will be establishing a third LLC, please fill out the following:

Name of Member One: _____ Date of Birth _____
(per CA Driver's License)

Citizen of USA? Yes No--I am a citizen of _____ Social Security No. _____

Home Phone #: _____ E-Mail: _____

Employer _____ Work Phone (_____) _____

Home Address: _____

Will this member also be a manager of the LLC? Yes No Name of Spouse: _____

Do you have a living trust?: Yes No

Name of Member Two (if any) _____ Date of Birth _____
(per CA Driver's License)

Citizen of USA? Yes No--I am a citizen of _____ Social Security No. _____

Home Phone #: _____ E-Mail: _____

Employer _____ Work Phone (_____) _____

Home Address: _____

Will this member also be a manager of the LLC? Yes No Name of Spouse: _____

Do you have a living trust?: Yes No

Name of Member Three (if any) _____ Date of Birth _____
(per CA Driver's License)

Citizen of USA? Yes No--I am a citizen of _____ Social Security No. _____

Home Phone #: _____ E-Mail: _____

Employer _____ Work Phone (_____) _____

Home Address: _____

Will this member also be a manager of the LLC? Yes No Name of Spouse: _____

Do you have a living trust?: Yes No

Name of Member Who Will Be the Agent for Service of Process _____

Name of Your LLC (e.g. Thompson Enterprises, LLC): Please choose three name preferences, in order:

First Choice: _____

Second Choice: _____

Third Choice: _____

Business Purpose of your LLC (e.g. real estate investment): _____

What Property or Interests Will Be Held By Your LLC?: _____

Professional Advisors

Name	Address	Telephone	Your Relationship
Other Attorney: _____	_____	_____	<input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Not much contact? <input type="checkbox"/> Yes <input type="checkbox"/> No
CPA/Accountant: _____	_____	_____	<input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Not much contact? <input type="checkbox"/> Yes <input type="checkbox"/> No
Financial Advisor: _____	_____	_____	<input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Not much contact? <input type="checkbox"/> Yes <input type="checkbox"/> No

CERTIFICATION AND SIGNATURES: I/We hereby represent to the Law Offices of Thomas L. McKenzie that the information contained in this questionnaire is accurate and complete, and that the undersigned understands that the law firm and its individual lawyers will rely on this information. I/We understand that if the information contained herein is inaccurate or incomplete, the recommendations made by the law firm may not be appropriate. Please sign below to verify the accuracy of the above information.

Signature: _____

Date: _____

Signature: _____

Date: _____

Signature: _____

Date: _____

Signature: _____

Date: _____