

We Are Client Focused...

Your Problems Are Our Solutions!

From time to time small business owners need *someone impartial* to run ideas and concepts by *prior to expending* hard earned dollars and wasting productive and valuable time. We are here to *assist you and provide you with our professional expertise*. To find out more about us visit our web site by going to:

→ <http://www.nrplusinc.net>

We *specialize in providing creative ideas, concepts and solutions* to the small business market place. We also specialize in assisting the entrepreneur in creating home-based business solutions as well. *Utilizing your home, as a business* is still the *single best tax shelter* the government provides! *You can benefit from our services without paying outrages hourly fees!* You can learn about me by going to

→ <http://www.nrplusinc.net/aboutus.htm>

1. Startup Corporations Is Our Premiere Service

We can assist you in starting your new corporation for hundreds less than many CPA'S and Attorney's charge. Visit our web site for more **detailed** information.

We can get your corporation in process in **10 minutes!** Within **10-20 working days** you will receive the complete corporate package you see below on page 2. The usual rate to incorporate is approximately \$2000.00, depending on your state. Our rate varies depending on your state as well, however, most can be done for under \$1900.00. Additionally, our package is "**turnkey**", we do it all and remove the headache for you! All you have to do is file your ledger in a safe place. **See our California example below:**

- **State of California**
Going rate: \$2500-4000
Our Rate: \$1875.00
Savings to You: \$125- \$1,125

Did you know that you can divert, "legally", dollars that you now pay taxes on being a "sole" proprietor, to **no tax or reduced tax**, just by being a Corporation? Corporations provide many tax benefits that "sole proprietor's or partnerships" can **not** benefit from. Read on...

Our **COMPLETE** "Turnkey" Package Includes:

- Preparation and Filing of the Articles of Formation for Your New Company
- Full Year of Registered Agent Service
- Full Year of Compliance WatchSM service, a customized on-line calendar and reminder service to automatically notify you when it's time to perform corporate duties and meet important deadlines
- Personalized Compliance **leather zipper** Corporate Kit, including corporate seal, stock certificates, stock transfer ledger, and sample forms for bylaws and minutes
- Tax ID Application (SS4) / S-Corp Election Form (2553) / Tax Classification (8832)
- A three book reference library to answer important legal and tax questions as you run your business.
 - **Legal Guide for Starting & Running a Small Business by Attorney Fred S. Steingold**
 - **Legal Forms for Starting & Running a Small Business by Attorney Fred S. Steingold (includes forms on CD-Rom)**
 - **Tax Savvy for Small Business by Tax Attorney Frederick W. Daily**
- Overnight Delivery to you, once we receive your documents from the state
- Expedited Handling/Walk-in-Service to the Secretary of State
- We will complete for you, the Articles of Incorporation and Statement of Information, SS-4 Application and file with the Secretary of State on your behalf. You will **not** have to do **anything** once we are done! **Just file your corporate ledger in a safe place for next year..**



Anyone who operates a business, alone or with others, may incorporate. Under the right circumstances, the owner of any size business can benefit!

- **Reduces Personal Liability**
Incorporating helps separate your personal identity from that of your business. Sole proprietors and partners are subject to unlimited personal liability for business debt or law suits against their company. Creditors of the sole proprietorship or partnership can bring suit against the owners of the business and can move to seize the owners' homes, cars, savings or other personal assets. Once incorporated, the shareholders of a corporation have only the money they put into the company to lose, and usually no more.
- **Adds Credibility**
A corporate structure communicates permanence, credibility and stature. Even if you are the only stockholder or employee, your incorporated business may be perceived as a much larger and more credible company. Seeing ".inc." or "corp." at the end of your business name can send a powerful message to your customers, suppliers, and other business associates about your commitment to the ongoing success of your venture.
- **Tax Advantages – Deductible Employee Benefits**
Incorporating usually provides tax-deductible benefits for you and your employees. Even if you are the only shareholder and employee of your business, benefits such as health insurance, life insurance, travel and entertainment expenses may now be deductible. Best of all, corporations usually provide an increased tax shelter for qualified pensions plans or retirement plans (e.g. 401K's).
- **Easier Access to Capital Funding**
Capital can be more easily raised with a corporation through the sale of stock. With sole proprietorships and partnerships, investors are much harder to attract because of the personal liability. Investors are more likely to purchase shares in a corporation where there usually is a separation between personal and business assets. Also, some banks prefer to lend money to corporations.
- **An Enduring Structure**
A corporation is the most enduring legal business structure. Corporations may continue on regardless of what happens to its individual directors, officers, managers or shareholders. If a sole proprietor or partner dies, the business may automatically end or it may become involved in various legal entanglements. Corporations can have unlimited life, extending beyond the illness or death of the owners.
- **Easier Transfer of Ownership**
Ownership of a corporation may be transferred, without substantially disrupting operations or the need for complex legal documentation, through the sale of stock.
- **Anonymity**
Corporations can offer anonymity to its owners. For example, if you want to open an independent small business of any kind and do not want your involvement to be public knowledge, your best choice may be to incorporate. If you open as a sole proprietorship, it is hard to hide the fact that you are the owner. And as a partnership, you will most likely be required to register your name and the names of your partners with the state and/or county officials in which you are doing business.
- **Centralized Management**
With a corporation's centralized management, all decisions are made by your board of directors. Your shareholders cannot unilaterally bind your company by their acts simply because of their investment. With partnerships, each individual general partner may make binding agreements on behalf of the business that may result in serious financial difficulty to you or the partnership as a whole.

Additional Services Offered:

- **Registered Agent & Annual Processing Services** - Some companies chose not to worry about annual minutes filings. We can do it for you! By law you must conduct an **Annual Board of Directors "Organizational" meeting** each year. We will fax or email the completed form for signatures in Word format with instructions to you for proper handling. We will also file your annual **"Biennial Statement"** or the "Statement of Information" with the Secretary of State for you as well. We will also keep you informed through our **corporate attorney's** of any legal or tax changes that could affect your corporation and we remain in direct communication with the **Secretary of States** office at all times on your behalf! Having a **Registered Agent** is a **"legal requirement"** mandated by law. You can however, find your own service who is registered with the state! **First year NO CHARGE...Our fee is listed below:**
 - **Annual Fee: \$495.00**
From The Secretary of States office: Every domestic stock corporation must file a Statement of Information (**Form SI-200 C** or **Form SI-200 N/C**) with the Secretary of State, within 90 days after filing the original Articles of Incorporation, and **annually thereafter** during the **applicable filing period.**

- **Independent Contractor Agreement** - You may desire to be an Independent Contractor of your corporation and not an employee. We can draw up the agreement necessary to validate that status.
- **One Time Fee:** \$225.00

- **Health Reimbursement Plans** - we will write your Health Reimbursement Agreement for the corporation. This allows the corporation to pay for health costs for it's employees. These funds can be written off. *Always consult with your CPA and/or Legal Counsel when it comes to tax and compliance issues.*
 - **One Time Fee:** \$225.00

- **Auto Lease Agreements** - we will write your Auto Lease Agreement for the corporation. This allows the you to lease your vehicle that will be used by your corporation - back to the corp. These funds can be written off. These funds may be considered *passive income*, thereby by passing social security tax. *Always consult with your CPA and/or Legal Counsel when it comes to tan and compliance issues.*
 - **One Time Fee:** \$225.00 per vehicle

- **Office Lease Agreement** - You may have an office you would like to lease to your corporation, we can complete the lease agreement between you and your corporation.
 - Regular price individually: \$225 per agreement

- **Retirement Planning** – The I.R.S. allows for small business owners and corporations to shelter a significant percentage of net schedule C income in **Profit Sharing and/or Defined Benefit Plans**. Please ask me about these programs, they can substantially reduce your tax liability!
 - Call for fee quote

- **How to Turn Your Home into a Tax Shelter** – Did you know that our tax code allows you to use your home for business? This little unknown secret can open the door to **thousands** of tax savings dollars for you. Be sure to ask us about this. We have a **Home Business Specialist** on staff to assist our clients with converting their homes into a legal tax shelter!
 - Call for fee quote

The fees above are in addition to our base price that is quoted on a case-by-case, state-by-state basis. Note, we do not charge by the hour, all quotes are on a flat fee basis! Whatever your questions are, we will provide the answer or find the answer for you...**Your problems are our SOLUTIONS!** Ask us about our **business consulting services**.

➔ Visit our web site for all the details: <http://www.nrplusinc.net> ←

See the Tax Comparison Chart on the next page...

Tax Feature COMPARISON

	Key: ● = Yes ○ = No ◐ = Maybe				
	LLC	General Corporation	S-Corporation	Limited Partnership	General Partnership
Can reduce FICA tax by renting property from owners	●	●	●	◐	◐
Can easily select fiscal year end	●	●	○	◐	◐
Can deduct 100% of owner's health insurance	●	●	●	○	○
Can split income among family members	●	◐	●	●	●
Can transfer assets "tax free" where debt is less than basis	●	○	○	●	●
Double tax: a. liquidation b. Earnings c. IRS audit department	◐ ◐ ◐	● ● ●	◐ ◐ ◐	○ ○ ○	○ ○ ○
Able to use lower corporate tax rate	●	●	○	○	○
Can avoid FICA taxes by: a. Distributions b. Paying children under 18	● ●	○ ○	◐ ◐	○ ○	○ ○
Can transfer assets "tax free" where 80% control is not satisfied	●	○	○	●	●
Can compensate employee with equity	●	●	●	●	●
Can increase tax basis step-up	●	○	○	●	●
Can specifically allocate income & expense items	●	○	○	●	●
Can use cash method (vs. accrual) even if sales are greater than \$5,000,000	●	○	●	●	●
Can deduct interest paid on money borrowed for investment purposes as business interest	●	○	●	●	●
Loss basis includes owner's share of company debt	●	○	○	●	●
Can deduct business loss on individual return & expenses paid personally in figuring AGI	●	○	●	●	●
Not subject to: a. Alternative Minimum Tax b. Personal Holding Company c. Accumulated Earnings Tax	● ● ●	○ ○ ○	● ● ●	● ● ●	● ● ●

A **LLC** can be characterized as a *partnership* or a *corporation* for tax purposes. Different advantages accrue from both elections. The above chart highlights the advantageous categories from both **LLC elections**.

To Inc. or not to Inc.- that is the question!

People choose to incorporate their businesses for many different reasons.

To decide if incorporating is the right move for you, ask yourself the following questions.

- | | YES | NO |
|--|--------------------------|--------------------------|
| 1. Would you like to help protect personal assets, such as your home, against any liabilities that your company may incur? | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Do you have or plan to have employees? | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Do you have partners or investors? | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Is it important for the business to continue to operate after your or a partner's death? | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Are you entering into business with family members? | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Would you like the option to raise capital through the sale of stock? | <input type="checkbox"/> | <input type="checkbox"/> |

Yes means Yes

If you answered yes to any of these questions, incorporating your company could be the best choice for you. Good news... it's easy and affordable!

This workbook will take you through the process. In about 10 minutes, you will be ready to incorporate online or over the phone.

What is a corporation?

Although there are different types of corporations, all may be defined as legal business entities that are separate and apart from their owners.

This distinction may offer several key advantages over sole proprietorships and partnerships, including:

- ◆ Corporate stockholders (owners) are typically protected from liability for the corporation's debts
- ◆ Corporations endure even after an owner or a partner dies or leaves the corporation
- ◆ Corporations can raise capital through the sale of stock
- ◆ Corporations may provide tax savings on health and retirement benefits

Would you prefer a corporation or an LLC?

❑ CORPORATION

❑ LLC

Corporation vs. Limited Liability Company

Similarities:

- Both are legal entities created by a state filing.
- Both help protect your personal assets from your business liabilities.
- Both have very few ownership restrictions and may be owned by non-US residents, business entities or individuals (except corporations with SubChapter S status - see page 6).
- As the needs of your company change, The Company Corporation® can amend the existing business structure or form a new business structure for you, easily and affordably.

Differences:

- | | |
|---|---|
| • Corporations issue stock. | • LLCs do not issue stock. |
| • Corporations are owned via shares of stock. | • LLCs are owned via membership interest. |
| • Corporations are required to hold annual meetings of shareholders and directors and to keep written minutes of each meeting. | • LLCs are not required to hold annual meetings. |
| • A corporation is a separately taxable entity where profits and losses are taxed directly within the corporation at the corporate tax rate, except corporations with SubChapter S status. This can lead to double taxation when corporate profits are paid out to owners as dividends. | • An LLC is a pass-through tax entity, and like corporations with SubChapter S status, the profit or loss generated by the business is reflected on the personal income tax return of the owners. |

Summary of LLC Benefits:

The LLC combines many of the advantages of a corporation, such as limited personal liability, with the tax advantages of a partnership. An LLC offers personal liability protection to all of its owners (called "Members" or "Managers"). It may be treated like a partnership or S Corporation for tax purposes, allowing income or losses to be reported on the Members' individual tax returns, thereby avoiding double taxation.

Both business entities and individuals can be owners of an LLC.

- Profits/losses may be passed through to personal income tax returns of the owners
- Flexibility in management and organization of the business
- LLCs do not have the ownership restrictions of S Corporations, making them ideal business structures for foreign investors

How to Contact Us:

1. Call me, **Stephan**, direct at: 951-691-1209
2. Email me at: nrplusinc@nrplusinc.net
3. Visit our web site at: <http://www.nrplusinc.net>

2. Retirement Planning

Profit Sharing Trust Program

Out of all retirement programs that the self-employed can utilize, this plan is the top pick of most business owners. Business owners may contribute up to a maximum of \$42,000.00 in the calendar year for 2004. The contribution percentage in a calendar year is 25% of net schedule C after self-employment tax. This plan is extremely flexible and can be converted to a corporate plan and employees may be added. This plan is a **trust** that has it's own EIN number and is reportable to the I.R.S. each year. This plan is sanctioned by the I.R.S. as well.

- **Startup Fee: Call for quote and pricing**

401 (k) Solo Trust Program

Business owners may contribute up to a maximum of \$42,000.00 in the calendar year for 2004. The contribution percentage in a calendar year is 25% of net schedule C after self-employment tax. If you wanted to higher employees at a given time, this plan would not be able to be used. This plan does not change with your possible changing needs. This plan is a **trust** that has it's own EIN number and is reportable to the I.R.S. each year. This plan is sanctioned by the I.R.S. as well.

Defined Benefit Trust Program

Business owners may contribute, depending on age, compensation and years to retirement, may contribute up to a maximum of \$160,000.00 in the calendar year for 2004. The contribution percentage in a calendar year is 42% of 25% of net schedule C after self-employment tax. This plan is a **trust** that has it's own EIN number and is reportable to the I.R.S. each year. This program must certified by an actuary who calculates contribution. This process is extremely technical and has higher fees associated with it. Record keeping is vital to operate this trust. This plan is sanctioned by the I.R.S. as well.

Profit Sharing Tax Savings Example:

Let's assume that you earn \$200,000.00 annually. After sitting down with your accountant you find out that your net Schedule C , after business expenses is \$125,000.00 . If you did not have a plan, you could pay as much as \$45,000.00 in taxes. Wait though, you do have a **Profit Sharing Plan!** You get to **SAVE** 25% of the \$125,000.00 or \$31,250.00 goes into your **new Profit Sharing Plan**. This brings your net compensation to approximately \$93,750.00 The tax due now is \$26,250.00...You **SAVE** \$18,750.00 in taxes and have \$31,250 earning **tax free interest!** What's better? Paying \$45,000 to the I.R.S. or \$26,250? ***Easy decision to make...Wouldn't you agree? Let Nu-Rejime Plus, Inc. Business Consultants help you put your hard earned money to work for you today! Don't forget to ask us about guarantee of principal funding vehicles for your new Retirement Trust as well.***

→ *Disclaimer: Maximum contribution amounts are set by the I.R.S. and are subject to change in each year. Prices subject to change without notice.*

4. Estate Planning

Estate Planning...Will and Living Trust

Nu-Rejime Plus, Inc. Business Consultants has forged a cooperative relationship with one of the premiere Estate Planning Paralegals in the Temecula-Murrieta Valley. In fact, many other services would charge you double our fees for estate planning and provide 50% less benefits to you. All services described below are items that are needed to put a complete and proper plan together. Just a reminder, there will be nothing for you to do once the cursory information is provided. We handle all filings for you! Victoria McDonald is a "Certified Paralegal" with over 15 years experience in law, specializing in Wills & Living Trusts. Victoria owns her own business and she travels to meet with her clients at their convenience. Personal service is her main focus. She teaches classes at local colleges educating the community on the difference between having just a Will or needing a Living Trust to avoid Probate Courts. Victoria and Nu-Rejime Plus, Inc. have put together what we believe to be one of the most comprehensive packages offered to date at a very competitive one-time fee.

Here's what we provide:

Included within the Estate Planning package are the following benefits:

Estate Planning Benefits:

1. Personal Consultations as needed to create your trust
 2. Living Trust (A/B if necessary) including minor trusts provisions for grandchildren.
 3. Pour-Over Will(s)
 4. Durable Power of Attorney for Health Care (includes Advanced Directive)
 5. General Financial Power of Attorney and Appointment of Conservator
 6. Preparation and Recordation of all Deeds to real property (includes out of State)
 7. Letter explaining in "Plain English" summarizing how your trust works.
 8. Letter of how to transfer assets you accumulate in the future into your trust.
 9. Cover letters to all various institutions (banks, credit unions, stock brokers, investment advisors) they do business with instructing them to transfer those accounts into the trust.
- **Call us for pricing details**

We think you will agree, this package has everything you and your family needs to meet all of your estate planning needs for years to come.

We look forward to serving you,

Stephan M. McCarroll

Business Consultant

Direct: (951) 691-1209

Order form and Financial Responsibility Agreement on the next page...

Registered Agent Service
Release of Financial Responsibility Agreement

Should your account with NRP INC. become suspended for lack of payment or should you dissolve your corporation you agree to accept full financial responsibility for your Registered Agent Services that must be provided. This agreement must accompany the work order below...

We the undersigned agree to assume all financial responsibility for our account / Numbered: _____ and request that your file reflect our billing information below:

- **Corporate Number:** _____
- **Company Name:** _____
- **Billing Address:** _____
- **City:** _____ **State:** _____ **Zip:** _____
- **Phone Number:** _____
- **Billing Contact Person:** _____

This agreement releases NRP INC., account numbered _____, from all financial responsibility concerning our account listed above.

Signed this _____ day of _____ 20____ .

X _____
Signature



Print Name **Title**

INFORMATION ONLY

Important Client Note: Please complete "only" the bullet point areas and the signature, along with the print name and title areas. If needed we will complete and date the form for you. This agreement will become part of your file and **only used** should your account with us become suspended and/or you dissolve your corporation. While we service your account we will be billed for your RA services and we will pass that cost on to you. However, if we cease servicing your account, we need to be released from financial responsibility for your RA services account. This agreement will provide us with that option.

Nu-Rejime Plus, Inc.

Business Consultants

Stephan M. McCarroll, Principal



"Helping Businesses To Succeed
For OVER 20 Years"!

Direct: 951-691-1209

Fax: 866-703-0604

Email: nrplusinc@nrplusinc.net

Web: <http://www.nrplusinc.net>

Corporation/LLC/Sub S Formation Order Form

1. **Corporate Name:** (The name you choose must include a corporate identifier "Inc." will be used for corporations and "LLC" for Limited Liability Companies if one is not provided.)

First Choice: _____

Alternate: _____

→ **Contact Person Name:** _____ **Contact Phone:** _____

2. **State where you wish to incorporate:** _____ 3. **Type of Corporation Desired:** _____

4. **Purpose of your Corporation/Company:** _____

5. **LLC: Duration:** () 30 Years () Perpetual Specific Date: _____

Managed By: () Members () Managers

6. **Stock:** The corporation will be authorized to issue up to 1,500 shares of no par common stock unless fewer shares qualify for minimum annual franchise taxes, or unless you instruct otherwise: (LLC's do not issue stock)

Shares: _____ **Par Value:** _____

♦ **Name of Corporate Bank:** _____ **City:** _____

7. **Names of Director's/Member's:** (Only one director is required in most states. LLC's in some states require 2 member/manager names. Use additional paper if necessary. **Please list 2.**)

Name: _____

Name: _____

Address: _____

Address: _____

DOB: _____

DOB: _____

8. **Shipping Address for Articles and Kit:** (No P.O. Boxes) **Permanent Address if different:** (No P.O. Boxes)

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

→ 9. **Compliance - Registered Agent & Processing:** (\$495.00 Annually NRP & CSC LAWYERS) [_____ Initial Here]

First year included at no charge. You will be billed annually, after first year for this service. Service is a "legal requirement". You can choose to find and use your own providers.

10. **Method of Payment:** () Visa () MasterCard () Discover () Amex

Name as it appears on card: _____ Soc. Sec No: _____

Card No: _____ Expiration Date: _____

Sub Total: \$ _____ **Additional Services:** \$ _____ **Grand Total** \$ _____

Signature of Card Holder: _____

Who Referred you to us? _____

Client Note: Our credit card policy is a **no refund** policy. We provide a 3 business day right to rescind your order. Once that period has passed we will bill your credit card and begin processing your order. Your signature above and/or digital signature is authorization to bill your credit card for incorporation services listed in the Grand Total box. **All purchases are final. Thank you for your business.**

Offices are located at: 42751 Mountain Shadow Rd., Murrieta, CA 92562