

[Company Name]

Agreement to Form Business Entity (Sample)

The undersigned parties hereby agree to form a [specify type of business entity], in the state of [state where your business is located] primarily for the following purposes: [state the business purposes].

The principal place of business is planned to be in [state principal place of business].

Upon formation of said entity, each of the parties intends to make the following amount and type of contribution, in exchange for the type of interest that is identified:

Name _____ Type and Value of Contribution. Specify Equity [Voting Capital or Nonvoting Capital] Interest or Debt Interest; and a description of the assets or services to be contributed, and the agreed value, for each type of interest: _____

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The costs of forming said entity, including, but not limited to, attorney's fees, fees paid to the state of formation, and initial foreign registration and fictitious name fees, shall be apportioned among the undersigned parties in the following manner, irrespective as to whether the entity is actually formed: _____

Each of the parties agrees to pay his proportional share of said costs. Each party shall be entitled to be reimbursed by the business entity for such payment, after the entity is formed.

Additional understandings among the parties: (Describe) _____

Each of the parties acknowledges that the parties are relying on the reciprocal promises made herein in deciding to form the above-described business entity. A party who breaches this agreement shall be liable for the costs the non-breaching parties incur in enforcing this Agreement, including, but not limited to, attorney's fees and court costs, in addition to any other form of damages.

Printed Name	Signature	Date