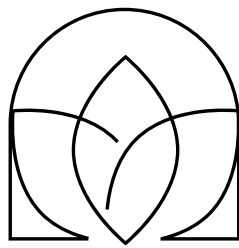




NAVIGATING COMPANY FORMATION

ESSENTIAL STEPS FOR EARLY-STAGE COMPANIES



HARMONIA

VIRTUAL ASSIST



ABOUT THE AUTHOR : NATALIE CABREY

Meet Natalie, the driving force behind Harmonia Virtual Assist, leveraging over a decade of hands-on experience in early-stage business operations and startups.

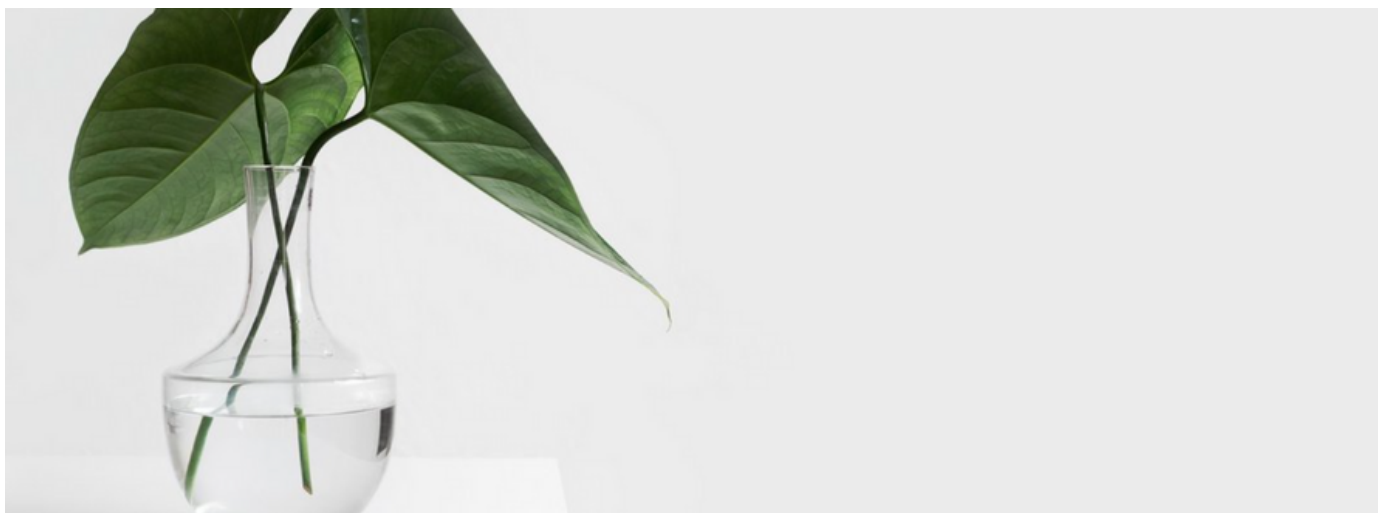
With a dedicated focus on supporting early-stage portfolio companies within a hard science venture firm for the past six years, Natalie has honed her skills in guiding startups through innovative beginnings and securing crucial funding milestones. Her comprehensive understanding of the startup landscape allows her to offer tailored solutions and guidance, from initial formation to successful Series A rounds, with funding ranging from \$250K to \$20M.

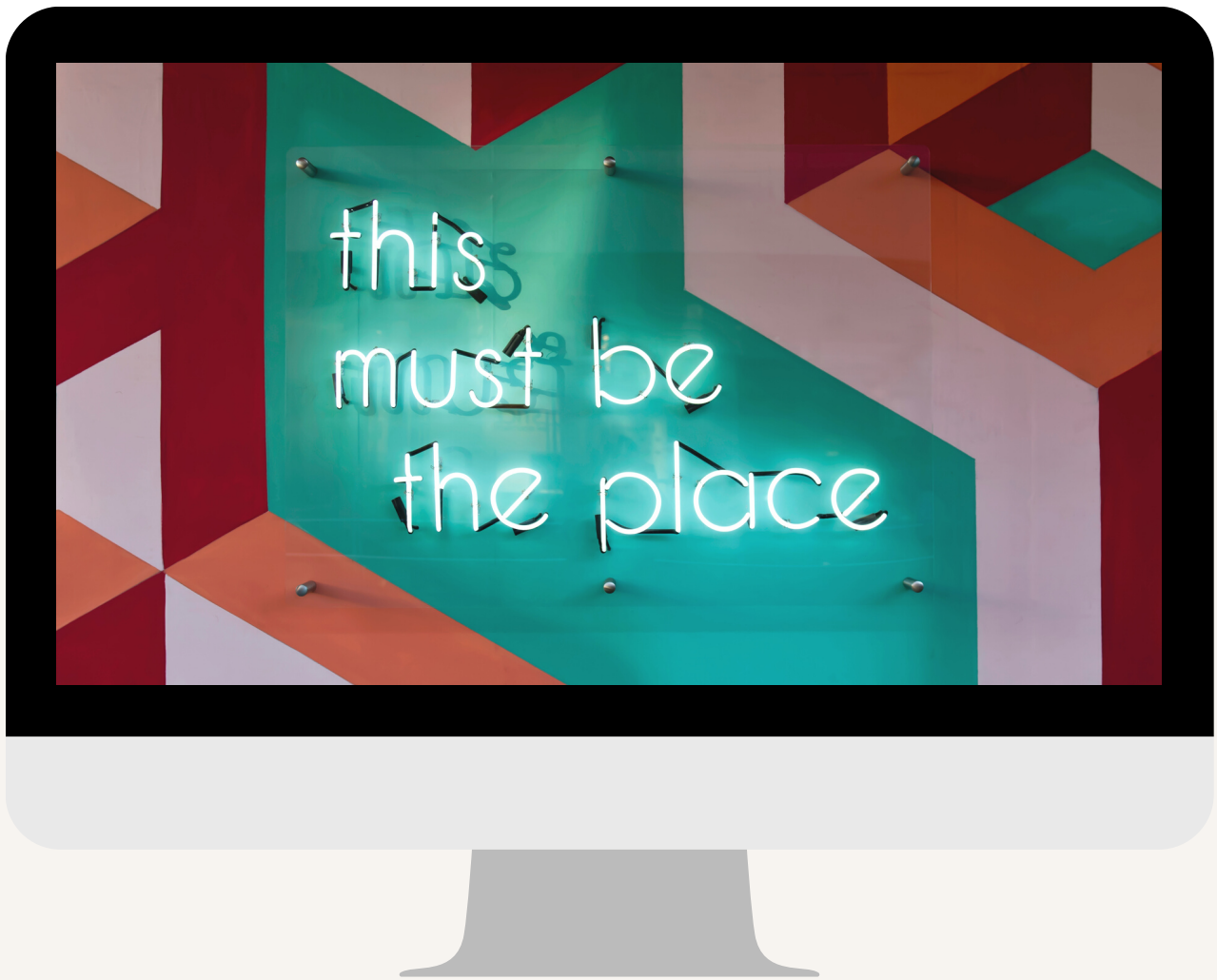
Based in Philadelphia, Natalie finds balance by indulging in quality time with friends, family, and her beloved dog. Whether enjoying beach days, embarking on travel adventures, or embracing long weekends, she understands the importance of recharging to maintain peak productivity and well-being.

LET'S START HERE!

Embarking on the journey of forming a company is an exhilarating endeavor, but the groundwork laid in the pre-formation phase is equally crucial. This guide will walk you through the steps of pre-formation, providing invaluable insights and strategies to navigate each stage effectively.

By meticulously laying the groundwork during this phase, you'll not only prepare for the immediate task of company formation but also set your company up for success as you begin to scale into the next phases of your business. Let's explore the comprehensive roadmap that precedes the official company formation and lays the foundation for your company's future growth and success.





DEFINE YOUR IDENTITY

BRANDING AND MARKETING

- CEO/Founder takes the lead in crafting a unique and resonant company name, the development of a brand identity, including a logo. Ensure to check with legal teams regarding domain, trademarking, etc.
- Domain registration, website creation, and initial steps in marketing and public relations will be in tandem with the legal foundation.



LAY THE LEGAL FOUNDATION

INCORPORATION AND DOCUMENTATION

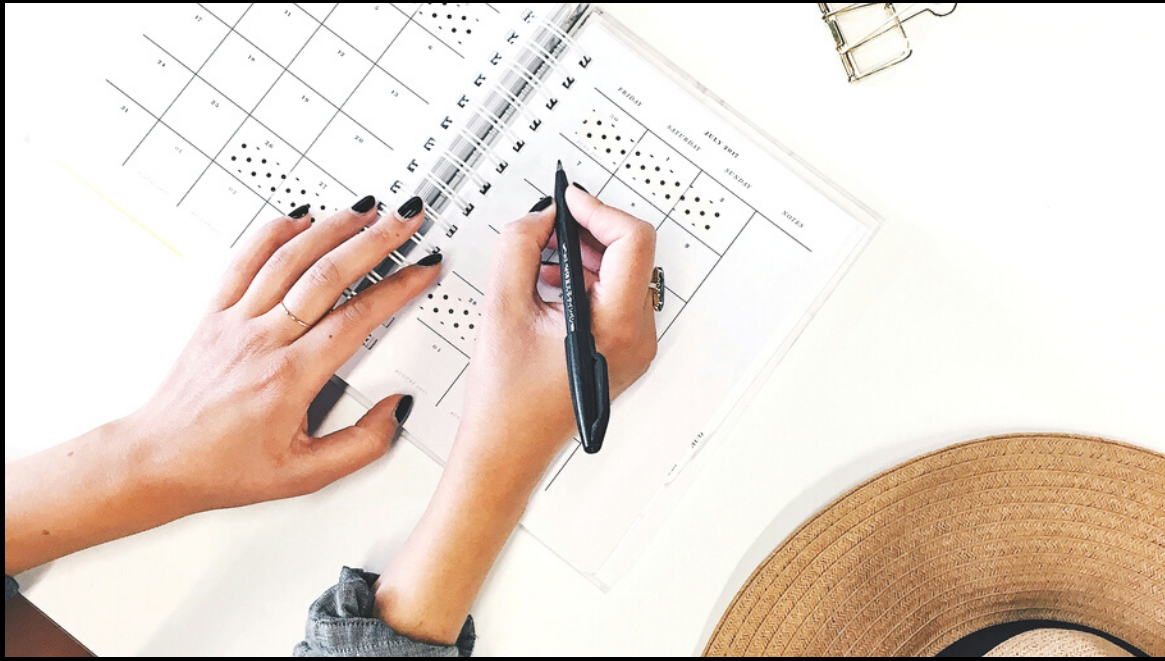
- Initiate the process to incorporate, typically for venture backed and startups, a common choice to incorporate would be as a Delaware C Corp.
- Legal processes kick off, including obtaining an EIN letter and addressing state registrations, business licenses, filing fees, and appointing a registered agent.
- Protect intellectual property through the creation of essential documents: Trademarks, COI/AOI, Bylaws, Initial Board Consent, Restricted Stock Purchase Agreements, Notices of Stock Insurance, and more.



FINANCIAL PLANNING

BANK SETUP, BUDGET, ACCOUNTING , FUNDING

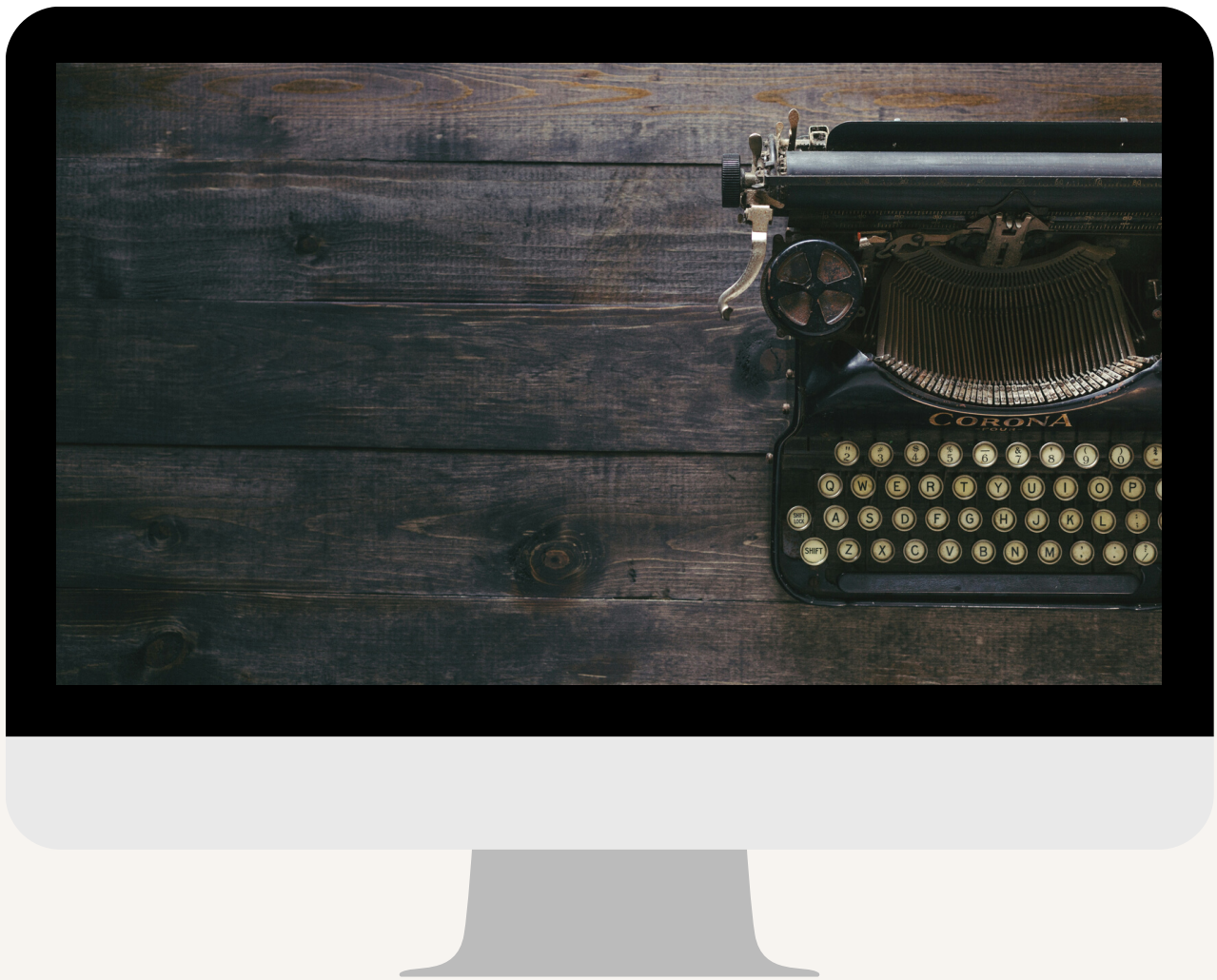
- Setup Bank Account & Add Funding
- CEO/Founder works on a budget spanning 12, 24, and 36 months.
- Engage an accountant to navigate financial intricacies and establish robust accounting processes, including inputting budgets into QuickBooks or accounting software.
- Facilitate payments with the funding providers, ensuring all financial commitments are met.
- Maintain bank accounts, credit cards, invoice processing, expense reimbursement and receipt reconciliation.



DOCUMENTING THE JOURNEY

MILESTONES & RECORD-KEEPING

- CEO/Founder establishes milestones, tracking progress and goals.
- Company records, legal agreements, personnel agreements, including consulting agreements, onboarding documentation, and W-9 processing, are meticulously stored on a secure cloud-based platform for easy access and management.



LEGAL COMPLIANCE

INSURANCE : SIC & NAICS CODE

- CEO classifies the business with SIC & NAICS codes for registration (needed for insurance applications).
- Ensure legal compliance by obtaining necessary insurance, covering Director & Officer's, Business Owners/ General Liability, Workers Compensation, Product Liability, and Key Persons.



PERSONNEL

PLANNING & CONSULTANTS

- CEO spearheads the hiring plan for the next 3, 6, and 12 months, outlining plan for when the first employee will be hired.
- Legal processes continue with consulting agreements, non-disclosure agreements, and the execution of the CIAA. All documentation saved for Company records.
- All consultants or vendors that are paid over \$600 will require a W-9 on record.



PERSONNEL : 1 - 5 EMPLOYEES

IMPLEMENTING COMPANY POLICIES AND EMPLOYEE BENEFITS

- Analyze PEO options and facilitate the onboarding process. Employee agreements and employment background checks are administered, and new employee documentation is facilitated by business operations/HR.
- Setup and implementation of company policies, including Travel & Expense, PTO, and Company Handbook.
- Administration of employee benefits and additional perks, including 401K, with census completion.



PAYROLL

COMPLIANCE & SETUP

- Complete analysis of payroll providers to setup for your Company.
- Review state requirements and compliance: the first employee can take 2-6 weeks to setup pending the state requirements.
- Set up and administer payroll, including the acquisition of essential identifiers like Company UBI #, Unemployment Tax ID, and Workers Compensation #.

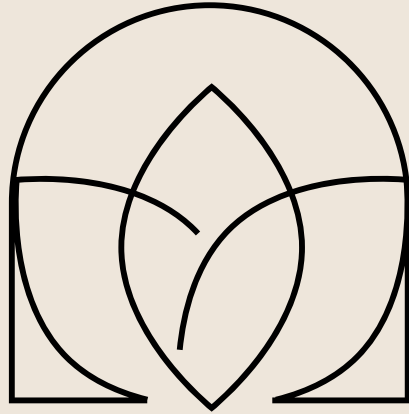


BOARD GOVERNANCE & CAP TABLE MANAGEMENT

BOARD LOGISTICS & MATERIALS

- Arrange initial board activities, schedule first board meeting, and circulate materials to directors.
- The meeting agenda and any supporting materials (Slide Deck, financial reports, etc.) should be circulated to all directors – 2 Business days prior to the meeting.
- Ensure the Cap Table is updated regularly and managed for business needs such as banking, valuation and potential strategic partners. Recommendation to obtain annual subscription with Carta, a platform for managing equity from idea to IPO.

THANK YOU
FOR READING!



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