

M E M O R A N D U M

TO: Junior Associate
FROM: Senior Partner

Re: Incorporation of Odegaard Wind Energy Business

Ole Odegaard, one of my clients (and a longtime friend), has come to me with a business idea, and I have advised him that a corporation is the most appropriate structure for his business. I need you to draw up the appropriate document or documents to get the corporation established.

Odegaard has developed a business plan to acquire and construct wind turbines on various tracts of land in North Dakota and sell the power they generate. Given how windy it is all the time in North Dakota, Odegaard believes he has a goldmine on his hands if he can pull together an initial investment to get the business up and running. After a presentation by Odegaard, ten local “angel” investors have agreed to put up a total initial investment of \$500,000 in exchange for interests in the business. The business will need more money down the line, but the \$500,000 ought to suffice for the first year or so. After that, Odegaard suggests that he will probably want to “take the business public,” that is, sell membership interests in the business to as many outside investors as he can find.

Draft the Articles of Incorporation (and any other legally required documents) to create a corporation for Odegaard. Also, let me know what we need to do with these documents when they are ready, and what other steps (if any) we should be prepared to take to get the corporation operational. By the way, Odegaard has already contracted for leases on several parcels of land and for the credit purchase of several wind turbines. Can we get the benefits and liabilities for the leases and purchases transferred exclusively to the corporation, and if so, how?