

# Incorporate to Protect Your Business, Your Real Estate & Yourself

What You Need for **Complete** Asset Protection

## About Corporate Direct, Inc.



**+850,000**  
Books Sold



**+10,000**  
Happy Clients



**30 Years**  
in Business



**100% of Clients**  
Receive 1-on-1 Support

## **The High Cost of Cheap Corporations**

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Learn the three reasons why a startlingly high number of businesses are not protected against common legal attacks and business owners are being held personally liable.

## **What's Included - Entity Formation Service**

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Clients get what they need from the start, at an affordable price, with no hidden fees or unmet legal requirements.

## **Details of Address Service**

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Our address service is an optional service where you may use our physical California, Nevada or Wyoming address to print on your business stationery and to provide to your banks and vendors. Your mail will be forwarded weekly.

## **Why Incorporate In Nevada or Wyoming?**

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Nevada and Wyoming both offer excellent asset protection benefits and no state taxation. Learn how this could benefit your organization.

# The High Cost of Cheap Corporations

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# 50%

*of piercing the veil court cases nationwide succeed because owners are failing to properly follow corporate formalities. This exposes owners to personal liability if their business or real estate venture is sued - meaning they can lose their possessions.*

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**By Garrett Sutton, Esq.**

*Corporate Direct Founder, Attorney & Best-Selling Author*

The timeless saying: “You Get What You Pay For” is forever true when it comes to forming a corporation or LLC. If you are lured in by the sirens of cheap and quick you can easily run aground on the rocks of personal liability and huge damages.

A corporation, limited partnership (LP) or limited liability company (LLC), which we’ll call “entities,” are separate legal beings. They have a structure and a form. To completely shield you from personal liability these entities must follow the rules not only at the start, but every day you plan on them to protect you.

There are too many entity formation promoters on the internet who do not care about these rules. The sole goal is to separate your money from you. When their cheap and quick entity fails to protect you, resulting in you losing even more - *much more* - of your money, they will ignore you, rely on fine print and electronically disclaim any responsibility for your problem.

This is not the way to start out. You are taking an important step here - protecting yourself from future predators and claimants. You’ve got to do it right.

Let’s discuss the three main problems these cheap and quick promoters put you into, leading to a huge disservice to you.

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*"Garrett Sutton is my corporate advisor for asset protection and privacy strategies. I highly recommend the services he and his staff at Corporate Direct provide. If it hadn't been for Garrett's protection years ago, I'd have lost everything... I trust Garrett implicitly."*

- Robert Kiyosaki, Best Selling Author of "Rich Dad Poor Dad"

## Problem #1 Incomplete paperwork

You will see the offers for a \$99 (or less) corporation. This entails filing the Articles of Incorporation (for a corporation) or Articles of Organization (for an LLC) with the state. That's all that is done in most cases.

Perhaps you are not told that you need bylaws, a registered agent, an operating agreement, minutes of the organizational meeting or the issuance of ownership certificates, among other requirements called corporate formalities.

And you think you are fine.

The problem is that by not following the corporate formalities you open yourself up to unlimited personal liability if your corporation or LLC gets sued. If you haven't met all the corporate formalities, you can be held personally responsible for the corporation's claim. That defeats the whole purpose of setting up your entity! An entity exists largely to protect you from losing your personal possessions if the business is sued. The chart below illustrates what happens without the protection in place. If you set up and maintain the corporate formalities, there is a corporate veil, that protects you.

Piercing the corporate veil succeeds in *half* of all cases  
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*“I want a knowledgeable and professional service – not a constant infomercial for the next up sell. Thanks to Corporate Direct for your honest and unhyped service.”*

- Dom Priolo, New York

*“Corporate Direct does an excellent job with complex and multiple entity structures. They know how to provide real estate investors with maximum asset protection.”*

- Curtis Oakes,  
Real Estate Coach and Investor

nationwide. (For more on this, visit [www.corporatedirect.com/veil](http://www.corporatedirect.com/veil).)

Clearly too many people, perhaps unknowingly, are not following the corporate formalities. The goal of our company is to never let this happen to you. Of course, we can only do so much. If you fail to prepare annual minutes (which we'll do for you), or don't pay the annual filing fee to the state, that is on you. Your corporate veil is going to be pierced due to your own negligence. But if you want initial and ongoing protection, we will certainly help you.

Will this cost you a bit more than \$99? Yes, but not that much more. And when compared to with the consequences of losing all protection, it is not that much more at all.

A second scenario occurs with the \$99 formation. Promoters use it as a come on to get you to pay inordinately high fees for the later required documents. This happens all the time. You pay \$99 for your organizational documents to be filed with the state. Then the promoter tells you that another \$1500 is required to complete the formation package.

Whereas our full service firm, Corporate Direct (1-800-600-1760), charges \$695 (plus state filing fees) for the complete package (which includes telephone support and the first year of registered agent services). You are being charged \$1600 for a similar service by the 'discount' company. Beware of the bait and switch.

## Problem #2

### Registered Agent Breakdowns

One of the key corporate formalities you must follow is to have a registered agent.

This person or company (also known as a resident agent) represents you in the state you used to organize in and any state you qualify in.

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*“Corporate Direct made it so easy for me during a stressful time. You took care of all the paperwork and filing. Now I know I have the security of owning a company with all the right papers, and was also able to set up my new bank account without a problem I will always use your services.”*

- Johnathan Flores, President,  
Flores Group Publications, Inc.

So, for example, suppose you set up a Nevada corporation and want to do business in California.

You ‘qualify’ the Nevada company to do business in California (we can further explain this simple process to you over the phone). As such, you will need a registered agent in both Nevada, the state of organization, and California, the state where you are conducting operations.

The purpose of the registered agent is to accept any service of process (i.e. lawsuits) and governmental notices on your company’s behalf. If you don’t receive these notices bad things can happen. In a lawsuit scenario you can lose the case via a default judgment for failing to answer the complaint.

So it is very important that you have a reputable registered agent who appreciates the importance of quickly getting documents right to you. In most states you only have 30 days (in Nevada it is only 20!) to answer the lawsuit. You need immediate notice because you have to get to work on defending yourself.

Like with the initial discussion of Incomplete Paperwork, we have two scenarios at work with Registered Agent Breakdowns. First, we have no service offered and second we have inordinately expensive services offered.

Both can lead to the high cost of cheap corporations.



If the discount provider does not offer a registered agent service you may never know you need it.

**If your entity gets sued and there is no registered agent to serve with the lawsuit you’ve not only lost the case but you’ve opened yourself up to a piercing the veil claim.**

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*"I am a Canadian who invests in Real Estate in the US, mainly in Chicago and South Florida. I created my last two entities with your business, Corporate Direct. I know my entities will be structured correctly with Corporate Direct. I am looking to have the best protection for my partners and I in every deal I am buying and also have the right entity structure for Canadians to avoid double taxation. Thank you for your great service!"*

- Darick Ste-Marie,  
Real Estate Investor of DSM  
Investment Group

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You can be held personally liable for failing to have a registered agent.

Because many of these discount providers may not be around in several years (or months) there can be a gap in registered agent services. This breakdown can again lead to your personal liability. You are much better off dealing with an established firm (like ours, with over 28 years' experience) that will maintain your corporate veil and immediately contact you if there is a pressing issue like a lawsuit.

The second high cost is one of real expense. Like the previous bait and switch scenario where the \$99 come on results in \$1500 or more in fees, the same occurs with registered agent services. One example is where the first 6 months is free but then you are billed every six months for a total of \$350 a year.

Even worse, some providers misrepresent the law by saying that a registered agent must include a full office set up for \$3000 a year. (There is no such law!)

Our firm provides its registered agent services for \$125 per year. Corporate Direct includes the first year's registered agent fee as part of the \$695 initial package price. After that, it is just \$125 per year which, of course, is a business write off.

We provide services in all 50 states. We will not hound you with unneeded services or solicitations. And we will provide you with a prompt notice of any matter. Registered agent services should be a steady and affordable transaction. Beware of cheap and quick promoters who veer outside the guard rails.

## **Problem #3**

### **Poorly Drafted Operating Agreements**

The LLC is now the most popular entity to use. The reasons are many. You can choose your taxation, so that you can be taxed

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*“Corporate Direct is all about quality service. The account representatives and staff helped me through the entire process. I will definitely recommend them to my friends.”*

**- Shiela Russell,  
Atlanta, Georgia**

as a partnership, S Corporation, C Corporation or disregarded entity. No other entity offers such flexibility. You have excellent asset protection via the charging order, especially in the states of Wyoming and Nevada. And the LLC allows for maximum flexibility in drafting the operating agreement (known as the Company Agreement in Texas), which is the entity’s roadmap for operations.

The problem is that many discount promoters ignore the importance and potential of the Operating Agreement (“OA”). As discussed in the section on Incomplete Paperwork, many of them don’t even provide this important document. Those that do *offer only a skeleton version that will not completely protect you.*

For example, some of the internet’s largest formation firms offer an OA that is extremely incomplete – just four to six pages long in some cases. (Ours is 30 pages.) A key failing of their very short OA is they allow for the free transfer ability of membership (ownership) interests within the LLC. This is contrary to one of the most important features of the LLC – the ability to keep unwanted potential owners out.

Here’s what all that might mean to you... Suppose you have an LLC with another friend and you are 50/50 members (owners). If your friend gets sued, you obviously want to keep the attacker out of your LLC. If the attacker wins a lawsuit and gains control of those shares, there will be all sorts of havoc wrought.

As a new 50% owner he can block any of your moves. He can try and force a sale of the company to get paid the money your friend owes him. Your LLC becomes a nightmare.

What’s scary is that many of the internet’s “reputable” entity formation firms actually allow for this chaos. It’s sickening.

Their OAs do not protect the owners by restricting the transfer of membership interests to unwelcome outsiders. By contrast, our OA does protect the owners to the fullest extent possible.

Is it worth an extra \$100? You decide.

The irony is that when you compare our services – apples to apples (not oranges to apples given all the come ons and hidden fees) – our prices are very comparable.

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But we won't provide you with a cheap corporation. Instead, as is our goal, we will provide you with an entity that is formed properly from Day 1, with ongoing support to ensure you are following the ongoing rules for protection. It is your choice!

## Form Your Entity Correctly

I hope this report has made you aware of the enormously high cost, and danger, of trying to form your entity using "cheap" solutions. As we discussed, they are a terrible idea for two reasons.

1. You do not receive the protection you need
2. They'll attempt to bait and switch you so if you do opt for more protection, you'll end up paying roughly double what we charge for the same services.

We have been creating and maintaining entities for our clients for well over 28 years. We have clients ranging from everyday people...to people worth hundreds of millions of dollars... to celebrities you would recognize.

One of those is Robert Kiyosaki, best-selling author of *Rich Dad, Poor Dad*. I am one of Robert's Rich Dad Advisors and I have been helping protect his many corporations and LLCs for over 15 years.

The fact is, we're an honest and trustworthy company that can help you decide what is best for you. All it takes is a simple email or call. Get in touch and see how we can help you using one of the following options:

1. Call us at 1-800-600-1760.
2. Email us at [info@corporatedirect.com](mailto:info@corporatedirect.com) or reply to the person who sent you this report.
3. Go to [www.CorporateDirect.com](http://www.CorporateDirect.com) and sign up for a free consultation.

I wish you the best of luck and hope to speak with you soon. Stay safe!

Garrett Sutton, Esq.

# About the CEO & Founder



Garrett Sutton, Esq. is a corporate attorney, asset protection expert and best selling author who has sold more than 850,000 books to guide entrepreneurs and investors including *Start Your Own Corporation*, *Loopholes of Real Estate*, *Finance Your Own Business* and seven other books. For more than 28 years, Garrett Sutton has run his practice assisting entrepreneurs and real estate investors in protecting their assets and maximizing their financial goals. The companies he founded, Corporate Direct and Sutton Law Center, have helped more than 10,000 clients.

# What's Included in Our Entity Formation Service

Corporate Direct is dedicated to helping our clients set up and maintain proper asset protection from the beginning. Clients get what they need from the start, at an affordable price, with no hidden fees or unmet legal requirements. To ensure this, we provide all of this for \$695 (plus applicable state filing fees): If you set up three entities, the price drops to \$595 per entity plus state filing fees.

- Consultation with an Incorporation Specialist to ensure you have the best asset protection structure for your needs
- All initial organizational filings with the Secretary of State (state filing and licensing fees are extra)
- One full year of registered agent service
- Preparation of Bylaws, Operating Agreement or Limited Partnership Agreement
- Initial Minutes of Meetings
- Issuance of Stock, Membership Interests or Limited Partnership Interests
- Corporate Documents on flash drive (Corporate Minute Book available at an additional charge)
- Corporate Name Check
- Instructions and forms for obtaining a federal Employer Identification Number (EIN)
- Free book, "Bulletproof Your Corporation" by Garrett Sutton, a \$49.00 value, with your first formation
- Ongoing customer service throughout and after your formation

## What We Stand For

The Corporate Direct team follows the tenants of our founder Garrett Sutton, a corporate attorney, asset protection expert and best-selling author who has sold more than 850,000 books that guide entrepreneurs and investors. Our goal is to provide you with superior asset protection for a reasonable fee.

We will include all required documents to set up your business and provide our expertise to ensure optimal execution.

Corporate Direct has been in business for 30 years, and we believe in providing our clients with the knowledge and resources they need to be successful. That is why with your initial incorporation we will include the free book "Bulletproof Your Corporation" by Garrett Sutton.

## What You Should Know

Please know that any city, county, contractor or any other business licensing is the responsibility of the new entity. Please know that there are varying taxes for food and beverage, clothing, dietary supplements and other industries and products between states and localities. Be sure to check with your local and state authorities

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# What You Should Know, cont.

as to tax and jurisdiction requirements. (cont.)

Our office does not provide any securities advice. If you are going to be raising money for your business from outside investors please seek the counsel of a securities attorney. As well we do not act as a stock transfer agent. If you are going to issue more than 30 certificates

to various shareholders you will need the assistance of a stock transfer agent.

The strategic use of one or more Nevada and/or Wyoming corporations offers significant benefits to you, your family and your future.

In today's litigious climate, it

is vital to protect yourself, your business, and your personal assets.

We can help you with this process, and our skilled representatives will assist you every step of the way.

A full list of prices is available on the next page.

## Address Service Is Available

Our address service is an optional service where you may use our California, Nevada or Wyoming physical address to print on your business stationery and to provide to your banks and vendors.

You may also have your general business correspondence sent to our address and we will forward it to you at least once a week.

There are many benefits to enrolling in our address service, including:

- Weekly confidential mail forwarding
- A Nevada, Wyoming or California physical business address, which you can print on your:
  - Business cards,
  - Stationery and letterhead,
  - Checks,

- Business correspondence, including bank/financial statements, client and vendor mail.

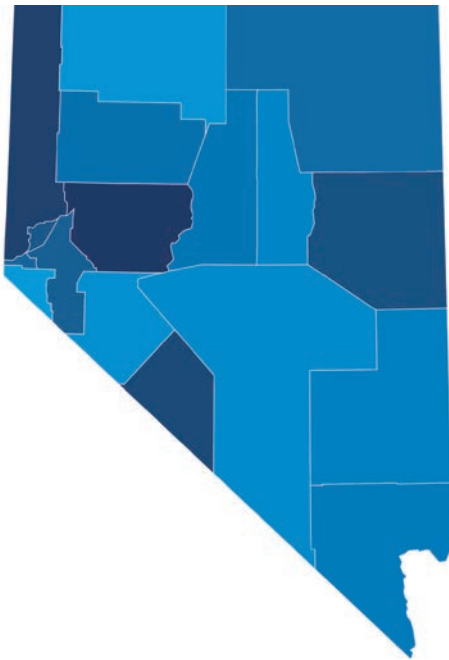
- You will not receive junk mail.
- You get all of this for \$360 per year.

*Please note:* Magazines, catalogs and/or packages are not forwarded as part of the address service. Forwarding packages that arrive in error at our address are subject to an additional package handling fee.

Although we try to avoid it, occasionally we may have to open client mail.

Official State and Federal government mail is automatically forwarded to you at no additional cost as part of the registered agent service we provide. The address service outlined above is an additional service we offer.

# Why Incorporate In Nevada or Wyoming?



Nevada and Wyoming both offer excellent asset protection benefits and no state taxation. The corporate and LLC laws in each state are business friendly, and under the favorable laws directors, officers, shareholders, managers and/or members do not have to live or hold meetings in either state. Both Nevada and Wyoming protect even single member LLCs via the charging order procedure, a key asset protection strategy.

How is each state different? Wyoming's filing fees are less expensive on an annual basis, just \$50 per year per entity versus \$350 for Nevada LLCs and LPs, and \$650 for Nevada corporations. Wyoming also keeps the names of LLC owners off their state's website, which is an excellent privacy benefit. Nevada, on the other hand, is the only state to extend charging order protection from LLCs to corporate shares. As such, many use Wyoming for LLCs and Nevada for corporations. Of course, everyone's situation is different. But know that Nevada and Wyoming offer superior advantages when forming entities. And we can qualify (or register) a Nevada or Wyoming entity to do business in your home state!

## FEATURES

- *Excellent Asset Protection*
- *No State Taxation*
- *Business Friendly Laws*
- *Charging Order Procedure Protects Also Safeguards Single Member LLCs*

Whether you choose Nevada, Wyoming, or your home state of, for example, California, our formation prices are the same. The state filing fees vary from state to state, but our formation fees are equal, no matter what the state.

