

## INTRODUCTION

### Welcome !

Welcome to the ILForms Corporation System! This (6<sup>th</sup> Edition) is the latest in a long line of Corporation System Texts stretching back to 1977, when the original *Illinois Corporation System*, was published by Illinois Institute for Continuing Legal Education (IICLE). The original, typewritten text predated the personal computer's advent in the average law office. It advocated a systematic approach to corporate practice, and in many ways anticipated what was to come.

Subsequent editions tracked developments in Illinois corporate law and technology. We saw the Business Corporation Act of 1983, and the DisplayWriter<sup>®</sup> typing system. Then came the PC, and the system operating in WordPerfect 5.1<sup>®</sup> for MS-DOS. This marked the first appearance of a menu-driven version, utilizing a series of WordPerfect<sup>®</sup> macros.

Time, technology and the law have all marched onward. IICLE has ceased publication of the system. WordPerfect<sup>®</sup> is no longer as universally accepted by the legal profession, which brings us to this latest, 6<sup>th</sup> edition of the system . . .

### What's New?

This system for the first time is not dependant upon an external word processing system like Word<sup>®</sup> or WordPerfect<sup>®</sup>. It has its own internal system for word processing. The experienced user has some familiarity with various word processing systems, and is encouraged not to forget what has been learned from those systems, for this system's word processing has much in common with them. Concepts like "block", "cut" and "paste" will play a role. Documents, once produced, can be "saved" in a directory of your choice, and a format of your choice. Should you thereafter wish to "tweak" them in a word processor of your own choosing, with which, perhaps, you are more familiar, you will be able to do so. (Exception: State forms, like Articles of Incorporation and the Annual Report are in a "pdf" format and cannot be opened with other word processors).

This system offers you, for the first time, the opportunity to merge data and text to complete Secretary of State forms for formation and annual reporting. Thus the data which you enter in setting up a new corporation can now be used to complete not only the minute book, shareholders' agreements and so forth, but also to fill out the printed forms.

### ILForms

Some of our users are familiar with the ILForms product which permits you to complete and print the Secretary of State's printed forms on your computer. This system uses the Adobe Reader<sup>®</sup> program to display and print the forms. The *ILForms Corporation System* also uses Adobe Reader<sup>®</sup> to display Secretary of State forms, and Reader<sup>®</sup> is included on the CD which brings you this system. If you have Adobe Acrobat<sup>®</sup>, however, this system will find Acrobat<sup>®</sup> on your system, and use it in preference to

Reader®. The advantage is that the much more expensive Acrobat® program permits you to “save” your Secretary of State forms. Don’t worry if you don’t have Acrobat®. With this system, although you can’t save your Secretary of State forms, you can re-create them instantly by reopening the form with the saved data.

Only a few of the ILForms Secretary of State forms are included with the ILForms Corporation System. Many of our users will still want to purchase the full Secretary of State forms system which can be done by visiting our web site at [www.ilforms.com](http://www.ilforms.com).

## INSTALLATION

To install the system on your computer, insert the CD which accompanies this book in the CD drive and run the installation program in the way you would any other. Your personal serial number is included with the system, and it would be a very good idea to include that number as you install the program. You will have to have the number in order to obtain technical assistance, and to download updates and patches from our web site.

## OPENING THE SYSTEM

Once you install the system, you will have a new icon on your desktop. Double-click the icon to open the system. You’ll be prompted to either select an existing company or create a new company. Although you can jump right in and create your first company, we recommend that you do neither. Instead, click “cancel,” and on the menu at the top of the screen, click “data entry.” On the drop-down menu, select “law firm data,” and enter the data regarding your law firm. As you begin to enter data for corporations, you’ll have the opportunity, in entering information about the registered agent and office, to elect to use law firm data which you’ve already entered and will not have to enter again ever when using the system.

Next, again on the data entry section of the menu, click “preferences.” A drop-down menu will offer you a number of choices. In the greeting portion of your letter, do you prefer “Dear xxx :” or “Dear xxx ,”? In closing your letter, do you prefer “cordially,” “very truly yours,” “have a nice day,” or something else? What is your preferred font? Font size? In choosing the various alternatives, you will begin to make this *your* corporation system.

You can select the file type in which your completed documents are to be saved. The default choice here is ILForms Document (ILF). You can, however, elect to save your document in a Word® (doc), WordPerfect® (rtf), or other format, which can be immediately reopened using your word processor of choice.

Note that the preferences section also permits you to select a directory or folder in which the documents you produce using this system will be kept. During the installation, a subdirectory of the program installation directory (“\Program Files\ILForms\CorpSys” is the default), called “Documents” was created. We recommend you use this directory. If however, you want to use a different directory,

note that you cannot create a new directory through our preferences box. Therefore, if you want a new directory for your ILForms Corporation System documents, you must create it before selecting it in the preferences section. You'll find it much easier to edit documents if you keep them in one particular folder.

## **FORMING A COMPANY**

Having set up the system, and input your preferences, you can now proceed to set up a company. Click "Create a New Company" and, having selected a name, following the procedure set forth in Chapter 2, input the name when requested to do so. You'll be prompted to input company data. Fill in all the information requested in the Name and Address screen. You can then proceed to the meeting and other info section, either by clicking on the tab at the top of screen, or by clicking the hand pointing to the right. Much of the information required by this section will not be available to you yet. Fill in what you can, such as the date you have selected for the annual meeting. Note that there are drop-down menus permitting you to choose the 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup> or 4<sup>th</sup> Monday, Tuesday, etc. of each of the 12 months. You'll have an opportunity to fill in the rest of the information, using the company data, as more data becomes available. If you want to use a general-purpose clause in the articles of incorporation, simply check the box "use general-purpose clause." If you wish one of the other specialized clauses, you need to "**RIGHT CLICK**" in the text below the box, which says ">> Right Click Here for Purpose Clauses <<", and the list will pop up. Select the appropriate clause by clicking it. If neither the general-purpose clause, nor any of the special purposes clauses fit your situation, click in the box, and type in the language you wish to appear in the corporate purpose section of the Articles of Incorporation.

Go on to the section about "people." Here you have the opportunity to enter the name and address of each shareholder, director, and officer. Be sure to enter the number of shares owned by shareholders. If you don't have all the information, don't worry, you will have the opportunity to edit the data later on.

Last, go to the section on stock. Although you can enter more than one class of stock into the system, enter your common stock first, as this is the stock which the system will print automatically when the time comes to prepare stock certificates. If you have no series, enter "N/A." If you choose no-par value stock, enter "NPV." When you have finished the stock, click "Save Data and Close."

## **USING THIS SYSTEM TO CREATE FORMS**

Having entered your preferences, and entered the data for at least one company, you are now in a position to use the system to perform useful (and billable) work.

Go to the menu at the top of the page, and select "Prepare Forms." A drop-down menu will offer you will five choices: incorporation, corporate minute book, annual report, corporate minutes, and form book. If you choose form book, a tabbed form book corresponding to the Chapters in this manual, will actually display on your screen. From this book, you can select most forms and letters in the whole system. If you choose one of the other four menu choices, additional drop-down lists will offer you

various form choices, including letters of transmittal and the like. All the forms selected, either from a drop-down menu or from the form book, will be filled out using the information for the selected corporation.

## **ADDITIONAL DATA**

Additional information, not in the database, sometimes needs to be inserted. We have marked the text with three question marks (???) in these places. The forms will search themselves, and tell you whether information needs to be inserted. If so, when the form opens, you will be at the first insertion point, and a pop-up box will tell you to insert information, and continue searching for three question marks (???). Using the engagement letter as an example, it is necessary to insert hourly rates and the requested amount of the deposit. You can quickly move from one insertion point to another by using the “Search” or the “Replace” command. Insertion points are marked with triple question marks (???) By searching for ???, you will go directly to the next insertion point in each form. Note that the engagement letter is completed with the client’s data, using the form of greeting and closing which you selected as preferences, and, if you selected it, using your firm information to create a simple letterhead. If you use “Search,” the command will simply take you to the place where the next insertion has to be made. It’s up to you to delete the ???, and insert the appropriate information in the letter. On the other hand, if you use the “Replace” command (Ctrl + H), you can search to ???, then type in what you’d like inserted instead in the box called “Replace With,” and click “Replace.” The information you entered will automatically replace the ???. You can then click “Find Next,” and when you arrive at the next insertion point (???), again type what you want in the “Replace With” box, and click “Replace,” repeating the process until you run out of insertion points.

If you prefer to use a preprinted letterhead, check the top margin to be sure the letter will fit under your letter head, load and print. Or to have your system generate a letterhead in your regular word processor, “Save” the ILForms generated letter, using your preferred format, and then simply reopen the letter in your word processor, add the letterhead as you normally would, and print the document.

## **ENVELOPES**

Envelopes to the client or Secretary of State can be created by clicking “File” on the menu, then selecting “Print Envelopes” or by clicking on the picture of the envelope on the toolbar. If you want to create an envelope for someone else, create an envelope for the client, then edit the form by blocking and replacing the name and address.

## **ARTICLES OF INCORPORATION**

From the menu’s “Incorporation” section, select “Articles of Incorporation.” The program will automatically open the Adobe Reader® or Acrobat®, if you have it installed. Next the Articles will display, completed except for the amount of capital attributable to each class of stock, total capital to be received at incorporation and optional provisions on page 3 of the form, if this information is appropriate. Type in the amounts.

To insert one of our special paragraphs in the Articles of Incorporation, go back from Adobe® to the ILForms Corporation System, by clicking the program selection bar at the bottom of your screen, or using the “ALT + TAB” command. Click “Insert” on the menu. Select “Special Paragraphs,” and double click the one you chose. The full text of the clause will display. Block all the text, and click “Edit”, “Copy.” Then switch back to the Adobe® program (again using the program selection bar or “ALT + TAB”) click on Page 3 underneath “Addendum.” Click “Edit”, “Paste” to drop the chosen paragraph into the Articles. If you want to insert something not included in our system, you can open your word processor, bring up your favorite paragraph, and block, copy and paste it in the same way.

Print the Articles and, before closing Adobe Reader®, check them to see if any further editing is required. If you have Acrobat®, you can save the form, but if you have Adobe Reader®, which comes with this system, you cannot. It is therefore more important to get the corrections done before exiting if you are using Adobe Reader®.

## LETTERS

When you are creating a letter to a client, before creating the letter, the system will pop-up your preferences, so that you can check them, and add any missing information such as the salutation. When you are writing a letter to someone else, like the Secretary of State, the same screen comes up with the client’s data included. Don’t worry, just click “OK” without filling in recipient name and address data, and the letter to the Secretary of State will be completed.

## TOOLS

**Show Companies & People.** If you click “Tools” on the Menu, you will find some helpful aids to your practice. Need to call your client? A quick way to find telephone numbers, addresses, etc. is to click “Tools”, “Show Companies and People.” Click any company on the list, and its shareholders, directors and officers will be listed, if you have entered them in the system. Click any one of them, and all his/her data will display: address, phone, email, etc. How simple to find an address for a letter, an envelope, even an email address, and, of course, telephone numbers.

**Merge.** What if you have your *all time* favorite corporate form, better for your use than any form in the system. Maybe you know how to do things better than we do. Surely you know your clients better than we do. Certainly there are corporate tasks we have not addressed, whether intentionally or not. Merge is your opportunity to make this system your own, take your favorites and make them work with the corporate data you enter in this system to produce documents in the same way this system does with the supplied forms.

Open the document which you wish to import to the ILForms Corporation System in your present word processor. Block and copy the entire document. Open the ILForms Corporation System. Select the company for which you are creating this form, or click “Cancel” if you are simply creating the form for future use.

“Paste” the document to the ILForms Screen. Cursor through the document to the first point where you wish to insert data. Delete whatever characters occupy the area where you wish the data to be. If the document has a corporate name in it, delete the name, but keep the cursor right where you want the name to be entered. Now click “Insert” on the menu, and choose “Merge Field.” A drop-down menu will appear with the names of available ILForms Corporation System merge fields. Select the one you want to insert and click. It will immediately be inserted in the document. Continue through the entire document, inserting fields wherever you wish them to appear.

When you have finished, click “File” then “Save As.” You will want to save this document as an ILForms Template (ILT) document. Give it a name which works for you, and save it in whatever directory you have chosen to keep your ILForms documents.

To use, or test the document, re-open the system, and select the corporation you wish the document to be created for. Click “Tools”, “Merge.” A directory will display. If you don’t see your document, be sure the drop-down box is set to “find” an ILT document. NOW your document should display. Select it, and click “Open.” A new drop-down will appear. Click “OK.” Your document should appear on the screen, then complete itself before your eyes. With a little practice you will be creating and saving your own forms readily.

**Due Dates.** Part of being organized, being systematized, is planning ahead. “**Due Dates**” on the “Tools” menu helps you do this. As you have entered your corporate data, you have filled in both annual meeting date choices and the filing date of the Articles, which, of course produces the anniversary month on which the Annual Report will be due.

In order to help plan workloads, and work ahead instead of playing “catch up,” you can use “Due Dates.” If you open Due Dates, it will open the current month, and display, in separate windows, annual meeting dates and filing anniversaries for annual reports. Appropriate action can then be instituted. If you wish to look ahead to upcoming workloads, click the drop-down menus, and select other months to display their workloads as well. Perhaps you wish to get out an advance notice annual meeting letter, or alert clients or staff to be on the watch for the arrival of annual reports. Perhaps you wish to check previous months filings to be sure they have been done, and recognized by the Secretary of State’s staff. Due Dates should help in all of this.

## **BACK-UP**

If you begin to use this system, the value of your investment of your own and other staff members’ time in creating data, and perhaps modifying and creating forms to operate as a part of the system, will soon exceed the purchase price of the software. We cannot stress how important it will be to back-up your information on a regular basis.

Whether you use regular floppy disks, Zip<sup>®</sup> disks, tape back-up or any other system, you need to identify what it is you need to back-up. You need not back-up the whole ILForms Corporation System - you have a CD you can re-install if you need to. You need to back-up the custom

information that you have entered.

Your Preferences are stored in a file called “ics.ini”. You can find it in the ILForms program directory (“\Program Files\ILForms\CorpSys” is the default). Back-up this file to save your law firm information, font settings and other preferences.

Your Database is stored in a file called “ilcorp.mdb”. It is also located in the ILForms program directory. Back-up this file to save all the individual data for each of your corporations, including names, addresses, etc. for both the corporation, and the shareholders, officers and directors. If you have to re-install your system for any reason, all this valuable data will be lost unless you have backed it up. Imagine the depressing idea of having to re-input hundreds of corporations on the system due to a computer crash!

Your custom paragraphs, resolutions, purpose clauses and share legends are stored in a file called “paragraphs.mdb”. You can find it in the ILForms program directory. Back-up this file to save all the custom paragraphs, resolutions, purpose clauses and share legends you create as you begin to customize the system, and make it your own.

The ILForms template files are located in the “Forms” subdirectory of the program directory. If you have made any changes to these files, they should be backed-up as well. If you haven’t changed any of these files, you do not need to back them up, since you can, under the custom installation, reload these separately.

## **UPDATES**

We hope you use and enjoy this system. If you have problems, call us for technical support. If you have suggestions for improvements and additions, call us with those as well. We anticipate there will be upgrades and improvements, including those suggested by you, our users. Visit our web site at [www.ilforms.com](http://www.ilforms.com) frequently to look for upgrades, which will be distributed free to registered users.