

### Information Timetable for IC-DISC Formation

**Formation:**      **Require:** \* "Name". Include a Corporate designation such as, Inc. or Ltd.

\* Shareholders-Names -address-EIN or SS #'s-&# of shares.

**Day 1**

We usually use 2,500 shares of \$1. par value stock.  
Suggest that 500 shares be reserved for future planning.

(Corporation may be formed upon receipt of above info.)

**Note:** If timing is critical, Shareholder info is not necessary at this time.

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**EIN:**              **Require:** \* Name & address-(Including County) where located.

\* Name / Tel # / SS # of a Principal IC-DISC Officer.

**Day 2**

\* Name or category of Principal Export Product and  
IRS Business Activity Code #.

We apply for the EIN as soon as formation date is confirmed  
by our Delaware agent.

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### Formation

**Documentation:** **Require:** \* Name / address of related Suppliers for Commission  
Agreements.

**Day 7**

\* Shareholder information, if not submitted on Day 1.

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### IC-DISC Election:

**Day 90**

\* On or before the "90th" day after Formation Date, Client  
Opens a local Bank account for the IC-DISC using info sent  
on Day 7, and depositing at least \$2,500.

\*\* At this point, client should confirm to us that the account has  
been officially opened and we will prepare and file US form  
4876A, Electing the Corporation to be an IC-DISC as of the  
date of formation.

\*\*\* The important point here is that to be a Qualified IC-DISC  
the Corporation must have minimum capital of \$2,500, at the  
time of the election and all times thereafter. While there may  
be other forms of Capital, a Bank Account is the simplest proof.

### Comments:

- 1) IC-DISC must be on same Tax Year as majority of Shareholders. Usually calendar Year.
- 2) Commissions apply to Exports shipped on or after formation date.
- 3) IC-DISC is Tax Exempt, income usually accrued, then received and Dividend/Taxed in following year.
- 4) US Form, 1120 IC-DISC, due 9/15 Annually.

