



Crowdfunding Lawyers

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April 12, 2023

Re: All Legal Services Quote

Dear Prospective Client,

This letter is to inform you of our current standard pricing for the legal services described below. Please note that we do adjust our pricing from time to time. However, we will honor these prices for you for up to sixty (60) days from the date referenced above. The prices described below do not include any filing fees or other out-of-pocket costs, which must either be paid in advance by the client or reimbursed. This is not a contractual offer. Additional terms such as those regarding supplemental services, late payments, etc. will be included in a full retainer agreement.

Three-Hour Pre-Offering Structuring Consultations | \$1,500

Up to three (3) hours of consultation to be used for securities structuring, coaching, and simple contracts. If the Client proceeds with any securities offering within sixty (60) days of retention, the fees paid will be applied to the cost of the offering engagement.

Regulation D, Rule 506 Securities Offering | \$12,000+

The price for a Regulation D securities offering will vary depending on the size of the offering. These prices should serve as a guide. Additional charges will apply if the client's business plan involves the coordination of multiple entities, Investment Company Act issues, ERISA, tokenization, or particularly high-risk ventures such as cannabis, cryptocurrency, or use of the blockchain.

Total Raise	Legal Fee
\$1,000,000 or less	\$12,000
\$1,000,001 - \$2,500,000	\$15,000
\$2,500,001 - \$5,000,000	\$18,000
\$5,000,001 - \$7,500,000	\$21,000
\$7,500,001 - \$10,000,000	\$24,000
\$10,000,001 - \$25,000,000	\$30,000
\$25,000,000+	0.12% of Max Raise
Series Amendments	\$3500 + \$500 per additional series

- Consult with Client about securities rules, regulations, and disclosure obligations.
- Draft Private Placement Memorandum.
- Draft required disclosures.
- Draft Subscription Agreement complying with Regulation D and containing necessary investor representations and warranties.
- Draft customized Risk Factors.
- Review all marketing materials.

Additional Services (Complimentary)

- Form Issuer entity (if necessary) including filing necessary documents with the Secretary of State.
- Enlist the services of a registered agent.
- Draft a multi-member Operating Agreement or Bylaws.
- Draft and file Form D with the SEC.
- Draft and file securities notices with state regulators.
- Introduce other required professionals such as broker-dealers and auditors.

Regulation A Securities Offering | \$50,000 - \$65,000

Single payment	\$50,000
Multiple payments	\$60,000 paid as follows: <ul style="list-style-type: none"> • \$20,000 initial payment • \$20,000 prior to submission to SEC or ninety (90) days • \$20,000 on first capital or one hundred eighty (180) days
Annual Compliance (Form 1-SA and 1-K)	\$7,500
Update (Form 1-U) No supplement	\$500
Update (Form 1-U) + Supplement	\$1000
Series Amendment	\$3500 + \$500 per additional series
Offering Amendment	\$5,000 - \$10,000 depending on scope
Offering Supplement	\$1,000 - \$5,000 depending on scope

- Consult with Client about securities rules, regulations, and disclosure obligations.
- Draft Form 1-A (Offering Circular) allowing an offering amount of up to \$75,000,000.
- Draft required disclosures.
- Draft Subscription Agreement complying with Regulation A and containing necessary investor representations and warranties.
- Draft customized Risk Factors.
- Coordinate filing of Form 1-A and related documents with the SEC.
- Review and respond to SEC comments until qualification is granted.
- Review and file all testing the waters advertising and post-qualification advertising.

Additional Services (Complimentary)

- Form Issuer entity (if necessary) including filing necessary documents with the Secretary of State.
- Enlist the services of a registered agent.
- Draft a multi-member Operating Agreement or Bylaws.
- Consult with officers of the Issuer and third-party service providers (e.g. auditors, brokers, etc.).
- Introduce other required professionals such as transfer agents, broker-dealers, and auditors.

Client should plan for a timeline of at least six months from start to qualification, though the actual process may take more or less time depending on circumstances. Client should be aware that Regulation A has auditing and ongoing reporting requirements, which may add significant expense to completing and following an offering.

Regulation CF Offering | \$12,000 – \$18,000

Total Raise	Legal Fee
\$1,000,000 or less	\$12,000
\$1,000,001 - \$2,500,000	\$15,000
\$2,500,001 - \$5,000,000	\$18,000

- Consult with Client about securities rules, regulations, and disclosure obligations.
- Draft Form C (Offering Statement) allowing an offering amount of up to \$5,000,000.
- Draft required disclosures.
- Draft customized risk factors.
- Draft Subscription Agreement complying with Regulation CF and containing necessary investor representations and warranties.
- Coordinate filing of initial offering documents with the SEC.

Additional Services (Complimentary)

- Form Issuer entity (if necessary) including filing necessary documents with the Secretary of State.
- Enlist the services of a registered agent.
- Draft a multi-member Operating Agreement or Bylaws.
- Consult with officers of the Issuer and third-party service providers (e.g. auditors).
- Project management and coordination services between the crowdfunding portal, CPA, Client, marketing/PR teams, and other relevant entities from date of engagement until five business dates after the launch of the offering.
- Introduce other required professionals such as crowdfunding portals, transfer agents, broker-dealers, and auditors.

Client should be aware that Regulation CF has auditing and ongoing reporting requirements, which may add significant expense to completing and following an offering.

Regulation CF Separate Services

Offering Development Process	\$6,000
Form C Preparation/ Filing	\$6,000
12 Month Securities Consulting	\$12,000

Offering Development Process

- Up to ten (10) hours of development consultations and planning/legal services over ninety (90) days.
- Introduction to various service providers, including marketing agencies, crowdfunding portals, accountants, and graphic designers.
- Form Issuer entity (if necessary) including filing necessary documents with the Secretary of State.
- Enlist the services of a registered agent.
- Draft a multi-member Operating Agreement or Bylaws.

Form C Preparation/ Filing

- Draft, review, and prepare Form C for filing.
- Draft customized Risk Factors.
- Draft one amendment (Form C/A) for filing within 12 months.

12+ Months Securities Consulting

- Everything included in the Offering Development Process
- Consulting services relating to securities rules, regulations, and disclosure obligations until the end of the Reg CF offering time period for current offering.
- Review of all advertising and marketing materials.
- Introduce other required professionals, including funding portals and CPAs.
- Provide project management and coordination services between the crowdfunding portal, CPA, Client, marketing/PR teams, and other relevant entities from date of engagement until five business dates after the launch of the offering.

Creation of Funding Portal under Regulation CF | \$25,000

- Consult with Client about securities rules, regulations, and legal obligations.
- Obtain requisite EDGAR codes with the SEC.

- Draft forms required for FINRA and the SEC for approval for a registered crowdfunding portal.
- Provide proposed Written Supervisory Procedures and other required policies and procedures for client's review and adoption, as applicable.
- Responding to FINRA information requests (using information provided by client) until approval is granted.
- Review and file all advertising materials and website/portal contents.

Additional Services (Complimentary)

- Form portal entity (if necessary) including filing necessary documents with the Secretary of State.
- Enlist the services of a registered agent.
- Draft a multi-member Operating Agreement or Bylaws.
- Assist with the obtaining requisite fingerprints.

Registered Offering on Form S-1 | \$60,000-\$90,000*

- Consult with Client about securities rules, regulations, and disclosure obligations relating to S-1.
- Draft S-1 Registration Statement and accompanying Subscription Agreement containing necessary representations and warranties.
- Provide required attorney opinion letter and consent.
- Review press releases, free writing prospectuses, and public communications during the period 30 days before filing until 25 days after the S-1 is declared effective (during this period, there are communication limitations imposed by the SEC with which issuers must comply).
- Respond to all comments from the SEC until S-1 is declared effective.
- Request effectiveness of S-1 following the comment period.
- Prepare board resolution approving the final version of S-1 for filing.
- Prepare final prospectus for filing.

Additional Services (Complimentary)

- Introduce and communicate with other required professionals, including transfer agent, underwriters, and auditor.

* Actual fee will be based on the complexity of the offering and the amount of existing information available through the Client. The above fees do not include any filing fees such as those required for blue sky (state securities) compliance. Unless the company is registered or registering its shares on Nasdaq or the national stock exchange, the company will need to register or qualify its offering in each state where it will sell its shares. State registration can take several months and should be started as early as possible. We can assist you with the company's state registration process, which

will include the submission of offering materials, interacting with state regulators, and responding to comments from the regulators.

Public Company Compliance Services*

We can generally provide the following services on a flat fee basis, which fee will be based on the complexity and estimated time for the work to be done. Please contact our office to obtain a quote for these services. Otherwise, such services will be performed at our normal hourly rates.

- Review 10Q quarterly reports. Review 10K annual reports.
- Draft 8K current reports (required any time there are certain types of significant transactions by the company).
- Prepare FINRA corporate action notification and assisting through approval process.
- Draft OTC current information attorney letter.
- Prepare proxy disclosures on Forms 14A and 14C.
- Negotiate and preparing documents for reverse mergers.
- Advise on SEC, FINRA and trading exchange compliance matters (including for uplistings).

Business Entities (LLCs, LPs, Corporations) | \$550 - \$1,050

Single-Member, Member-Managed LLCs*	\$550 + state filing fees
All Other Business Entities	\$1,050 + state filing fees

- Draft and file formation documents with the Secretary of State.
- Enlist the services of a registered agent.
- Draft governing documents (e.g., operating agreement, partnership agreement, bylaws)

*In some states, the LLC Act and/or legal precedent provide for a lower level of liability protection for single-member LLCs. You should discuss this consideration with your attorney before forming a single-member LLC.

Commercial / Multifamily Real Estate Transactions | \$6,000 - \$15,000

Transaction Size	Legal Fee
Sale up to \$10M	\$6,000
Sale up to \$20M	\$9,000
Sale over \$20M	\$12,000
Purchase up to \$10M	\$9,000
Purchase up to \$20M	\$12,000
Purchase over \$20M	\$15,000

- Draft or review purchase and sale agreement and any required addenda.
- Review title commitment, current survey, and exception documents.
- Draft title objection letter regarding title exceptions and related matters.
- Assist with lender due diligence requests.
- Review and advise on loan documents.
- Draft or review transfer/closing documents (e.g., warranty deed, bill of sale).

Additional Services (Complimentary)

- Draft or review letter of intent (if any).
- Form purchaser entity (if necessary) including filing necessary documents with the Secretary of State.
- Enlist the services of a registered agent.
- Draft a multi-member Operating Agreement or Bylaws.
- Draft consent resolutions authorizing transaction (if necessary).
- Draft organizational chart (if necessary).

Commercial / Multifamily Real Estate Refinance/Supplemental Loan | \$4,800 - \$9,600

Loan Amount	Legal Fee
Up to \$10M	\$4,800
Up to \$20M	\$7,200
Over \$20M	\$9,600

- Assist with lender due diligence requests.
- Review and advise on loan documents.

Additional Services (Complimentary)

- Amend borrower Operating Agreement or Bylaws per Lender request (if necessary).
- Draft consent resolutions authorizing transaction (if necessary).
- Draft organizational chart (if necessary).

Mortgage-Related Legal Opinions | \$2,000+

Entity Status (formed by this firm)	\$2,000
Entity Status (other)	\$4,000
Enforceability (property state)	\$5,000
Enforceability (out-of-state)	\$6,000
Opinion by Outside Counsel	Cost

- Review applicable entity and loan documents.
- Consult with Lender regarding opinion requirements.
- Draft opinion.

Tenancy in Common Agreements | \$3,000

- Consult with Client on legal and practical considerations related to joint ownership of real property.
- Draft Tenancy in Common Agreement.
- Draft Memorandum of Interest for recording, if appropriate.

Hourly Fees | \$200 - \$825

Clients should not be afraid to phone or email their attorney for fear that they will be stuck with a bill for doing so. Therefore, we seek to always work under a defined scope of services and fixed fee representation. We believe fixed fees best align the interests of attorneys and clients, rewarding efficiency and managing expectations about costs. For certain matters, however, it is impractical to set a fixed fee at the outset, and we will proceed on an hourly basis. If hourly fees may accrue, you will be notified in advance so as to avoid any surprises on your invoice.

- Paralegals - \$225
 - Associate Attorneys - \$625
 - Partners - \$825
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Crowdfunding Lawyers operates nationwide on matters governed by federal law. We have attorneys licensed in many but not all states. If a matter arises in a state in which our team is not licensed, we may, if appropriate, associate with attorneys licensed in such state pursuant to the applicable multijurisdictional practice rules. In other cases, we will do our best to refer clients to outside attorneys who can suit their needs.

Please let us know if you have any questions. If you would like to move forward, Clemen Cunningham, our Office Administrator, will send you an engagement agreement. Clemen may be reached at clemen@crowdfundinglawyers.net

Thank you so much for considering our firm!

Sincerely,

Nathaniel Dodson, Esq.

Richard Robinette, Esq.