

10 Questions to Ask your Attorney When Building your Cooperative

CFAES Center for Cooperatives

As entrepreneurs build a new cooperative, they will likely need to work with an attorney to form their business entity, understand and prepare for tax obligations, manage potential risks, and more.

Attorneys Jacqueline Radebaugh, Esq., with Jason Wiener p.c. and Mike Russell, Esq., with The Legal Aid Society of Cleveland, talked with entrepreneurs and business developers about working with an attorney during a learning session of the [CFAES Center for Cooperatives Appalachia Cooperates Initiative](#), where they shared suggestions for 10 questions cooperators should ask an attorney when building a new co-op.



10 Questions for a Co-op Attorney

1. What do we need an attorney for?
2. How do you bill? What should we budget for the services we need, or you recommend?
3. You're very expensive! What questions should we think about on our own time? Can you recommend an attorney within my budget?
4. What kinds of cooperatives have you worked with in the past? Can we talk with one of them?
5. Given our goals and our situation, what entity structure(s) should we consider and why?
6. What do your words mean?
7. Why and when should we talk to an accountant? What other professionals should we talk to? Do you have referrals in my state?
8. We need to raise funds. Is there anything we should know before we start talking with people, posting things online, or seeking investors? When do we need to think about securities law?
9. Do we need insurance? When?
10. Consider framing your questions as "If we want to do X, what do we need to think about?" rather than "Is this allowed?"

To prepare for meeting with an attorney, it is useful for cooperators to build a business plan for their enterprise, or at least to explore key questions as a group. A cooperative business plan can help identify potential legal issues and needs.

Cooperatives are collaborative enterprises that involve many people. Working with the business's core group of decision-makers can help attorneys understand the group's goals, raise a more diverse set of questions, and consider multiple perspectives. Later in the process, it may be more efficient for a single person from the cooperative to work with a professional.

Contact the CFAES Center for Cooperatives for assistance with cooperative business planning.

This information is provided for educational purposes only. It is not legal advice. It is not a substitute for the potential need to consult with a competent attorney licensed to practice law in the appropriate jurisdiction.

References

Russell, M. & Radebaugh, J. 10 Questions to Ask your Attorney When Building Your Cooperative. [Presentation]. CFAES Center for Cooperatives Appalachia Cooperates Initiative. go.osu.edu/ten



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