

DEVELOPING YOUR BUSINESS:

Legal Considerations Beyond Entity Formation

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A.S. ROBINSON LAW

BUSINESS | INTELLECTUAL PROPERTY | FAMILY LAW

Legal Considerations

Deal with Business Partners Professionally

- ✓ Verify their Identity, Citizenship, Credit & Background
- ✓ Execute Buy-Sell Agreements to separate personal and business assets like major equipment
- ✓ Follow Corporate Governance Protocol – maintain records, transparency in operations, etc.
- ✓ Develop Succession Planning – including exit strategies, retirement buy-outs, etc.

Limit Personal Liability

- ✓ Choose the right entity form
- ✓ Include Indemnification provisions in Operating Agreement / By-Laws
- ✓ Follow administrative protocols
- ✓ Avoid Personal Guarantees
- ✓ Avoid accumulating Non-dischargeable obligations (*e.g.*, back taxes)
- ✓ Implement Asset Protection strategies as needed

Be Adequately Insured

- ✓ Business – Liability, D&O, Property, Auto, Business Interruption, Home Office, Key Man
- ✓ Worker's Compensation
- ✓ Buy-Sell Life Insurance
- ✓ Verify all your Contractors' Insurance / Bonding as well

Understand the Consequences of the Business Location(s) You Choose

- ✓ Lease Negotiations – check Escalations, Assignment rights, CMA provisions, etc.
- ✓ Building Purchases – do Environmental Due Diligence, etc. before you buy
- ✓ Home-Based Business Limitations
- ✓ Register as Foreign Entity for locations in other states
- ✓ Zoning & Building Codes
- ✓ ADA Compliance

Comply with Licensing, Registration and Permit requirements for YOUR industry

- ✓ State & Local
- ✓ Federal
- ✓ International (*e.g.*, if exporting)

Be Savvy in Business Transactions

- ✓ Read Contracts before you sign
- ✓ Understand Government Contracting Quirks
- ✓ Use proper legal structures for Teaming and Joint Ventures
- ✓ Know your Investors' Rights
- ✓ Use Non-Disclosure Agreements (NDAs)

Engage Employees the Correct Way

- ✓ Use Employment Agreements (sometimes)
- ✓ Ensure Independent Contractors really are independent –see IRS Pub. 15-A!!!
- ✓ Develop Hiring and Firing Policies
- ✓ Follow Immigration Law Requirements
- ✓ Use Non-Compete Agreements prudently
- ✓ Don't Put Off Firing a Bad Employee

Manage Your Intellectual Property (IP)

- ✓ Business Identity—secure Domain Names, Trade Marks, Trade names etc. at start-up
- ✓ Idea Protection—use NDAs, copyrights, patents, trade secret protocols as needed
- ✓ Consider Licensing as well
- ✓ Also avoiding Infringement of other's IP

Don't Avoid Tax / Accounting Matters

- ✓ Segregate your Personal and Business Funds
- ✓ Charge the applicable Taxes in E-Commerce Transactions
- ✓ Collect Taxes, Pay Taxes—all of them, on time!!!
- ✓ Understand the Tax Implications (and restrictions) of transacting with NPOs
- ✓ Respond to IRS Notices promptly

Team with Key Professional Service Providers

- ✓ Attorney
- ✓ Accountant / Bookkeeper
- ✓ Insurance Agent
- ✓ HR Consultant / Pay Role Service
- ✓ Banker
- ✓ Other

And More Considerations for...

International Trade

- ✓ Currency Conversions
- ✓ Export / Import Regulations
- ✓ Agent / Distributor Agreements

Franchising

- ✓ Federal and State Registration & Disclosure Law
- ✓ Trademark Use
- ✓ Obligations and Limitations Imposed
- ✓ Termination/Renewal
- ✓ Recent Changes

Nonprofit Organizations (NPOs)

- ✓ State Fundraising Requirements
- ✓ 990 Filing Requirements
- ✓ NPO Governance
- ✓ Handling Contributions
- ✓ Transacting with For-Profit Companies

End Games

Prepare for an Orderly Closing of Your Business

- ✓ Determine Liquidated Value of Assets
- ✓ Provide Notice to Employees and Other Interested Parties
- ✓ Transfer or Terminate Contractual Obligations and Accounts (Bank, Employee Benefits Plan, Leases, etc.)
- ✓ Settle Outstanding Liabilities, including Taxes
- ✓ Recover Business Property from Employees
- ✓ Report Dissolution or Liquidation and Related Transactions to the IRS
- ✓ File Formal Articles of Dissolution with the State
- ✓ Comply with applicable Federal and State worker notification requirements
- ✓ Remember that your Resident Agent Serves for 1 Year after Termination
- ✓ Arrange for Record Storage

... or Selling of Your Business

- ✓ Allow time to negotiate a comprehensive Buy-Sell Agreement
- ✓ Partners may offer Retirement Buy-Outs
- ✓ You may offer Seller Financing to a Buyer
- ✓ Covenant Not to Compete may be needed
- ✓ Bulk Transfer / Bulk Sales Reporting may be required
- ✓ Initial Public Offerings (IPOs) is a form of business sale
- ✓ Transfer Taxes may apply

Lastly

You Own a Business. You need a Lawyer.

- ✓ At minimum, schedule a consultation with an attorney—less than \$200 with me.



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Angela is a native Washingtonian and holds Engineering and Law degrees from Howard University. As Principal of A.S. Robinson Law, she counsels small to medium growth-mode companies with matters such as contracts, trademarks, taxation, HR policy and business development with a focus on asset protection and limiting liability exposure. Angela has represented companies through various phases of civil litigation and administrative appeals in Maryland and the District of Columbia, as well as before the IRS and Maryland State Board of Contract Appeals. Angela also counsels individual clients in adoption, child custody and estate planning matters, and serves as a Hearing Examiner for DC's Child and Family Services Agency.

Prior to her firm's organization in 2005, Angela was an Associate with Beveridge & Diamond, P.C., with an environmental and land use practice, and before that with the preeminent firm of Morgan, Lewis & Bockius LLP with an intellectual property and litigation practice. Through her educational and professional experiences she has achieved not only technical and legal capabilities, but a talent for applying a thoughtful, client-oriented, bottom-line approach to every project she handles—and boasts a high client retention rate.

Education

JD, *cum laude*, Howard University School of Law
BSCE, *cum laude*, Howard University School of Engineering

Bar Memberships & Admissions

Maryland Court of Appeals
District of Columbia Court of Appeals
U.S. Federal District Court for the District of Columbia
U.S. Patent & Trademark Office