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Centre of Excellence



# REQUIREMENTS THAT CAN SAVE YOU MONEY

## A LEGAL CHECKLIST





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Most businesses fall into one of three categories: brick-and-mortar businesses, online businesses, or service providers. As a business owner You will be required to meet different requirements in order to operate in your sector. There are some legal requirements that should not be ignored because they can cost your business a lot of money in the future.

You should aim to run your business the right way and doing it right legally iwill also protect your personal and business assets. Rember as a business owner you should ultimately, aim to save money and maintain your peace of mind.

This Legal Checklist for businesses is an important step forward for you and your business.

Let's get to work!

## Choose your business name

It important to pick a name that you can stick with and protect. Two objectives here:

- Make sure you are not infringing on someone else's protected name.
- Pick a name that is ripe for protection. The more distinctive, the better.

Trademark infringement can result in bankruptcy. Ensure your name is unique and not easily confused. Compare to names only in your industry/field.

Here's some things to research:

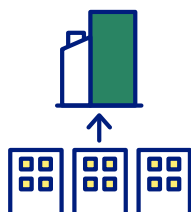
- Companies Office Directories
- Domain Name
- Hastags and social media handles



## Choose a business structure that protects your assets

The size of your business determines your exposure. If you are an individual enterprise, you should aim to safeguard yourself from losing money in the future. Your ultimate goal is to make sure that any debts or obligations are taken on by the business and not you personally.

If you fail to utilize business entities, businesses and individuals can get judgments against you as an individual (which means most of your assets are vulnerable). This can prevent you from being able to borrow money and even impact your credit.



## Get a business bank account

Do you know the golden rule of business?

### **KEEP BUSINESS & PERSONAL FUNDS & EXPENSES SEPARATE.**

It is vitally important that you are able to show that your personal and business accounts are entirely separate. As a business owner if you fail to separate your business and personal money, then this could potentially jeopardize your personal assets.



This is what is known as commingling and can also cost you your personal liability protection.

## Apply for business permits & licenses

This step may cost some money, but it will be totally worth it in the long run.

Identify these as soon as you are ready to launch your business! If you do business without a license and get caught, then your local government may have much larger fees and may be able to track back for a number of years to collect fees due.

The best move is to make sure that you are in compliance with your license departments so you will not have any issues.



## Prepare & Use Contracts

Protect yourself, get paid, and avoid disputes with clear, fair rules of the relationship.

You know your business and your deals better than anyone; take better control of those deals by learning what your contracts say. This can save you time and money.

Set clear expectations with your employees and contractors, and get an operating agreement with your business partners.

Avoid the cheap, impersonal, generic contracts. These need to be both attorney-drafted and designed for your industry.



## Determine the amount of insurance needed

Your company may need insurance to survive certain unexpected—but possible—challenges. Nobody likes buying insurance. It can be confusing and expensive, and you won't see any benefit unless you have a loss, accident, or claim.

But insurance can make or break your business. Without the right insurance, a theft or fire can cause devastating losses. A personal injury lawsuit can leave you struggling just to pay the legal fees.

Take the time to evaluate your needs, get quotes from at least two (2) agents, pick the policies you need and build them into your budget each year.

