



## **21 Ways To Poorly Manage Legal Risks in Your Growing Business**

1. Failure to Maintain Proper Minute Books/Corporate Records
2. Failure to Adopt a Shareholder Agreement
3. Failure to Manage Legal Risk in Key Foreign Jurisdictions
4. Failure to Protect IP “chain of title”
5. Failure to Ascertain 3<sup>rd</sup> Party Infringement Risk
6. Failure to Manage Employee Hiring and Termination Risks
7. Failure to Isolate Distinct Business Operations
8. Failure to Isolate Appreciating Non-Core Assets (e.g., IP, real estate)
9. Failure to Maintain Adequate Business and Personal Insurance
10. Ignore Existing/New Legislative Developments (e.g., consumer protection issues, etc.)
11. Ignore Commodity Tax Risk (e.g., RST)
12. Ignore Options to Reduce Customer Bad Debt Risk
13. Improper Use of Equity As Business Currency
14. Ignore Personal vs. Corporate Distinction (e.g., pre-incorporation contracts, etc.)
15. Failure to Allocate Risks in Customer Relationships
16. Failure to Regularly Consider Tax Issues
17. Failure to Prepare Properly for Contractual Negotiations (i.e., insufficient time devoted to identifying and addressing broader range of risks & benefits)
18. Failure to Consider Succession Planning Options
19. Failure to Fully Consider Accounting Issues
20. Insufficient Attention to Personal Risk as Directors or Guarantor
21. Improper Utilization/Coordination of Professional Services