# LEGAL TIPS: Red Flags for your Business

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## 1. WHAT TYPE OF COMPANY ARE YOU?

#### Non-Profit?

- MUTUAL BENEFIT
- PUBLIC BENEFIT

#### For Profit?

- Sole Proprietorship
- Limited Liability Company (LLC)
- S CORP : pass through taxation
- C CORP : double tax –corporation & shareholders
- Social Purpose Corporation

http://www.sos.wa.gov/corps/all-services.aspx

# 2. IS YOUR WEBSITE READY TO GO?

Privacy Policy: How information is stored, used, and shared

- Terms of Use: What users agree to when click on your site
- Disclaimers- What you don't do or promise
  - Legal
  - Medical

# 3. IP: HOW DO YOU PROTECT YOUR ASSETS?

- •Have you trademarked your company name? TM ®
- •Registered your domain?
- Copyrighted your materials? ©-works of authorship in any medium
- •Patented your invention?
- •WHO OWNS THE WORK YOU CREATED?

www.uspto.gov www.copyright.gov

# 4. HOW CAN YOU BEST ALLOCATE RISK?

Should you do the deal?

Do you need a written contract?

Example of contract clause to pay attention to: INDEMNIFICATION

- Limited
- Intermediate
- Full/broad

# 5. EMPLOYMENT LANDMINES

- Independent Contractor v Employee
  - Control and Independence (Manner & Means Work is to be Performed)
- Non-Competes
  - Narrow in scope, time & geography
- Non-Disclosures
  - That means your family, too!
- Discrimination: Age, Race, Color, Disability, Veteran, Sex,
   Gender Identity, National Origin

## **AGE DISCRIMINATION**

http://www.eeoc.gov/types/age.html



FEDERAL LAW – ADEA: (1967)
APPLIES TO EMPLOYERS OF 20 OR MORE
Protects those 40 & up:

- 1. NO AGE LIMITS in ads, apprenticeships
- 2. CAN FAVOR THOSE OVER 40
- 3. EMPLOYERS CAN ASK AGE
- 4. MUST provide same benefit COST per worker

# 6. RED FLAGS IN ADVERTISING

Advertising applies to social media

- Truth in advertising means more than truth
  - Transparency
  - Honesty
  - Disclaimers

http://karenkleinlaw.com/trending-law

# 7. SOCIAL MEDIA MARKETING

- Consumer & Expert Endorsements
  - Disclosures / Disclaimers
  - Adequate Substantiation
- Who is talking about your product or service?
  - Material Connection
  - What are they receiving?
  - When "Like" is more than "like"

## CONTESTS & SWEEPSTAKES

Know the difference

### Follow the rules

- Your Own Rules
- Platform rules:
   <a href="http://www.facebook.com/page/promotions-guidelines.php">http://www.facebook.com/page/promotions-guidelines.php</a>
- PRIZE + CHANCE + CONSIDERATION = LOTTERY (no-no)

# THANK YOU!

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