Legalese For Consultants

Welcome to running your own company!

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Corporation?

- Formation - A separate entity
- Corporate Veil
- Comingling of Funds
- Hires, fires and pays Taxes
- Fiduciary Duty of Corporate Officers
Contracts-U WRITE IT

• Terms & Conditions
• Scope of Services
• In writing for amount >$500
• Protect yourself: he say-she say!
• Change Order is a contract too..
Terms & Conditions

• Offer, acceptance for consideration-Bilateral
• Damages-Stipulated, Liquidated, Reliance
• Watch for Unconscionable terms
• Assignment

• Indemnification-Third Party or Govt. Enforcement
• Disclaimer for Consequential Damages
• Dispute Settlement-Mediation-Arbitration (Binding)- Jurisdiction (Choice of Law)
• Limitation of Liability
Scope of Services & Compensation

- **Scope** - As detailed as possible
  - No guarantees (Warranty)/Stnd of Care
  - Ownership-Use Limitation-Patent
  - Confidentiality/Non-Disclosure

- **Compensation**
  - Termination-midway
  - Terms-30 days 1%/mo for delay
  - Collection Fees
Subpoena

- Keep $4.50 for certified mail letter
- Project Complete-Destroy ALL docs (Ex: 3 months)
- Pay your legal fees in all instances for you to defend against any claims unless negligent (willful)
Report Writing

- Clear, concise, easy to read
- All sentences must HAVE one meaning
- Explain anomalies ANY
- Follow Best & Brightest scientific rule
- Ownership of Work Product (Ex: Patents)
Generally

- Dot your I’s and cross your T’s
- No open ended statements
- No unexplained issues
Non-Compete Agreements

- State Law
- Have a labor lawyer draft one
- Must have consideration
- Do it at hiring
GO GET A LAWYER

• They are professionals

• You are better off with one than without one!!