

1 **Happy Birthday!**

- A Checklist for New Business Owners

2 **Presenters**

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- Crime coverages can include:
 - Computer Fraud
 - Employee Dishonesty
 - Forgery & Alteration
 - Recognizing the red flags

3 **CHECKLIST FOR NEW BUSINESS OWNERS (Happy Birthday)**

- How you Form and How you Operate Makes a Difference as to Liability
- It's More than a Name and Some Letters
- It does Make a Difference

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- BUSINESS FORMS:
 - Sole Proprietor
 - Partnership
 - Corporation
 - Limited Liability Company

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- Its Just You (No Separation)
- Doing Business As (DBA)
- Registration/Regulation (Local)
- Liability

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- More Than One
- Managed By the Partners
- Partnership Agreement
- Partner's Responsible
- Registration/Regulation (Local and State)

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- Not You

- Separate and Distinct
- By Laws
- Owned By Shareholders
- Managed By Officers
- Registration/Regulation (State)

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- NOT YOU
- Separate and Distinct
- Operating Agreement
- Owned By Members
- Managed By Members or Managers
- Registration/Regulation (State)

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- Sole Proprietor
- Partnership
- Corporation
- Limited Liability Company

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- Sole Proprietor

- Partnership
- Corporation
- Limited Liability Company

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- EMPLOYEE
- vs.
- CONTRACTOR

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- 1. CIVIL LIABILITY
- 2. IRS
- 3. Workers Compensation

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- EMPLOYEE
- vs.
- CONTRACTOR

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- EMPLOYEE vs. CONTRACTOR
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- EMPLOYEE vs. CONTRACTOR
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- EMPLOYEE vs. CONTRACTOR

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- EMPLOYEE vs. CONTRACTOR
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- Business Forms

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22 **Health, Disability, Workers Compensation**

- Health Insurance Requirements
- Disability Coverage Options
- Workers' Compensation Issues

23 **Health Insurance Requirements**

- Large Business
 - If your business has the equivalent of 50 or more full-time employees you are required to provide minimum essential healthcare coverage for your employees or make a shared responsibility payment to the IRS.

24 **Health Insurance Requirements**

- Small Business – If your business has less than 50 full-time employees there is NO requirement to provide minimum essential healthcare coverage for your employees or make a shared responsibility payment to the IRS.

25 **Disability Insurance Options**

- Disability Insurance is a tool used to protect your income in the event you become ill or injured on the job.
- Why do I need Disability?
 - Often business owners will exclude themselves from WC coverage in order to save money on premiums.
 - If they are injured on the job there is no coverage for them.

- Disability provides that coverage.

26 **Workers' Compensation**

- Workers' compensation is a form of insurance providing wage replacement and medical benefits to employees injured in the course of employment.
- Workers' Compensation is mandated by each state based upon the number of employees and their employment status.

27 **Workers' Compensation**

- Workers' compensation is a mandatory coverage if you meet the requirements. Penalties for not carrying WC can be very steep.
 - Court mandated payments to injured employees
 - The State can prohibit you from employing anyone until you have WCI
 - The state can impose a \$1,000 per day penalty and jail for each day the employer does not have WCI

28 **Workers' Compensation**

- Workers' Compensation is typically expensive. You need an agent who understands how to save you money.
 - Individually classify employees for best premium reduction
 - Risk Management Advice to help minimize exposure to risk
 - Guidance on safety policies and plans to keep accidents down and improve EMR

29 **Are You Ready to be Sued?**

- Typically lawsuits will be levied against your General Liability coverages.
 - Determining appropriate aggregate and per occurrence limits
 - Products/Completed Operations coverages
 - Personal Injury Coverages
 - Commercial Auto Coverages
 - Commercial Umbrellas

30 **Social Media – Friend or Foe?**

- Commercial General Liability
 - Personal Injury

- Caused by an offense arising out of the business
 - Invasion of Privacy
 - Libel or Slander
 - Infringement of Copyright, Trademark, Slogan, or Logo
- Must not be committed knowingly
- Does not cover criminal acts

31 **Social Media – Friend or Foe?**

- 2/3 of Adult Americans use Social Media Sites
- In 2010 48% of all Americans had a Social Media Site and by 2015 that number increased to 73 %

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- Businesses Rush to be a Part of the Social Media Craze
- The Essential Rush to be a Part, comes with Pitfalls
- Push to Get Something Out Must be Resisted

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- Businesses' Social Media is not the same as individual social media, but Individual Social Media is the same as Business Social Media

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- What one does within their personal social media sphere, will effect what happens within their business sphere

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- Business should endeavor, at all times, to remain truthful and transparent about everything they post about their business or a client's business

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- If you wouldn't say something about a product or a service, whether good or bad, in front of the president of the company or their rivals then don't say it over social media

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- Social Media outlets are NOT an anonymous means of communications for a business.

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- Do you have a Social Media Policy?

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- The Same Restraints listed above have to be conveyed to employees and policies need to be in place to enforce these restraints.

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- Social Media Outlets have become an integral part of everyday life and a great source to promote one's business, company brand and reputation, but these same outlets can be caustic to a Company's business.

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- PITFALLS:
 - Slander
 - Business Defamation
 - Copyright Violations
 - Tortious Interference with a Business Relationship
 - Reputation

42 **Presenters**

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