



CONTRACTS/CORPORATE

JUPITER LAW CENTER represents many "Mom and Pop" businesses, from the inception of the business through incorporation and/or a Buy-Sell Agreement, through reviewing Contracts, preparing and reviewing Non-Compete Agreements or dealing with Employee issues which may arise to the winding up of the Corporate assets through a sale or merger.

Below are a few interesting facts about Corporations and Contracts:

- There is no such thing as a STANDARD CONTRACT.
- A CORPORATION may consist of only one (1) person.
- A Small Business CORPORATION may avoid paying double taxes (corporate and individual) by electing to be a Sub-Chapter "S" Corporation. You should always check with your Accountant to determine the most advantageous corporate structure for your business.
- Directors of a CORPORATION who willfully or negligently vote to declare dividends are liable to the Corporation for the amount paid improperly.
- A CORPORATION is a separate legal entity from its Shareholders - and may exercise many of the same rights and privileges as a person. The benefit of incorporating is that, with some exceptions, the Corporation serves to shield its Shareholder(s) from Personal Liability.
- Members of a PARTNERSHIP (unlike a Corporation) may be held personally responsible for acts or conduct committed while acting on behalf of the Partnership.
- A CORPORATION is liable for a tort (a Civil harm, such as Negligence, False Imprisonment, Assault, Battery or Defamation) that is committed by its agent.
- A PARTNERSHIP may bring an action against a Partner for breach of the Partnership Agreement or of a fiduciary duty.
- WORKERS' COMPENSATION Insurance provides compensation to an employee even though the employee was at fault or negligent.
- The STATUTE OF LIMITATIONS for enforcing a WRITTEN CONTRACT in Court requires that a party file a lawsuit within five (5) years from the date the Contract was entered or be forever barred from doing so.

- An EMPLOYMENT AGREEMENT must specify the duration of the employment.
- One cannot be imprisoned for DEBT because of the non-payment of a Contract obligation (except in cases in which fraud has been proven or where the party has been held in Contempt of Court).
- DISCRIMINATION based on Race, Gender, Religion or Physical Handicap is forbidden.
- A CORPORATION is required to retain an Attorney when pursuing or defending a lawsuit (except in Small Claims Court).