

THE TOP MISTAKES TO AVOID WHEN INCORPORATING

If you are an independent distributor, your business is being exposed to a number of risks and liabilities every day. The problem is that if you don't operate your business as a corporation, then all of those risks are yours, *personally*. Forming a corporation protects your personal assets – like your home, your savings and your investments - from liabilities your business may create, such as damages for injuries to other drivers not covered by insurance.

The only problem, apart from not incorporating at all is not doing it correctly. When that happens, you may lose the very benefits you sought to enjoy by incorporating your bread delivery business. The following are examples of the most common incorporation mistakes made to help you incorporate using the correct steps and protect your personal assets from business liabilities effectively.

Failure to carefully review any paperwork from your attorney to be sure it is 100% accurate.

Incorporating your business is a legal matter. That means you'll be asking your attorney to draft various legal documents for you. While it is rare, mistakes happen. Lawyers carry insurance to protect themselves from these kinds of mistakes. It is called "Errors and Omissions" coverage. They have it because they sometimes fail to notice they've made a mistake or didn't enter an important fact on a legal document they've prepared for you.

Point: Inaccurate legal paperwork can nullify the benefits you expect when incorporating your business.

Failure to use your proper "legal" name consistently.

Legal paperwork that is required to create a corporate business entity is a serious matter. In fact, it's so serious that if you are not referencing yourself consistently in the paperwork, you may find your corporation is not being accepted by your bank and possibly the Secretary of State's office.

Point: Use your full "legal" name on every document to avoid problems later.

Failure to work with a Corporation Coach

You may feel like these opportunities to do it wrong can be daunting. And you're correct, they are! Actually, getting any of these key opportunities wrong can be financially devastating to you and your family. If you really want to ensure you can create a corporation for your bread delivery business that is done correctly and generates all of the benefits you want, hire a firm or individual with the expertise and experience to help you do so correctly.

Point: If you want to incorporate your business correctly, hire an expert to help you.

DFS is ready and able to help you navigate the maze of incorporating your business easily and successfully.