

**YOU PROTECT YOUR CUSTOMERS, AND
YOU NEED TO PROTECT
YOURSELF!**

California Now Offers Low Cost Incorporation

If you have not incorporated your company, you have not taken the single most effective step you can take to reduce your risk of personal liability for operations of your company. A sole proprietor is **personally liable** for all debts and other liabilities of the company (like lawsuits!). This means that a creditor can go after your **personal assets** for business debts, including the equity in your home, your car and all other personal property you own. If you have a partnership, **both partners are personally liable for 100%** of the business liabilities, even if everything is divided 50/50 in your partnership agreement. This means that a creditor can go after **either or both partners** (and will, of course, go after the one with the most assets) for **the entire debt** owed and leave it to the two of you to fight out between yourselves.

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Excuses I Often Hear

"I'll get around to it—I just don't seem to have the time."

"I know it's something I have to do—I just don't have the money to spend right now."

"It's not that big a deal if I have a good insurance policy, is it?"

Advantages of a Corporation

Ask your broker—incorporating your business is as important as carrying adequate insurance coverage. Why depend on your insurance company, which may question your coverage? Or what if your coverage turns out to be inadequate to cover a major loss? In a corporation, a creditor can only go after the assets of the business, and your personal assets are shielded from liability. Incorporating also has tax advantages that, in my opinion, generally outweigh the costs. I would be pleased to discuss these matters with you in an initial consultation at no charge.

Incorporating your business is as important as carrying adequate insurance coverage.

California Offers Low Cost Incorporation

The State of California has been making great strides in the last few years to become more business-friendly. Fees for incorporating a business are as low now as they have ever been. For a simple incorporation, the State now charges only a \$100 filing fee, and the first two years of state taxes are **waived** by the Franchise Tax Board! For this low a price, you cannot afford **not** to incorporate!

Discounted Rate to Association Members

I offer a special, discounted rate to members of the Southern California Security Association for all legal work, including alarm contract review and drafting; buying or selling accounts or your business; or general business advice. If you would like a no charge initial consultation on any legal matter, including protecting your personal assets by incorporating your business, please call me at my office at (310) 645-8824.



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