



Why Operation Agreements Are a Must For Business Owners

As with so many things in life, some of the same qualities that help small businesses succeed can also lead to their demise. Fortunately, much of that risk can be lessened through operational excellence.

For example, the owners and managers of small businesses often know each other before they go into business together. Sometimes, they're even related. Preexisting relationships can help propel small businesses forward, especially when there are high levels of trust and competence.

Unfortunately, however, familiarity is sometimes accompanied by a lax attitude toward operational formalities. Owners and managers may skimp in critical areas such as:

- Governing documents such as articles of incorporation, partnership agreements, and bylaws;
- Solid or regular auditing and accounting practices; and
- Shareholder meetings and minutes.

In worst-case scenarios, business and personal funds are commingled or used for improper purposes.

The good news is that if you are just starting out, it is easy to avoid all of these issues and the accompanying potential for lawsuits and tax problems. As your Family Business Lawyer®, we can provide trusted advice and help position a small business in the most favorable circumstances for that unique business.

Here are some examples of the services a trusted legal advisor can provide:

- Assistance in identifying recordkeeping products and in establishing high quality recordkeeping practices;
- Helping owners understand the potential consequences of a lack of proper documentation;
- Ensuring that clients know the deadlines for business and tax filings; and
- Explaining the importance of keeping personal and business finances separate.

Perhaps most importantly, a skilled business lawyer can help you structure your operational strategies properly. This can be invaluable in helping your business avoid pitfalls and liabilities along the path toward success. We like to begin with getting to know your whole business, not



SAEED & LITTLE
ATTORNEYS AT LAW

just the legal side; but also truly understanding your revenue model, how it serves your life, your team, and your clients. Then, we can advise you on the best strategies for a business that meets not just your business objectives but serves your life as well.

Schedule your LIFT Strategy Session with us today to get started!

This article is a service of Saeed & Little, LLP. We offer a complete spectrum of legal services for businesses and can help you structure your operations for success.

#189-133 West Market Street, Indianapolis, IN 46204

Phone: 317.721.9214 • Fax: 888.422.3151

www.saeedandlittle.com

Attorneys licensed in Arizona, California, Colorado, Illinois, Indiana, New York and Ontario, Canada