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Meet Nancy Gray



In a diverse legal career that has spanned over three decades, attorney Nancy Gray has represented hundreds of clients in a variety of civil matters, including labor and employment (management/employee); sexual harassment, discrimination, wrongful termination; commercial, contract and business issues.

Among other highlights, Ms. Gray served as Assistant District Attorney in New York, spent seven years with a national law firm working on complex pharmaceutical and

3 Way-Too-Common Corporate Law Mistakes That Startups Make



Whether you are developing a side business or simply investigating your entrepreneurial options, avoid these all too common corporate law mistakes.

Mistake #1: Creating fuzzy, ad hoc deals with your partners or co-founders.

In the glorious, hectic early days of startup life, the people on the founding team often wear many hats. The enterprise feels very "guerilla like" -- much like a ragtag rebel force banding together to fight a much larger army. Unfortunately, this attitude fosters a lack

medical device cases, and successfully litigated and coordinated cases around the country. She has a unique expertise in matters pertaining to the adulteration of extra virgin olive oil.

Ms. Gray has also lectured and written on a variety of topics, including expert testimony, drug and medical device regulation, sexual harassment, employment practices and child performer issues.

In 1997, she started her own firm, based in Los Angeles.

Having been raised in New York City, Nancy enjoys dramatic, musical and comedy theater as well as pro sports. She is a PADI-certified scuba diver. Among her favorite reading material is Bon Appetit and anything pertaining to criminal behavior and behavioral profiling.

of clarity about who owns what, who does what, and who is responsible for what. Unless these questions are answered and set forth in writing, awful situations can arise. To protect not only the company but also your close relationships, get extremely clear about everyone's roles and sign fair deals. Think about it this way: if you were a billionaire on the verge of getting married to someone you just met, would you craft a careful prenuptial agreement? Odds are, you definitely would. Your business one day could be worth billions, so protect yourself upfront, similarly.

Mistake #2: Choosing the wrong type of corporate entity.

Should you be an LLC? An S Corp? A C Corp? A Limited Liability Partnership? An LLC that gets taxed like an S Corp? Your choice of corporate structure can have massive ramifications, not only for your business taxes but also for how you govern and grow the company.

Mistake #3: Choosing contracts carelessly or patching them together on ad hoc basis. Contracts are like business processes: the more standard they are, the better.

You want to avoid a situation where you reinvent the wheel every time you bring a new employee onboard or take on a new client. Hammer out a fair, readable, precise standard set of contracts for your key business purposes.

For help with your business or corporate law needs, [call Attorney Nancy Gray and her team for a free consultation.](#)

■ Another Major Corporate Law Mistake [That Could Get You in Trouble]

1. Identify what state's law will govern the work arrangement or contract.

As a start-up owner, you may be tempted to issue stock to friends, family members and angel investors. However, both California and federal security laws will apply to these transactions. Founders and investors must file forms, adhere to disclosure rules and engage in other required practices. Ignore or flout these rules, and you could face penalties. For



instance, your company may be forced to rebuy all shares issued at their original prices, even if your company's value has taken a nosedive, and you have lost a substantial amount of money.

The moral is this: understand the securities rules that might apply, and follow them carefully to avoid distracting financial fallout.

About Gray & Associates P.C.

Attorney Nancy Gray of Gray & Associates, P.C. has more than 30 years of experience providing personalized attention and creative solutions to her clients' legal issues. Whether you need a strong litigator, a labor and employment advocate, or a savvy business law attorney, you can rely on Gray & Associates to provide you with excellent legal representation. Click [here](#) to read more.

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