

When to Call Your Business Attorney

A practical guide for small business owners — Ament Law Group, P.C.

Most business owners wait too long to call their attorney. By then, the options are limited and the cost is high. Here is when a quick call or consultation can prevent a much bigger problem.

Before You Sign Before You Sign Anything Significant

- **Any contract worth more than a few hundred dollars**

Contracts are almost always written to favor the party that drafted them. A quick review catches terms you did not notice.

- **A commercial lease**

Personal guarantee clauses, assignment restrictions, and build-out responsibilities can cost you for years. Review before you sign.

- **A purchase or sale agreement for a business or real estate**

These are among the most consequential contracts you will ever sign. The other party's attorney drafted it.

- **Any agreement that includes a non-compete, non-solicitation, or NDA**

PA courts will not enforce overly broad restrictions — but you could still spend money defending against one.

- **A settlement agreement or release**

Signing a release can permanently waive rights you did not know you had.

Business Relationships When Starting, Changing, or Ending a Business Relationship

- **Forming a new business with a co-founder or partner**

The time to negotiate what happens if things go wrong is before you start, not after.

- **Adding or removing an owner or partner**

Improperly done, this creates tax problems and potential personal liability.

- **Hiring your first employee**

Employee misclassification, wage and hour compliance, and written offer letters all need to be right from the start.

- **Bringing on a key contractor, vendor, or licensee**

IP ownership and confidentiality should be documented before work begins.

- **Selling the business or buying another one**

Business acquisitions involve significant due diligence, representations and warranties, and post-closing risk.

- **Dissolving or winding down the business**

Improper dissolution leaves you personally exposed to future claims. Do it right.

When Things Go Wrong When Something Goes Wrong

- **You receive a demand letter or threat of a lawsuit**
Do not respond without counsel. What you say in response can be used against you.
- **A customer, employee, or contractor threatens to sue**
Early intervention almost always results in a better outcome than waiting.
- **You receive any notice from the IRS, PA DOR, or PA Department of Labor**
These agencies move quickly. Deadlines are short and the penalties for inaction are severe.
- **An employee complains about discrimination, harassment, or wage theft**
How you respond in the first 24-48 hours often determines the outcome.
- **A business partner wants to leave, buy you out, or disputes ownership or authority**
Partner disputes escalate quickly without legal guidance. Act early.
- **Your business is the subject of a government inspection or audit**
You have the right to counsel. Exercise it.

Annual Review Proactive Planning — At Least Once a Year

- **Annual business legal checkup**
Review entity status, contracts, employment practices, IP, and insurance — before problems arise.
- **After any major life event: marriage, divorce, new child, death of a co-owner**
Personal life changes affect business ownership, succession plans, and buy-sell agreements.
- **When your business grows significantly — new locations, new employees, new revenue**
The legal structure that worked at \$200k may not be right at \$2M.
- **When you start thinking about exit or succession**
The earlier the planning starts, the more options are available and the lower the tax burden.
- **When you are making a significant capital investment or taking on debt**
Review the personal guarantee terms. Understand what you are actually signing.

A good business attorney is not someone you call when you are in trouble. They are someone you call before you get there.

Ament Law Group offers free initial consultations for business matters. If you are not sure whether something warrants a call, call anyway — we will tell you honestly. **Call (724) 733-3500 or visit ament.law.**