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A Guide to
SETTING UP
KEY AGREEMENTS
IN YOUR BUSINESS



Good quality key agreements are important as they **set the relationship** between you and each of the key stakeholders in your business (staff, contractors, suppliers, clients, business partners). With good key agreements, everybody knows what to expect, and the likelihood of future arguments is reduced.



Ideally, a business should have the

FOLLOWING AGREEMENTS

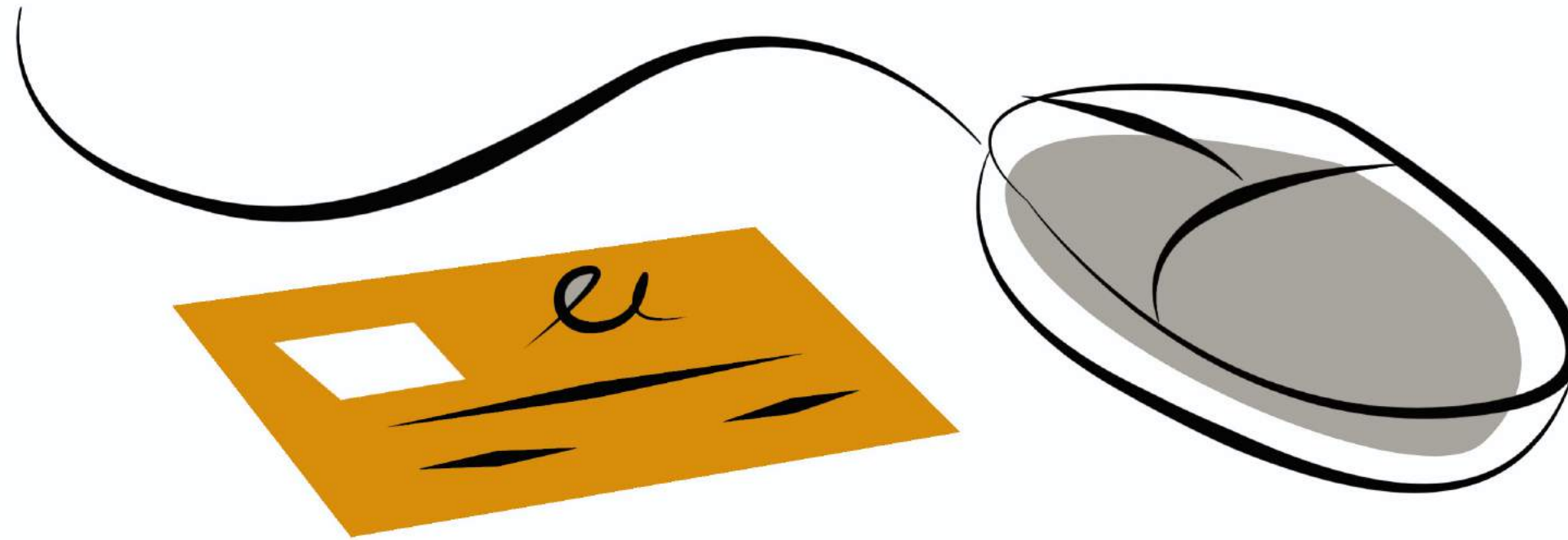


Agreement with end customers

1. **Agreement with end customers**
 - What is protecting you? How have you set up your relationship with you and your clients or end customers?



For online businesses, it is important to have **client-facing agreements** on your website in the form of terms and conditions, privacy statement and disclaimers.



In **terms and conditions**, be sure to cover:

- Intellectual property ownership
- Rights or protections against the way people are using your website
- If people are buying from you, terms to protect you and them so that each of you know what to expect out of that relationship



Privacy is a really important thing to cover. In different countries it can mean different things to different businesses. So make sure your privacy policy is appropriate to your business and don't just copy and paste someone else's statement.



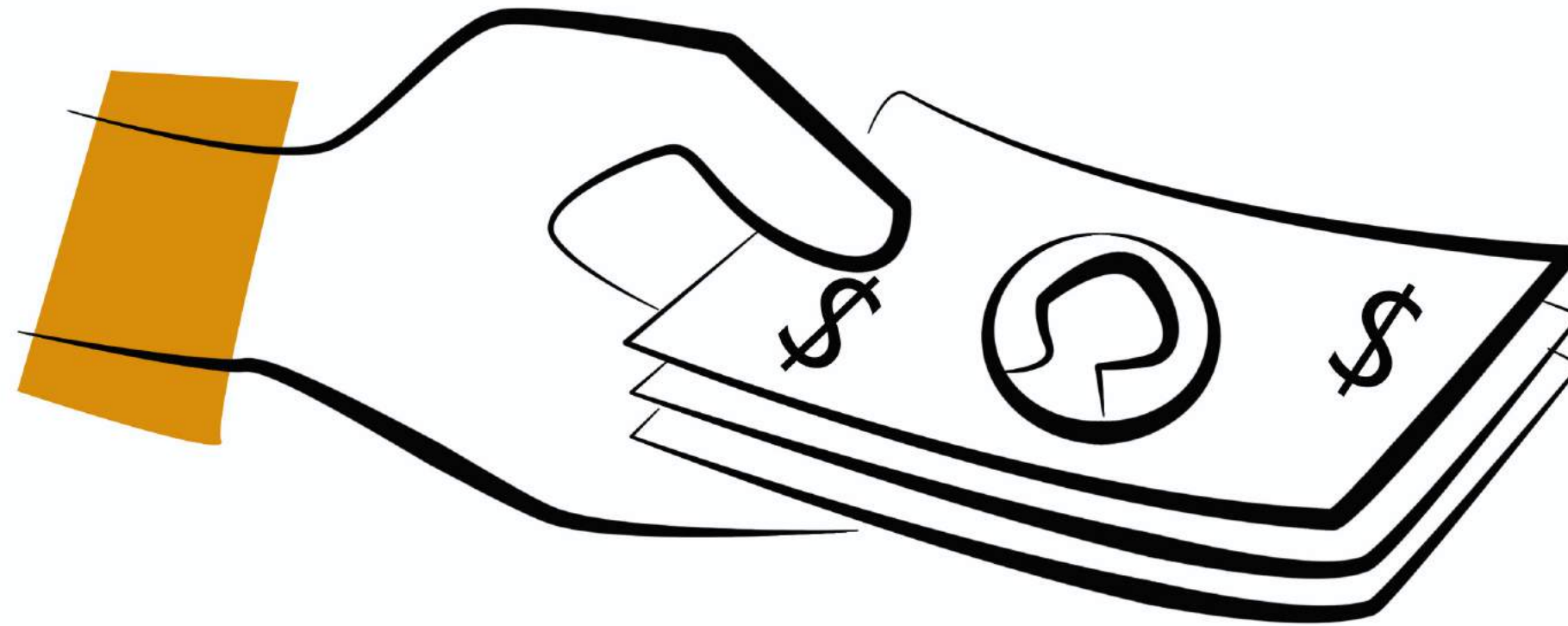
Agreement with staff members

2. **Agreement with staff members** (whether employees, contractors, or a mix of both)

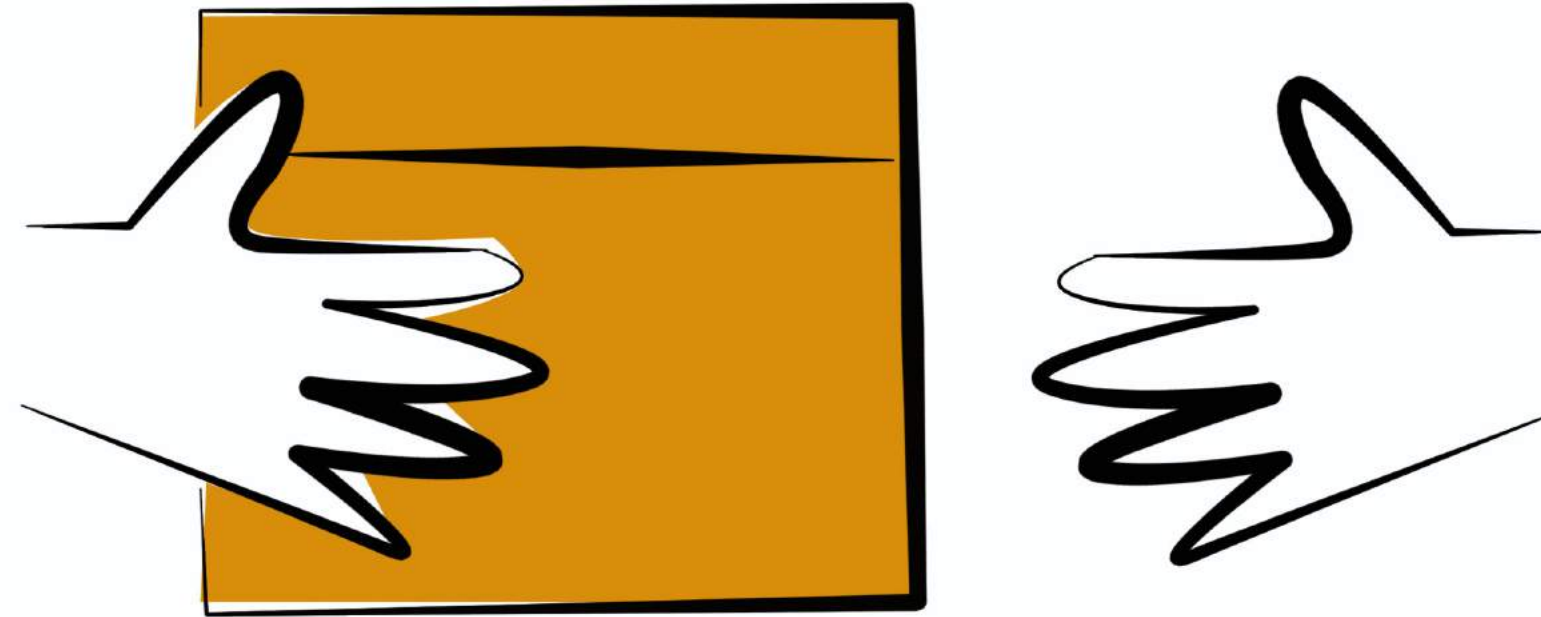
- How do you interact and set up your relationship internally in relation to those types of systems that drive the business through your people?

Staff agreements are necessary for a **NUMBER OF REASONS**

- **For insurance.** Especially if you're doing anything involving development like websites, your insurance company would like to know that you're covered from risk with your end customer should a staff member do something bad. You also might want to be able to retrieve or remedy from the staff member who's wronged you.



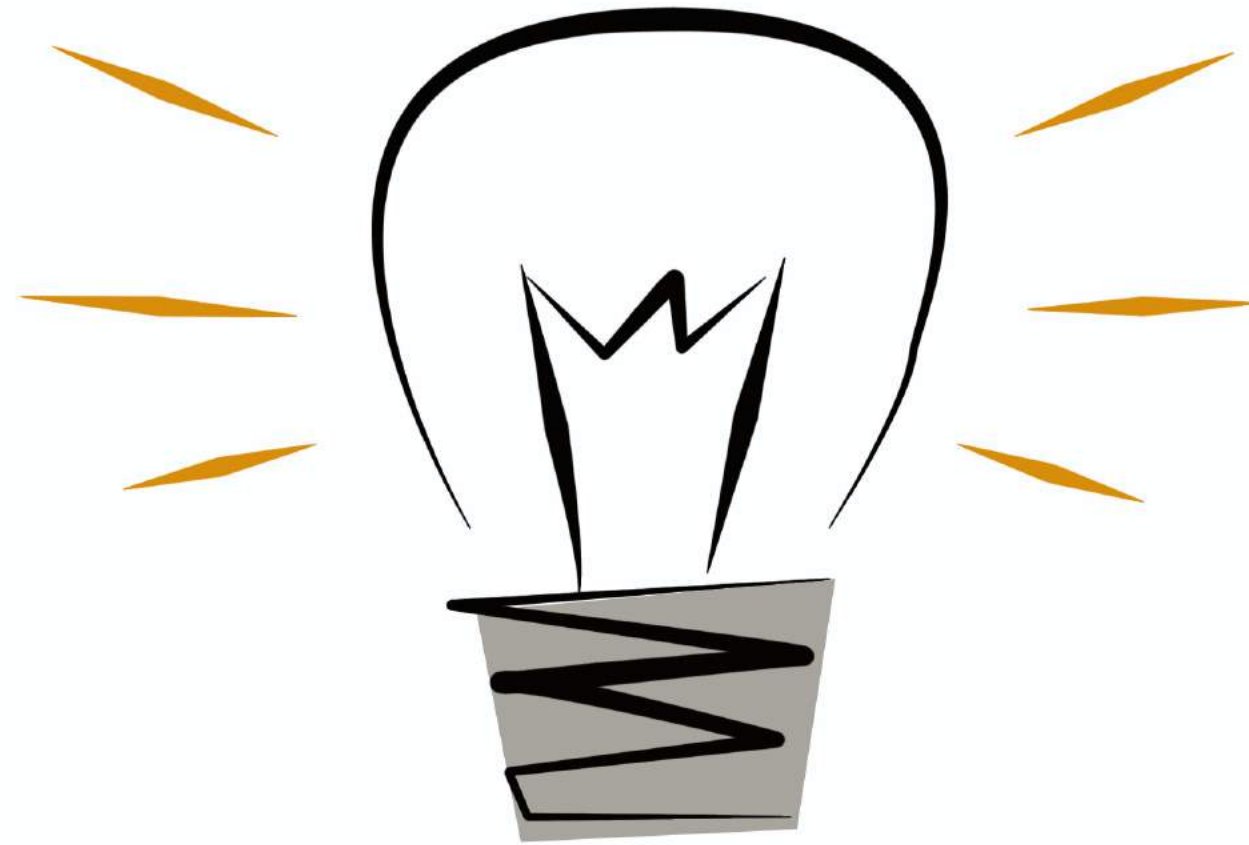
- **For the good of your staff.** Your staff member will know what their actual job is and how much they'll be paid; it can also be an employment document to help them get home loans, etc.



Supplier agreements

3. **Supplier agreements**

- How have you protected yourself in relation to the money that your business is spending?
- Are your suppliers allowed to supply a direct competitor?
- If they don't supply what you've ordered, what happens then?



- In the case of **service suppliers**, is it clear what you will be receiving?
- Who owns the **intellectual property** that comes out of your relationship?

Business partner agreements

4. Business partner agreements

- What agreements do you have with any partners either inside your business or external to your business (external being referral relationships or other types of business partner interaction types of agreements)? If you have internal partners, how have you set out the agreement internally in relation to how decision making and profit and other economic factors work within the business?

Helping a partnership agreement

Setting up agreements well in a partnership can prevent arguments later on down the track. Among the things you want to address are:

- How are you going to **make decisions**?
- What are the **expectations** you each have of each other?
- What are the **review periods** you're going to build into your agreement?
- What are you going to do at those review periods if things **aren't going the way you want**?



Additional: Agreements in affiliate marketing

If you do **affiliate marketing**, have a **disclaimer** on your website stating upfront that you receive commissions and benefits such as free products, and that your site is in that way definitely biased. Transparency serves as a guard against allegations of misleading and deceptive conduct.



How do you relate to affiliates?

If you have affiliates, be clear with your terms and conditions. Let them know what you will and will not allow in their promotion of your business and products.

Learn how to grow your business. Be a SuperFastBusiness member.

APPLY NOW!

CLICK
HERE 



Good Questions to Ask
**WHEN FORMING A
BUSINESS WITH OTHERS**

Supplied by
Joanna Oakey




Launching a business with another party (or parties) can provide many benefits in the form of shared energy and input - both financial and physical. But it can also create a vast array of problems if you head into this path without fully considering the legal implications.

So before venturing off into this space, take the time to think through some of the major issues.

1. Have you protected yourself personally?

ASPECT TIP:

Choose a business structure that will protect you, and be vigilant about ensuring that you don't sign documents that might pierce that protection.



2. How will decisions be made? Will all decisions be made jointly? Will some decisions be made by one person holding a majority ownership? Will some decisions be made by each person individually commensurate with the part of the business that they deal in – and if so, how will you work out where the line of decision making sits?

ASPECT TIP:

Bear in mind that decision making in a company can hold a lot of power, both in forcing the business to do various things, or blocking the business from doing various things – so it is important that you consider this carefully.

3. How will disputes be managed?

4. Are you and your business partners going to be required to work in the business? What are the expectations of what you will each contribute?

ASPECT TIP:

This needs to be very clear, as it is one of the most often causes of business partner dispute.

5. If things don't work out as expected, how will you, or the other business partners, be able to exit?

ASPECT TIP:

You need to be clear about the process and the mechanics.

6. Can the business partners be involved in similar or competing businesses? Consider whether there should be restraints that apply during the term of the arrangement, and after it ends.

ASPECT TIP:

Be very careful with these sorts of clauses, and make sure you understand the implications, and have had advice about whether they are appropriate in your situation.

7. Finally, but I would say, most importantly: how often will you come back to review how the arrangement is working?

ASPECT TIP:

2 of the biggest drivers of business partnership success are ensuring you have strong lines of communication, and ensuring there is clarity in each of your mutual expectations of each other. Building in review periods are crucial in giving you the impetus to take time to step back, assess where you are – and to re-align where you are headed.

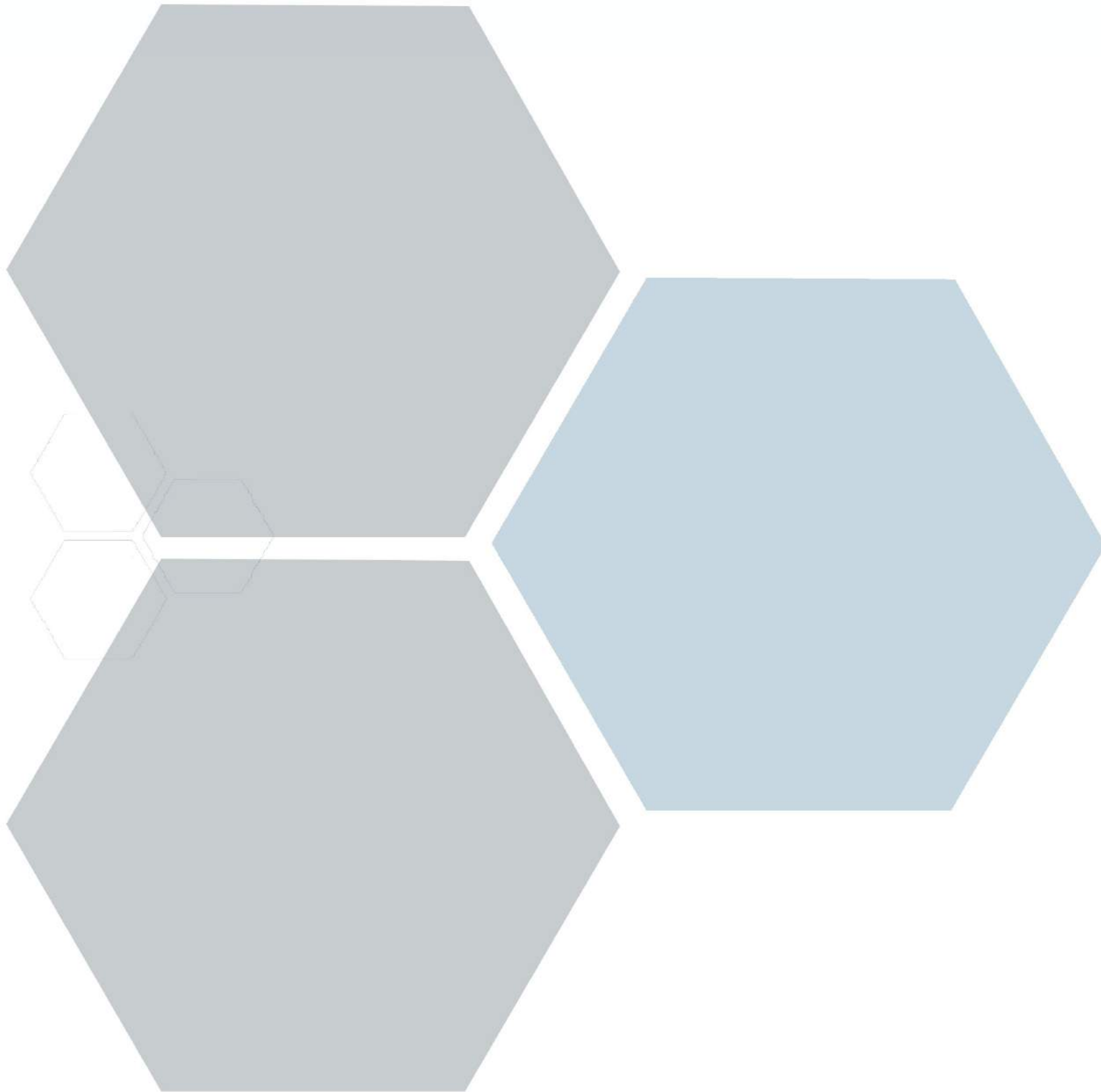
These are just some of the questions to be asking, there are many more details you will need to finalise before you launch into business together. Putting in effort right at the beginning to develop a framework in these areas will pay off in the long run in helping to avoid disputes.

If you would like assistance with this process, we would love to help!

Just book in a time to speak to one of our lawyers about how we can assist.



GOOD QUESTIONS TO ASK WHEN FORMING A BUSINESS WITH OTHERS



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