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Mark R. Figueiredo, Esq.

Selecting a business entity is one of the most important decisions an entrepreneur faces. There are two primary types of corporations, each with its own benefits.

Your options are to form a C-Corporation or an S-Corporation. Though these two types of corporations are quite similar, there are a few key differences that can determine which one is right for your business. The following are a few ways that a C-Corp and S-Corp are alike:

- Both types are owned by shareholders, who have protections from liability for business debts and most business-related legal matters.
- Both are structured the same way: the shareholders/owners elect a board of directors that oversees major issues. The board of directors then elects officers, who handle the day-to-day operations of the business.
- Both must comply with state law regarding document filings, fees, bylaws

and more.

The following are a few ways S-corps and C-corps are different:

- The most important difference between them is the way that they are taxed. In both cases, shareholders pay taxes on dividends of any distributions of profits. A C-Corp, however, may also be taxed on the corporate level, which means it may be subject to double taxation. On the other hand, the taxes for an S Corp all pass-through to the shareholders, so there is only single taxation.

- Though the single taxation of an S Corp likely sounds preferable, the entity is not an option for every business. Another difference between the two is that, while a C-Corp can be quite large and have numerous shareholders, an S Corp may only have a maximum of 100 shareholders. Therefore, the size of your business may play a significant role in the type of corporate entity you choose.

In order to ensure you choose the best business entity for your purposes, you should always conduct careful research and consult with an attorney regarding your options.



Success Story

SLG's client was owed a substantial amount of money by a foreign customer. When the customer would not respond to the client's repeated requests for payment, SLG commenced a federal lawsuit and served the customer in its home country. When the customer tried to stall, SLG's attorneys took aggressive action and convinced the judge to grant significant pre-judgment relief, including an order effectively freezing the customer's assets, including its receivables. The customer then agreed to make payment pursuant to a favorable settlement agreement and SLG's client was very happy with the outcome.

8 Ways To Make Your Office a Fun Place to Work

1. Communal Lunches— Going out to lunch with co-workers will encourage and foster friendships. You can find anything and everything on a menu in the Bay Area. Yes, that even includes deep fried crickets and other very interesting dishes.
2. Decorate for Birthdays— Balloons and a simple card can make everyone feel appreciated on their special day. Singing Happy Birthday can also be a fun way to learn who in the office is tone deaf.
3. Pranks— Pranks can be fun if you make sure that they are office appropriate. April Fool's Day is a holiday at Structure Law Group. This year one of our attorneys came in to his door closed and knew he should question why! Surprise! There were over 100 balloons in his office which made for an obstacle to get to his desk.
4. Good Snack Stash— The kitchen is the place to be. You can even keep healthy options alongside those tasty chips and cookies.
5. Happy Hours— Bonding activities such as happy hours can help build great office camaraderie.
6. Summer Party— At least once a year, gather the employees and their families for the afternoon and have a nice day.
7. Surprise your employees— It is very easy to say thank you. However, you can find other ways to do it as well. It may be a masseuse coming to the office or attending a sports event together.
8. Office Dog— Ok, the jury is still out on this one.



HR Mistakes When Filling Out an I-9

An I-9 form must be filled out and kept on file for each employee. For many employers this form may appear to be a simple one-page document involved in the hiring process. So why are we hearing about so many fines being incurred by Immigrations and Customs Enforcement ("ICE")? This one page form comes with a manual that is 70 pages long to lay out the rules and regulations to stay compliant with ICE. Fines can be upwards of hundreds of thousands of dollars for simple human errors that can easily be avoided. While we cannot discuss each regulation in this article, we will provide you with a few tips:

- The Employee MUST fill out Section 1 on the first day of work.
- The Employer MUST have section 2 filled out and signed within 3 days of the employee's first day of work.

- Ensure that all boxes are filled out and all dates and signatures have been obtained.
- Make sure you are using the most recent version of the I-9 form posted on the USCIS website.
- The English version of the form must be used in the United States. The Spanish version may ONLY be used in Puerto Rico. If the employee cannot read the English version, a translator may assist and then sign and date where indicated.
- You may not tell the employee what forms of identification to bring in. You can simply provide them with the list and they can bring in either 2 items from Column A; or one option from Column A and one from Column B.
- If a correction needs to be made, draw a line through the incorrect information, enter the correct information, and initial and date the correction.

You can find more information at the U.S. Citizenship and Immigration Services Website.

Congratulations to Mark Figueiredo and Summer Ludwick For Being Published in Super Lawyers Magazine 2014 Edition



Structure Law Group, LLP is pleased to announce that both Mark Figueiredo and Summer Ludwick have been recognized by Northern California Super Lawyers Magazine, 2014.

Mark Figueiredo has been selected as a Super Lawyer. This marks the third year that he has received this recognition. Only 5% of the lawyers in Northern California are selected as Super Lawyers each year.

Summer Ludwick has been designated as a Rising Star for her work in the area of Real Estate. This is the second consecutive year that Ms. Ludwick has earned this rare distinction. Rising Stars recognizes the top, up-and-coming attorneys—a



distinction limited to only 2.5% of attorneys practicing in Northern California.

Super Lawyers is a peer-review rating service of top attorneys in more than 70 practice areas who have attained a high degree of peer recognition and professional achievement. The rigorous multi-phased selection process includes independent research, peer nominations, disciplinary check, and peer evaluations. The result is a credible and comprehensive listing of exceptional attorneys. Super Lawyers Magazines are published nationwide.



What's That I Hear?

If you think you heard a familiar voice on the radio, you in fact may have. SLG's Mark Figueiredo was featured on several episodes of The Start Up Show on KLIV 1590. If you have not had the pleasure of hearing Mark's dazzling analysis of legal topics relevant to start-ups, just contact our office for an audio file.



Employment Corner

If an employer requires its employees to wear uniforms, can they deduct the cost of the uniforms from the employees' paychecks? Under federal law, yes, **but California law prohibits the employer** from doing so. Under federal law, the payroll deductions, whether for the uniform cost, cleaning or both, cannot reduce an employee's wages below the minimum wage. Similarly, the deductions cannot reduce the amount of overtime pay due to employees in any workweek. California Labor Code Section 2802 states if an employer requires an employee to wear a uniform that the employer must pay the cost of that uniform. The term "uniform" includes apparel and accessories of distinctive design and color. For instance, simple black pants and a white shirt is not considered a "uniform," however a work logoed shirt would be classified as a uniform.



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Dates To Remember

- November 15 Clean Your Refrigerator Day
- November 27 Thanksgiving
- November 28 Black Friday
- December 7 Pearl Harbor Remembrance Day
- December 24 Christmas Eve
- December 25 Christmas Day
- December 26 Boxing Day
- December 31 New Years Eve



Did You Know?

- October is National Pizza Month in the United States.
- A third of all U.S divorce filings in 2011 contained the word "Facebook."
- The "I'm feeling lucky" button costs Google an average of \$110 million every year.
- Contrary to popular belief, antibiotics are only effective against bacteria, they won't help in fighting off a virus.
- The 31-ounce "trenta" size cup at Starbucks is larger than the average capacity of a human stomach.



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We appreciate your referrals!

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