

Top Ten Legal Mistakes of Technology Start-up Companies

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- 1 Failure of the founders to provide enough initial capital.
- 2 Failure to obtain good title to intellectual property.
- 3 Granting large blocks of vested stock to founders and others in exchange for services.
- 4 Issuing stock and options without complying with federal and state securities laws.
- 5 Failure to document share and option grants.
- 6 Selling stock to the wrong investors.
- 7 Hiring numerous employees from a competitor.
- 8 Hiring the wrong people.
- 9 Paying wages with shares of stock.
- 10 Not completing the incorporation.