

# Add One Line in Employment Contracts to Reduce Exposure to Misclassification Liability

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Contract**

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*Image by NY  
Photographic*

An employee misclassification lawsuit can be difficult to dismiss early because plaintiffs are afforded great latitude in crafting factual disputes that can only be resolved at trial, points out a post in the **Labor Days blog** for Kelley Drye.

Special counsel Michael D. Yim offers a suggestion: one simple sentence in employment contracts, handbooks and policies for salaried employees that would likely reduce exposure by approximately two-thirds in FLSA cases.

He presents the wording of the sentence and then illustrates the financial impact and disparity of the two calculation methods – first without the “magic words” in the agreement and then with the “magic words.”

**Read the article.**

