

THE LAW OFFICE OF ROBERT H. PAINE, PLLC

**CORPORATE MAINTENANCE
PROGRAM**

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INTRODUCTION

The Law Office of Robert H. Paine, PLLC, is proud to announce the launch of its corporate maintenance program. The program is designed to assist corporations in their efforts to comply with various legal and administrative requirements imposed by the Mississippi Business Corporations Act.

One of the first decisions a business owner must make is to select the type of legal entity through which to operate. Many business owners choose to incorporate and operate as either a C corporation or an S corporation. One of the primary motivations to operate as a corporation is to protect the personal assets of the owners from the debts and liabilities of the corporation.

The Mississippi Business Corporations Act imposes legal and administrative requirements on corporations that operate in the state. These requirements include but are not limited to: maintaining a registered agent for service of process, preparing and filing annual reports with the Secretary of State's office, conducting annual shareholder and director meetings and mailing proper notice thereof, recording minutes of annual meetings, and maintaining various corporate records and evidence of stock issued. The requirements imposed by the Mississippi Business Corporations Act are typically referred to as "corporate maintenance."

Without proper corporate maintenance, the liability protection afforded by incorporating your business may be lost. Mississippi courts recognize the principle of "piercing the corporate veil." If a corporation does not perform proper corporate maintenance, a court could disregard the corporate structure ("pierce the corporate veil") and a creditor might be able to attack the personal assets of the corporation's owners. Where the corporate structure is not properly maintained, the principle of "piercing the corporate veil" allows a creditor to bring a claim directly against the personal assets of the shareholders, directors and officers of a corporation. Furthermore, the failure to maintain the corporate structure may result in fines and the suspension of the corporate rights of a company.

CORPORATE MAINTENANCE PROGRAM

Our corporate maintenance program is designed to assist your corporation in its efforts to comply with various legal and administrative requirements imposed by the Mississippi Business Corporations Act. As part of our corporate maintenance program, we:

- ✓ Review all corporate records to determine if the corporation is properly formed and duly organized
- ✓ Prepare and file annual reports with the Secretary of State
- ✓ Prepare notice of annual shareholder and director meetings
- ✓ Prepare minutes of annual meetings
- ✓ Keep you informed of significant changes in the law relating to corporations in Mississippi
- ✓ Serve as the corporation's registered agent
- ✓ Maintain custody of your corporate records and books

OTHER CORPORATE & BUSINESS SERVICES

Our office provides additional services to corporations on an hourly fee or fixed fee basis. If a review of corporate records reveals that a corporation is not properly formed and duly organized, our office provides solutions to remedy these defects, including the preparation of bylaws and minutes of organizational meetings. Other services include but are not limited to:

- ✓ Corporate resolutions relating to business loans, property leases, and investment of corporate funds
- ✓ Contract formation and disputes
- ✓ Shareholder agreements
- ✓ Trademarks
- ✓ Reorganization of corporations and other business entities in order to take advantage of the most efficient tax structures
- ✓ Employment agreements
- ✓ Qualification to conduct business in other states
- ✓ Estate planning for business owners

CONCLUSION

Maintaining the formalities of a corporation is necessary to protect business owners from personal liability. Proper corporate maintenance is essential to ensure that the corporate structure is respected by both the courts and by creditors of the corporation. If you would like to discuss how our corporate maintenance program may be able to assist your business, please contact us by telephone at 662-236-9901 or by e-mail at robert@painelawoffice.com. For more information about The Law Office of Robert H. Paine, PLLC, please visit www.painelawoffice.com.