

Keeping your company in compliance with "The Man"

By [Melissa Dewey Brumback](#)

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As the year draws rapidly to a close, take some time to make sure that your company is in compliance with "the man." Whether your business is a Co., an Inc., an L.L.C., a P.A., or a P.L.L.C., you need to make sure that your business follows all applicable corporate formalities. These include holding annual meetings, updating corporate minutes, and [filing annual reports](#). You need to ensure that your business is meeting all corporate formalities not just in the state where it is incorporated, but also any other state in which the company is doing business. Of course, it goes without saying that you need to also maintain proper professional licensing in each state in which you conduct business.



Even Generals have to keep up with paperwork

In addition to following governmental mandates, you should ensure that you are, in practice, keeping company money separate from personal finances and otherwise show that the corporation is more than "the mere instrumentality" of you as an individual. If you fail to do so, you may be sued individually based on a "piercing the corporate veil" theory. [There are many factors courts look at to make this determination, which include the domination/control of the corporate entity, inadequate capitalization, siphoning or commingling of funds with the dominant shareholder, and the absence of corporate records, among others].

As we discussed with the [insurance check-up](#), you should also consider a yearly corporate check-up with your attorney to keep your corporation intact and your personal assets protected. If you would like to discuss having such a corporate check-up, [give me a ring](#).

Melissa Dewey Brumback is a Raleigh, NC attorney who focuses on construction law. She blogs on construction law at www.constructionlawNC.com. Her twitter handle is @MelissaBrumback.

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