

The owner of a vehicle should have a tune-up performed on his or her vehicle on an annual basis to ensure that it continues to perform well. Similarly, the owner of a Pennsylvania corporation must attend to the corporate records of such entity on no less frequent than an annual basis to assure himself or herself the limited liability protection normally afforded to shareholders.

One of the principal reasons that individuals operate their businesses under a corporation is to shield their personal assets from exposure to liability resulting from such businesses. However, if a business owner fails to comply with certain corporate formalities, such as re-electing the officers and directors of the corporation on an annual basis, the business owner's personal assets may be exposed to liability arising out of the business under a "piercing the corporate veil" argument.

The professionals in our Business & Finance Department regularly assist shareholders with a "tune-up" of the corporate records of their corporation. Shareholders who are interested in learning more about these services should contact Paul T. Rushton, the Chair of our Firm's Business & Finance Department (prushton@rjglaw.com).