

As business owners deliberate on the New Year's resolutions that they will make for 2024, they should strongly consider a resolution aimed at better compliance with corporate formalities in the New Year. One of the principal reasons that business owners operate their businesses under a limited liability entity, such as a corporation or an LLC, 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, the business owner's personal assets may be exposed to liability arising out of his or her business under a "piercing the corporate veil" argument. To protect against this exposure, business owners should resolve to more strictly comply with such corporate formalities starting in 2024.

The lawyers in RJG's Business & Finance Department assist business owners in identifying the steps that should be taken to comply with such requirements and then take the requisite actions to satisfy such obligations. Business owners who are interested in learning more about these issues should contact Paul T. Rushton, the Chair of our Business & Finance Department. Paul can be reached by phone at 570-826-5623 or via e-mail at prushton@rjglaw.com.