



Scam Targets Corporations

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Business & Corporate Law Report

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A letter that crosses your desk from "Michigan Corporate Compliance Company" is **not** an official letter from the Department of Licensing and Regulatory Affairs (LARA), the Michigan agency responsible for corporate filings.

LARA sent a warning regarding this letter to Michigan corporations. In its warning, LARA reports that the letter asks you to complete the enclosed form *Annual Minutes Disclosure Statement*, attach a check for \$125.00, and return it to their offices at 5859 West Saginaw, Lansing. The letter also tells you that failure to return the form will place you in "bad standing" with the state and could lead to dissolution of your company. That statement is false.

Michigan does not require that corporations file an *Annual Minutes Disclosure Statement*, according to LARA Director Steven H. Hilfinger. The state is not interested in the minutes of your annual meeting. These letters are not being sent by LARA, "no matter how official they look," said Mr. Hilfinger.

What is legally required for corporations each year? The following:

1. File an annual report and pay the fee
2. Hold an annual meeting
3. Record the minutes in writing or, if a meeting is not held, keep a memorandum of the actions taken by the corporation's shareholders

The Michigan Business Corporation Act (the "MBCA") requires annual meetings, and it is prudent to prepare and keep written minutes or memoranda of action regarding the actions taken at those meetings. However, the State of Michigan does not require that you send those minutes or memoranda of action to the state or that you disclose them publicly.

Foster Swift assists our clients by annually reminding the corporations we work with of their obligation to have annual meetings documented by minutes. We are happy to assist with the preparation of meeting

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minutes for our clients. Please contact your Foster Swift business lawyer if you would like us to add your Corporation to our annual reminder list for this optional service.

If you have questions, please contact Joel Farrar at 517-371-8305 or by email, Todd Hoppe at 616-726-2246 or by email, or the Foster Swift lawyer with whom you regularly work.

LARA asks that if you get one of the letters, you send it to the Michigan Office of Attorney General at P.O. Box 30212, Lansing, MI 48909.
