

# The Future of Business Structures

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Alan Stachura – CT Corporation  
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# Agenda

- Homeless Entities
- Series LLCs
- Open Discussion



# Homeless Entities



# What Is Happening?

- Many legitimate entities are “homeless”
- Trending up because of more mobile workforce
- Covid exacerbated the issue



# In The Old Days...

- A Business Would Form and:
  - They'd hire employees
  - Rent office space
  - Have a physical presence
  - Successful operations would expand



# But Now...

- More virtual workplaces & workspaces
- More full time WFH employees
  - This often requires more qualifications
- Privacy concerns using home addresses
  - Marketing solicitations
  - Unexpected visitors
- Statutes & documents haven't kept up



# Looking for Clarification

- Principal Place of Business Questions
  - Can/should Registered Agent Address be used?
- Clarify what is needed – preferably in instructions
- Possible options
  - Box to check for “no physical location”
  - Allow statement saying entity has a virtual office or shared space
  - Allow email “address” in lieu of “physical address”



# Understanding the Purpose

- Why is the information needed?
- What will it be used for?
- Allow entity to fulfill that objective!





# An Example

- Arizona Articles of Incorporation

**6. ARIZONA KNOWN PLACE OF BUSINESS ADDRESS:**

- 6.1** Is the Arizona known place of business address the same as the **street address** of the statutory agent?  Yes - go to number 7 and continue  
 No - go to number 6.2 and continue
- 6.2** If you answered "**No**" to number 6.1, give the **physical or street address** (not a P.O. Box) of the known place of business of the corporation in Arizona:

Attention (optional)		
Address 1		
Address 2 (optional)		
City	State or Province	Zip
Country		



## An Example (continued)

- Instructions say a domestic corporation has to have a known place of business (which is a street address) in the state's record or it can be administratively dissolved
  - Is there truly a requirement that a domestic corporation **MUST** have an Arizona address?
  - Registered Agent address is always listed
  - If no address – would a statement certifying that fact work?
- Agents would prefer their address to **NOT** be used
  - Unless business is truly operating at our address



# Guidance from the Courts

- Venue could be set by principal office location
- Mississippi – Principal Place of Business
  - *Weeks, Inc. v. Lewis*, No. 2020-IA-013337, decided March 24<sup>th</sup>, 2022
  - Mississippi Supreme Court held that the principal place of business (for venue purposes) was the county where they conduct business
  - Corporation's principal place of business was NOT what was listed with the Secretary of State
  - Address on SOS forms was the corporation's CPA
  - Business operated solely in a different county



# Open Discussion



# Series LLCs



# The Basics

- Provides Liability protection to each series
  - Assets & debts kept separate
- Series LLCs, Series LPs, and even Series Trusts
- But, it IS an LLC!!

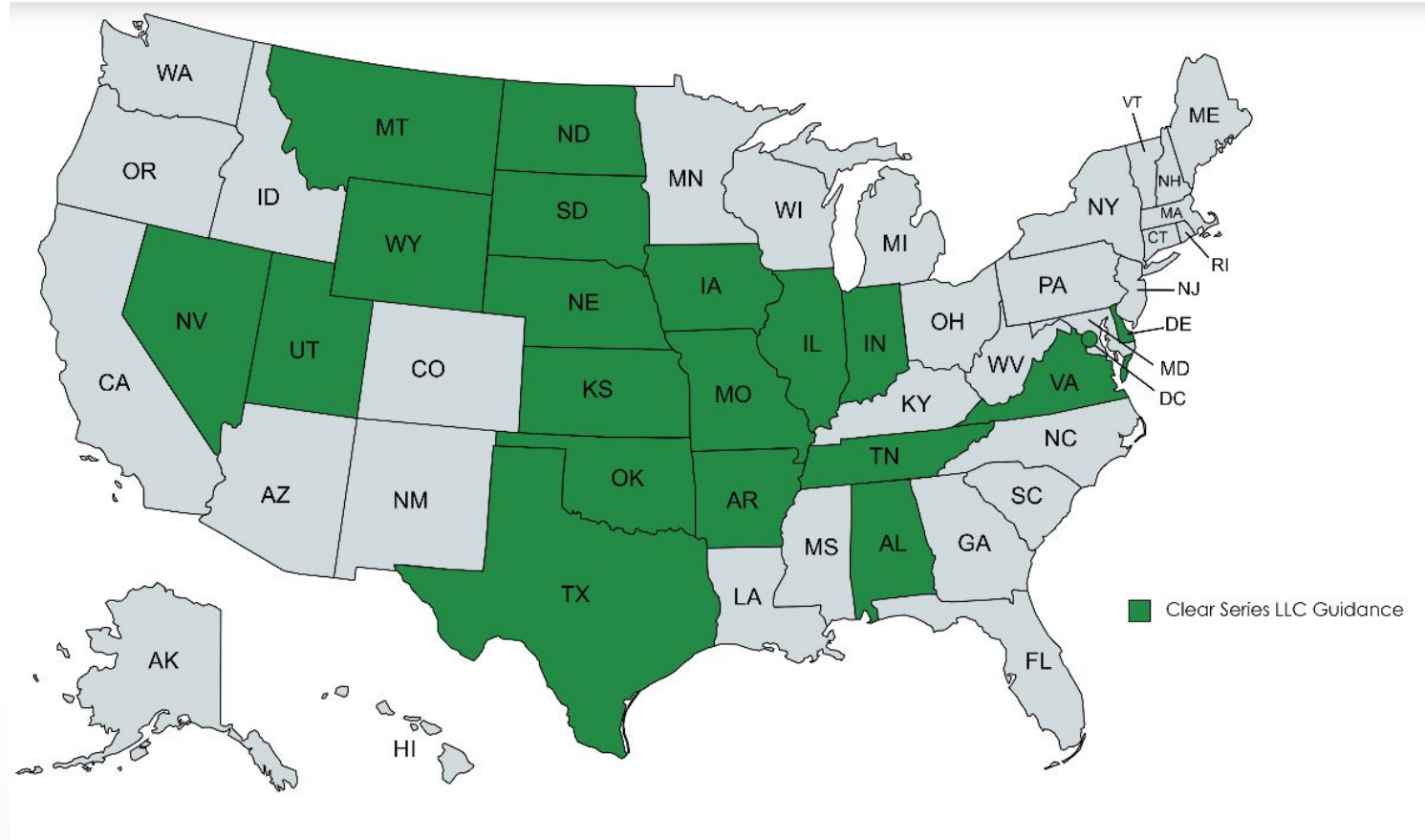


# Wide Interpretation

- Delaware
  - Protected Series
  - Registered Series
- Other Jurisdictions
  - Recorded/Interpreted differently



# Series LLC Guidance By Jurisdiction





# Open Discussion



# Contact Information



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