

# ROSS LAW FIRM LTD.

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## **CHECKLIST OF PROCEDURES TO BE FOLLOWED BY CORPORATE OFFICERS**

1. All purchase contracts (such as purchases of supplies and office equipment) should be made by the Corporation and in the name of the Corporation.
2. All contracts (such as sale or purchase contracts, equipment maintenance and repair, coffee and beverage service, electricity, gas, and telephone service) should be made by the Corporation and in the name of the Corporation.
3. All business-related subscriptions (such as professional magazines and journals) should be made in the name of the Corporation.
4. All stationery, letterheads, bills, invoice, business cards, and memo pads which bear the Corporate name should include the full Corporate name and the fact that the Corporation is “ \_\_\_\_\_, an Illinois Corporation.”
5. All suppliers and customers should be notified in writing of the Corporation's existence and of the fact all bills and invoices should be addressed to the Corporation (certified or registered mail, return receipt requested provides evidence of mailing).
6. The full Corporate name should appear on advertising, the entrance to offices, the building directory and so on.
7. All telephone companies should be notified to use the Corporate name for listings in directories (e.g., white and yellow pages).
8. All of the Corporation's bank accounts should be held in the name of the Corporation and should only be used for authorized Corporate purposes.
9. A Federal employer identification number, unemployment department number, retailers' occupation tax number, local business licenses and so on should be obtained and used by the Corporation.
10. The lease of the business premises should be in the name of the Corporation alone (without individual guarantees, if possible).
11. Any loans or credit lines should be made in the name of the Corporation (without individual guarantees, if possible).
12. All insurance coverages should be carefully reviewed by an insurance professional initially and at least annually thereafter and all policies should reflect the full name of the Corporation and any other insureds (as may be required by various contracts and as needed to protect against personal and business obligations); the Corporation should review the advisability or necessity of various forms of insurance coverage, including, for example:
  - a. Workers' compensation for all employees - including owners and officers;
  - b. Life insurance;
  - c. Disability insurance;
  - d. Professional liability insurance;
  - e. Public liability insurance; and
  - f. Health and accident insurance.

13. The Corporation should keep accurate accounting records and books at its principal place of business.
14. The officers, directors and/or shareholders of the Corporation should consider consulting with their attorneys and/or the attorneys for the Corporation (and/or accountants) before various actions are taken, including, for example:
  - a. Change in salaries;
  - b. Granting of bonuses;
  - c. Purchase of real property or significant items of personal property;
  - d. Signing a new lease of space or major equipment;
  - e. Employment or discharge of an employee;
  - f. Signing of contracts; and
  - g. Responding to documents received from governmental authorities (such as the Internal Revenue Service, the Secretary of State, or Department of Registration and Education).
15. The officers, directors, shareholders and employees of the Corporation should observe the formalities which are generally observed by Corporations (such as holding regular annual meetings of directors and of shareholders and obtaining prior approval of the directors and shareholders for all major changes involving the Corporation).
16. The signature of the Corporation's officers should be affixed to all business obligations, undertakings and contracts in a manner similar to the following:

(NAME OF COMPANY) , an Illinois Corporation  
(print Corporate name above),

By: \_\_\_\_\_ , as president  
(sign above and print name here: \_\_\_\_\_)

ATTEST:

By: \_\_\_\_\_ , as secretary  
(sign above and print name here: \_\_\_\_\_)
17. The shareholders should consider holding their shares of stock in their respective living trusts to avoid probate on disability or death.
18. If you have any questions, please do not hesitate to contact us at [bob@ross.law](mailto:bob@ross.law) or (847) 358-5757