

Six steps that can help businesses in the U.S. and abroad survive the current **COVID-19 crisis** and any future crises that may occur.



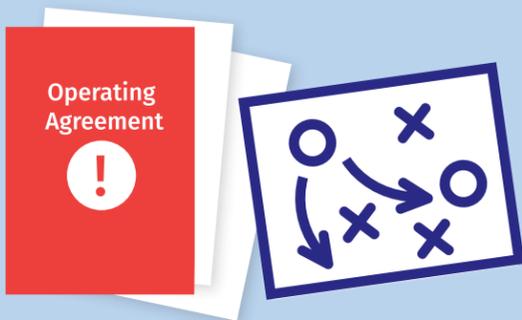
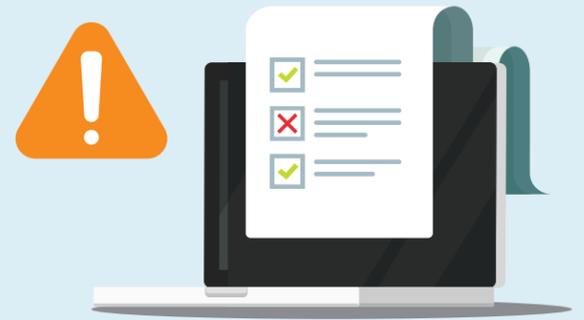
**1 Form a statutory business entity.**

Businesses owned by a statutory entity such as a corporation or LLC are generally in a better position to obtain needed funding than are individually owned businesses (which are liable for their own debts).

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**2 Make sure the corporation, LLC, or other statutory entity stays in good standing.**

A loss of good standing can also negatively affect a company's ability to obtain funding.



**3 Set forth contingency plans in the governing documents.**

Governing documents such as an operating agreement, partnership agreement, or shareholder agreement can set forth, in advance of any disaster, what steps the company should take. Communicating these plans to employees is critical.

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**4 Consider opening up offices in unaffected areas.**

Companies may be able to maintain the continuity of operations by opening up offices in unaffected states.

- › Entities expanding into states other than their formation state must qualify to do business in that new state.
- › They will probably have to obtain business licenses in those states as well.
- › If the company ceases to do business in a foreign state, it should formally withdraw from that state.



**5 Update public records when necessary.**

If COVID-19 forces a company to make certain changes, such as a change of registered agent, change of registered office, or change of principal office, the records of the state filing office will need to be updated.

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**6 Partner with a compliance company.**

A global compliance company can be very helpful in critical situations, providing:

- › A professional registered agent
- › Management of annual report and business license filings
- › Formation and qualification guidance
- › Assistance with the completion of global transactions



These six steps cannot guarantee that a business will come through a crisis situation like COVID-19 unscathed. But they can shift the odds in any business' favor. Contact us for compliance assistance at **855.316.8948** or visit [ctcorporation.com](http://ctcorporation.com).