Registered Agent Public Service Announcement

Do you know the identity of your association's Registered Agent? Who can be a Registered Agent? Do you know what a Registered Agent does? What happens if your association doesn't have a functioning Registered Agent? How can a Registered Agent be changed?

Please note that we are not attorneys and make no claim to the accuracy of any general educational information given below except the material quoted from the South Carolina Code of Laws. If you need a legal opinion, please see an attorney.

1. What is a registered agent?

> From LLC University:

https://www.llcuniversity.com/south-carolina-llc/registered-agent/

A Registered Agent is a person or company who agrees to accept legal mail on behalf of your LLC in case your business gets sued.

In most states, a Registered Agent will also serve as a general point of contact for receiving business and tax notices, payment reminders, and other documents. Your Registered Agent must have a **physical address** in South Carolina (PO Boxes are not allowed).

Your Registered Agent must also be available during normal business hours (9am – 5pm) in case Service of Process arrives. Service of Process includes delivery of documents such as complaints, summons, and/or subpoenas.

From South Carolina Code of Laws SECTION 15-9-210.

Service of process on domestic corporations.

(a) A domestic business or nonprofit corporation's **registered agent** is the agent of the corporation for service of any process, notice, or demand required or permitted by law to be served, and the service is binding upon the corporation.

> From: https://www.serviceobjects.com/blog/mailing-address-vs-physical-address-whats-the-difference/

Post Office Box (PO Box) and Private Mailbox (PMB) – Many individuals and businesses use PO Boxes and Private Mailboxes as an alternative to their **physical address**. Postal Agencies like UPS offer PMBs as Personal Mailboxes, and while they do advertise that their PMBs include a street address it still is **not the recipient's physical address**.

2. Who can be a Registered Agent?

> From LLC University:

https://www.llcuniversity.com/south-carolina-llc/registered-agent/

Option 1: You can be your LLC's Registered Agent.

Option 2: A friend or family member can be your LLC's Registered Agent.
Option 3: You can hire a Commercial Registered Agent. A Commercial Registered
Agent is a company that specializes in receiving Service of Process on behalf of your
South Carolina LLC. They typically charge between \$100-\$300 per year.
Once hired, they will receive Service of Process on behalf of your South Carolina LLC
and then forward it to you by mail at any address you'd like. Most will also fax or email
your documents as well.

<u>Important:</u> If your Registered Agent is going to be an individual (you, a friend, or a family member), that individual needs to be a resident of South Carolina.

3. Is my association required to have a registered agent?

From South Carolina Code of Laws SECTION 33-5-101.

Registered office and registered agent.

Each corporation **must** continuously maintain in this State:

- (1) a registered office that may be the same as any of its places of business; and (2) a **registered agent**, who may be:
- (i) an individual who resides in this State and whose business office is identical with the registered office:
- (ii) a domestic corporation or not-for-profit domestic corporation whose business office is identical with the registered office;

4. What happens if my association doesn't have a functioning Registered Agent?

> From South Carolina Code of Laws SECTION 33-31-1420.

Grounds for administrative dissolution.

The Secretary of State may commence a proceeding under Section 33-31-1421 to administratively dissolve a corporation if the:

- (1) corporation does not deliver a report of change of principal office when due;
- (2) corporation is without a **registered agent** or registered office in this State;
- (3) corporation does not notify the Secretary of State that its **registered agent** or registered office has been changed, that its **registered agent** has resigned, or that its registered office has been discontinued;

5. How does my association update/change its registered agent?

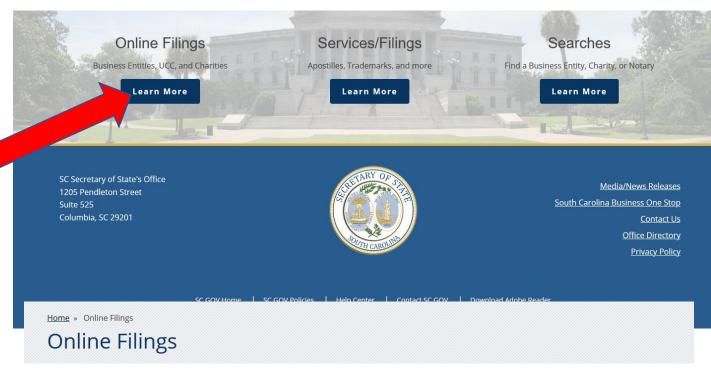
- > From South Carolina Code of Laws SECTION 33-5-102. Change of registered office or registered agent.
- (a) A corporation may change its registered office or registered agent by delivering to the Secretary of State for filing a statement of change that sets forth:
- (1) the name of the corporation;

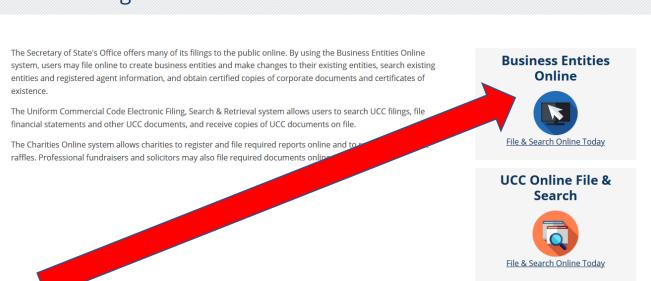
- (2) the street address of its current registered office;
- (3) if the current registered office is to be changed, the street address of the new registered office;
- (4) the name of its current registered agent;
- (5) if the current registered agent is to be changed, the name of the new registered agent and the new agent's written consent (either on the statement or attached to it) to the appointment; and
- (6) that after the change or changes are made, the street addresses of its registered office and the business office of its registered agent will be identical.

MLCA's Suggested Protocol

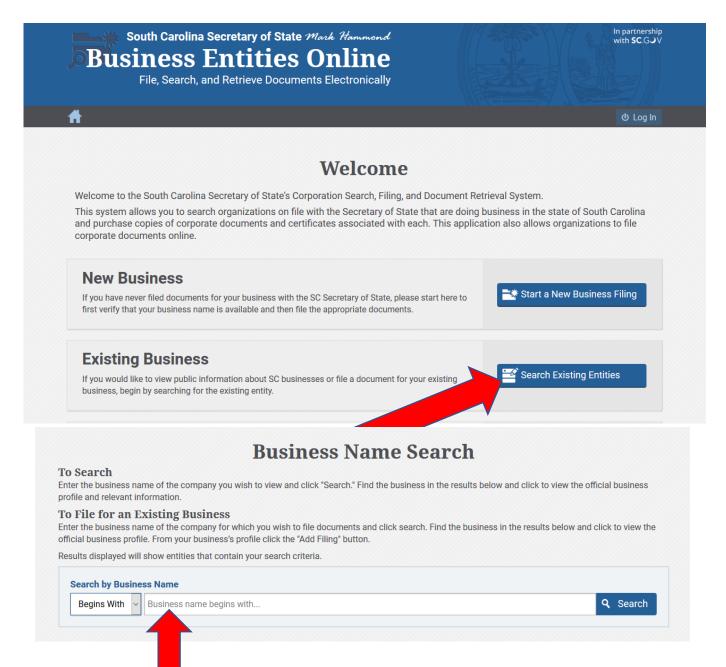
To see if your association is a registered South Carolina business and also learn the identity of your Registered Agent,

- 1. Go to the SC Secretary of State's home page (https://sos.sc.gov/).
- 2. Scroll down and click on the "Learn More" Button in the **Online Filings** box.





4. You'll be taken to the Business Entities Online page. Click on the "Search Existing Entities" button.



- 6. Scroll down and find the <u>exact</u> name of your association and click on it. You will then see information about your association's Entity Type (probably Nonprofit), Status (hopefully Good Standing), and the name and address of your Registered Agent including your association's' legal address. If the agent 's name or address is incorrect (e.g. a PO Box or an incorrect agent), strongly consider correcting it. If your association is not listed at all, that's another issue. It means you might have clicked on the wrong business/corporation name, or perhaps it has never been filed with the Secretary of State, or possibly it means it does not have to be filed because your association is maybe just a voluntary group of neighbors and not a business. It could be time to see an attorney if you think something is amiss.
- ➤ To download the form needed to change your registered agent and/or registered office address (the form is also attached to this email), click on the link below.

 Notice of Change of Registered Office or Registered Agent or Both of a South Carolina Corporation §33-5-102

FINAL WORDS of WISDOM

From: https://cedarmanagementgroup.com/hoa-registered-agent/

Why Is Your Registered Agent Important? The responsibilities of a registered agent go beyond merely being a recipient of a letter or notice. An agent must be responsible and fully understand the significance of his/her role as a middle man.

Note that all legal notifications, lawsuits, and IRS notices are sent to the agent. Then, the agent should pass the documents along to the business owners, corporation leaders, or HOA management.

If the registered agent fails to give the files to the right people, it can cause serious legal issues for the corporation. For example, a notice of a lawsuit filed against a corporation may be sent to an out-of-date agent. If the agent ignores the notice, the legal proceedings will continue with the corporation not knowing anything about the lawsuit.