

## **REGISTERED AGENTS, LITIGATION AND THE MOOSE**

THIS INFORMATION IS INTENDED TO PROVIDE THE OFFICERS OF EACH MOOSE LODGE, MOOSE LEGION AND MOOSE ASSOCIATION WITH A BETTER UNDERSTANDING OF THE LEGAL FRAMEWORK UNDER WHICH THEY ARE INCORPORATED AND TO EXPLAIN THE IMPORTANCE OF THE REGISTERED AGENT IN THE HANDLING OF LITIGATION AND COMPLIANCE ISSUED ON BEHALF OF THE CORPORATION.

### **LEGAL BACKGROUND**

Each Moose Lodge, Legion and Association is incorporated as a not-for-profit or non-stock corporation under laws of the state or other jurisdiction where the entity is located.

When the entities were first formed, “Articles of Incorporation” were filed with the appropriate state agency, and, once filed; the legal existence of the entities began. To assure the continued legal existence of the Lodges, Legions and Associations, every year or two, depending on the state, an “annual report” must be filed with the appropriate state authority in that jurisdiction.

### **MOOSE LITIGATION**

Although the Lodges, Legions and Associations are organized under not-for-profit statutes, many of the activities of the entities may be similar to for-profit or business corporations. For example, very few not-for-profit corporations operate a facility that may include a food and beverage service, nor do they sponsor the numerous social and community service events that each Moose lodge does every year.

Because of the variety of Moose International’s activities and functions, each Moose Lodge, Legion and Association has the possibility of being involved in litigation. Typical types of lawsuits involving the Moose lodges might include dram shop (alcohol) litigation, employment matters, real estate disputes and garnishments or wage deductions. Because Moose International wants to assure that these issues are handled appropriately and to help avoid the problem of default judgments against the lodges for failing to respond in a timely manner, Moose International has retained CT Corporation System or “CT” to act as “Registered Agent” on behalf of the Moose lodges throughout the United States.

## WHAT IS A REGISTERED AGENT?

When a lodge files Articles of Incorporation in any state, it must designate an agent upon which the public can serve papers should a lawsuit occur. Most states require the designation of a Registered Agent or “Statutory Agent” (the terminology varies) that is located in that state. By retaining CT, Moose International has removed the burden of receiving lawsuits from local officers and has placed it in the hands of a professional service organization that has more than 100 years of experience in handling such matters.

## YOU'RE BEING SUED, NOW WHAT?

As Registered Agent on behalf of the Moose entities, should CT receive notification of a suit (Service of Process) on behalf of a Moose Lodge, Legion or Association, those papers will be forwarded via Federal Express, to the entity. Before sending the papers however, local CT personnel in the jurisdiction where the suit has been served would first summarize the nature of the action on a process transmittal form. Included in the summary are the title of the action, the jurisdiction, the court, the nature of the action, the appearance date, the plaintiff's counsel and any other pertinent facts. If the suit involves a short answer date-10 days or less- or if the situation requires an immediate response such as in the case of an injunction or restraining order, CT will immediately contact the entity by telephone and inform them of the nature of the action. In addition to the original suit papers that are forwarded to the entity, a copy of the transmittal is forwarded to Moose International so that they also receive written notification that a lawsuit has been served. Moose International will then determine whether there is any coverage available through the Risk Pool and if so, they will retain outside counsel to represent the entity. Otherwise the entity will have to retain its own local counsel.

## COMPLIANCE/ANNUAL REPORTS

In addition to receiving and forwarding lawsuit documents on behalf of the Moose Lodges, Legions, and Associations, CT also provides assistance to the entities in the area of corporate reporting and compliance. Incorporated entities generally file an annual or biennial report which is a document required by states to be filed every year or two, depending on the jurisdiction, that lets the state know the entity is still in business and who the officers and directors are at that time. It used to be sent in paper form, but times have changed and today a state's Annual Report is no longer sent in paper form to the entities. In fact, in some states a postcard reminder may be sent, but the trend is for the entities to be responsible to file it on time without a reminder. Generally, **CT does not file our Annual Reports. If you ask them to do so, they will send you an invoice for payment. It is not free to have them file the reports.** Also, each entity must keep its office address up-to-date with the Secretary of State or due dates may be missed resulting in more time and cost. **It is imperative that each entity maintains its good standing status in their state.**

CT can also provide information about report and tax requirements that entities may be subject to as a domestic not-for-profit corporation in their states. This information can be found on the CT website, [www.CTAdvantage.com](http://www.CTAdvantage.com).

It is the goal of CT to not only provide each Moose Lodge, Legion and Association with the reliable handling of service of process, but to also assist the entities to maintain their good standing in their states of domicile.

If you ever have any questions about certain information you may receive, please do not hesitate to contact the Legal Department at Moose International at 630-859-6637 or Stacy Herrmann at 630-859-2000 x 6517 or [sherrmann@mooseintl.org](mailto:sherrmann@mooseintl.org).

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