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WHO'S WHO | in Corporate Law

By LISA MORRIS JOSEFAK

FRED SKOLNIK

Certilman Balin Adler & Hyman, LLP

Fred Skolnik is a partner in Certilman Balin's Adler & Hyman, LLP's corporate/securities law practice group in East Meadow. Skolnik established the firm's Long Island corporate and securities law practice in 1987 after many years of practice in the firm's New York City office. Skolnik has been a partner of the East Meadow firm since 1988.

Skolnik's practice relates primarily to the representation of public and private companies in connection with equity and debt financings, mergers and acquisitions, securities transactions, and general corporate and business matters.

"Last summer, at a campaign stop in Iowa, Mitt Romney famously – or some may say infamously – said 'corporations are people,'" Skolnik said. "The political pundits have analyzed Gov. Romney's statement in terms of his seeming lack of empathy for the everyday person and its effects on the upcoming election. However, from a legal perspective, Gov. Romney's time at Bain Capital clearly taught him one thing – legally, corporations are people. They are separate legal entities. That is a lesson that all new business owners need to remember."

"When you start a new business, you naturally contemplate with enthusiasm the future success that awaits you," Skolnik said. "At the same time, however, you must foresee the possible debts and liabilities that may be incurred in operating the business that may put your personal assets in jeopardy. Insurance may cover certain risks but there are always exceptions and limits on coverage."

This is why most new businesses are set up as corporations or limited liability companies (known as "LLCs") to insulate owners from personal liability, Skolnik noted.

"I always emphasize to my clients, though, that establishing a corporation or LLC is not enough, in order to have the protections they desire, and to avoid having creditors seek to 'pierce the corporate veil' and recover their personal assets, they need to respect the separateness of the corporate or LLC entity from themselves personally," he said. "They must maintain separate bank accounts for corporate or LLC purposes (and not use them to pay personal bills). I also advise them of the need to follow corporate formalities – have board of directors and shareholder meetings, execute promissory notes when loans are made to or from the business owners, and otherwise properly document business transactions."

In general, business owners need to understand that, politics aside, corporations are people, Skolnik said.

A frequent speaker on topics related to corporate and securities law, Skolnik has served the Nassau County Bar Association as chair of both the corporation law committee and the securities law committee. A magna cum laude graduate of Queens College of the City University of New York and a member of Phi Beta Kappa and Omicron Delta Epsilon, the national economics honor society, Skolnik is a cum laude graduate of St. John's University School of Law.

Skolnik is a member of the Leadership Council of the Mentoring Partnership of Long Island, which creates and supports mentoring programs across Long Island, and serves on the board of directors of Farmingdale College Foundation, which provides financial assistance, including scholarships, for Farmingdale State College programs and projects not funded by the New York State budget. He is also a co-founder and the administrator of LIKE (Lawyers Involved in Kids' Education), a program that establishes mentoring relationships between attorneys and potentially "at-risk" elementary school students and seeks to develop vocabulary and analytical skills in the mentees through word games.

Certilman Balin Adler & Hyman, LLP has grown into Long Island's second largest full-service law firm with offices in Nassau and Suffolk Counties. Its 14 practice areas include: real estate, real property tax certiorari and condemnation, cooperative and condominium, land use, environmental law, corporate/securities, litigation, commercial lending, labor relations/employment law, bankruptcy and debtor/creditor rights, trusts and estates, elder law, telecommunications law, and criminal law.