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MEDIA ALERT

Consumer Protection halts Michigan Company from sending fake records service notices to Utah businesses through settlement agreement

"Corporate Records Service a.k.a Mandatory Poster Agency and its owners agree to stop contacting Utah businesses and pay out refunds to consumers"

(For immediate release...)

SALT LAKE CITY, Utah - Francine A. Giani, Executive Director of the Utah Department of Commerce, announced today that the Utah Division of Consumer Protection signed a settlement agreement with Corporate Records Service (a.k.a The Mandatory Poster Agency), a Michigan company, whose respondents Thomas Fata and Steven John Fata sent deceptive notices to Utah companies leading consumers to believe they had to pay additional fees to file documents with the State and that the company mailing the notice was located in Utah. The Settlement Agreement follows an Administrative Citation the Division issued against the Company on June 26, 2013.

"Corporate Records Service tried to peddle their phony notices to Utah companies but our smart citizens brought this to our attention and we took action," stated Francine A. Giani, "Our Division of Consumer Protection hopes Utah's case strongly encourages this company and others to seek business models that don't mislead the public for profit."

After investigators began receiving complaints from Utah consumers in early June, the Division issued a Citation against the company and its respondents June 26, 2013 which included three counts for violating the *Utah Consumer Sales Practice Act*.

According to the Citation, letters from Corporate Records Service directed Utah companies to send in \$125.00 along with a list of company directors and other details to satisfy a Utah law pertaining to annual reports filing with the Department of Commerce, Division of Corporations.

According to Commerce officials, this was deceptive as the notice alleged that by following the letters' demands and paying the fee, the company would be in compliance with Utah statutes pertaining to annual shareholder meeting minutes which was untrue. In addition, the notice falsely claimed the company mailing the letter was located in Utah.

The Division's Settlement Agreement includes the following;

- Respondents agree to pay a \$5,000 administrative fine to the Division of Consumer Protection.
- Respondents agree to cease and desist from all violations of the *Utah Consumer Sales Practices Act* and cease sending misleading solicitations into the State of Utah.
- Respondents agree to refund any consumers who file a complaint pertaining to this violation.

Mandatory Poster Company and its respondents are known entities to Division investigators as the company previously tried to dupe businesses into purchasing workplace safety posters with language suggesting businesses were required to purchase the posters to comply with federal and state law. Those actions resulted in administrative Citations issued by the Division first in October 2006 for violating the *Utah Consumer Sales Practices Act* which resulted in a \$25,000 fine and again on July 20, 2011 for violating the *Telephone Solicitation and Facsimile Solicitation Act* and the *Telephone Fraud Prevention Act* resulting in a \$15,000 fine.

For more information or to file a consumer complaint contact the Utah Division of Consumer Protection at (801) 530-6601 or log on to;
www.consumerprotection.utah.gov

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