

COMMONWEALTH OF KENTUCKY
FRANKLIN CIRCUIT COURT
CIVIL BRANCH
DIVISION 1
NO. 16-CV-580

COMMONWEALTH OF KENTUCKY, EX. REL.
ANDY BESHEAR, ATTORNEY GENERAL

PLAINTIFF

V. COMPLAINT

THE MANDATORY POSTER AGENCY, INC d/b/a
CORPORATE RECORDS SERVICES

DEFENDANT

Serve: Charles E. Jones
315 High St.
Frankfort, KY 40601

** ** *

For its Complaint against Defendant The Mandatory Poster Agency, Inc., d/b/a Corporate Records Services, Plaintiff the Commonwealth of Kentucky, *ex rel.* Andy Beshear, Attorney General, states as follows:

PARTIES, JURISDICTION AND VENUE

1. Andy Beshear is the duly elected Attorney General of the Commonwealth of Kentucky and is responsible for the enforcement and administration of Kentucky law, including the consumer protection laws set forth in Kentucky Revised Statutes (KRS) Chapter 367. Plaintiff shall be referred to in this Complaint as "Plaintiff", "Attorney General" or "Commonwealth."
2. Defendant, The Mandatory Poster Agency, Inc. d/b/a Corporate Records Services ("Defendant" or "CRS") is a for-profit corporation headquartered in Michigan. According to

Michigan's Secretary of State's website, Defendant's principal office is located at 6323 W.

Saginaw Highway #3, Lansing, Michigan 48917, and its registered agent is Joseph Fata.

3. According to Kentucky's Secretary of State's website, The Mandatory Poster Agency, Inc. is a foreign, profit corporation with its principal office located at 5859 W. Saginaw Highway #343, Lansing, Michigan 48917, and its registered agent in Kentucky is Charles E. Jones, 315 High St., Frankfort, KY 40601. "Corporate Records Services" is not registered with Kentucky Secretary of State as an assumed name.

4. This Court has jurisdiction over this matter pursuant to KRS 367.290(1). Venue is proper in the Circuit Court of Franklin County pursuant to KRS 454.210(4), as the acts and practices at issue took place across the Commonwealth of Kentucky, including Franklin County. Further, the solicitations that Defendant sent to Kentucky consumers utilized a Franklin County return address for the receipt of payments from Kentucky consumers.

GENERAL STATEMENTS

5. In 2006, Defendant, The Mandatory Poster Agency Inc., solicited business in Kentucky by mailing a letter to selected consumers. The letter stated that "State and Federal food codes have recently been amended to include a new hand washing posting requirement. Effective immediately all Food Service Establishments will be required to post at all hand washing facilities a poster reminding FOOD SERVICE EMPLOYEES to regularly wash their hands."

The letter further stated that "Any Food Service Establishment found to be in violation of State or Federal Law by willfully failing to post approved washing posters may be subject to fines up to \$2500 and suspension or revocation of license as well as possible civil liability actions." The letter contained an official looking "seal," which along with the nature of the

mailing and other statements related above, had the capacity to mislead the recipient to believe that the letter was authored by an official Kentucky regulatory agency.

6. The statements made by The Mandatory Poster Agency Inc., as set forth in Paragraph 5 above, were false. There was no federal or state requirement to post notices on hand washing and there were no penalties for the failure to post the notice.

Based on Defendant's violation of KRS 367.170, which prohibits "unfair, false, misleading or deceptive acts or practices in the conduct of any trade or commerce" the Attorney General filed a Complaint against Defendant on October 17, 2006, in Jefferson Circuit Court; *Commonwealth of Kentucky v. The Mandatory Poster Agency, Inc.*, 06-CI-09207. The parties later came to a resolution of the Commonwealth's claims, which resulted in entry of a Consent Judgment that was filed on February 28, 2007. (Exhibit A). In the Consent Judgment, Defendant agreed that it was "permanently restrained and enjoined from directly or indirectly sending to consumers or businesses, in Kentucky, solicitations that contain false, misleading or deceptive information."

7. The Commonwealth brings the instant consumer protection action pursuant to KRS 367.290 because of additional false, misleading and deceptive mailings sent to corporations in Kentucky during 2013 ("annual minutes mailer"). Those mailings, which Defendant sent to corporations registered with the Kentucky Secretary of State, had the capacity to mislead reasonable consumers by, among other things, creating the impression that they were sent by the Commonwealth of Kentucky or Kentucky's Secretary of State and that completion of the enclosed form and payment of a \$125 fee was required by the Commonwealth of Kentucky. (One such solicitation is attached as Exhibit B; internal OAG information redacted)

8. The annual minutes mailers distributed by Defendant had the capacity to lead a reasonable consumer to believe, erroneously, that they were sent by a government agency and required a response and payment to be in compliance with Kentucky law. The misleading provisions contained in the annual minutes mailers include, among other things:

A. The envelope containing the mailing was marked “**IMPORTANT** Annual Minutes Requirement Statement. BUSINESS MAIL – TIME SENSITIVE.”

B. The return address on the envelope is located within Kentucky’s capitol city of Frankfort and not the business’s actual Michigan location.

C. The postage stamp used on the mailing depicts the American Eagle, a symbol often used to identify government mailings.

D. The solicitations are official looking forms using the fictitious name Corporate Records Service and entitled “2013 – ANNUAL MINUTES FORM.”

E. The form includes the business name, a bar code, the corporate ID number assigned to the corporation by the Kentucky Secretary of State and a “Key Code” furthering its official appearance.

F. The “INSTRUCTIONS FOR COMPLETING THE ANNUAL MINUTES FORM” instructs recipients to “Submit the Annual Minutes Form together with the payment for preparation of documents to satisfy the annual requirement for your corporation.”

G. The verbiage used throughout refers to completing a form and satisfying requirements, but never refers to an “order” or a “purchase”.

H. Defendant directs recipients to return the completed forms to an address of 1303 US Hwy 127 S. Ste. 402 PMB 116, Frankfort, KY 40601-4385, giving the impression of a physical office “suite” located in Kentucky, when the address is actually a commercial mailbox

in a UPS store, which then forwards the mailers to Defendant in Michigan. (See Exhibit C: Mailbox Service Agreement for a mailbox in Frankfort, internal OAG information redacted; Exhibit D: Application for Delivery of Mail Through Agent with US Postal Service to forward mail from Frankfort mailbox to CRS office in Michigan)

I. Defendant uses the name “Corporate Records Service” at a Frankfort address instead of Defendant’s corporate name, The Mandatory Poster Agency, Inc. “Corporate Records Service” is not registered with the Michigan or Kentucky Secretary of State as an assumed name, hindering consumers’ ability to identify the corporate affiliation of this assumed name or determine the legal status of this entity.¹

9. In addition, the mailings contained false, deceptive and misleading statements, representing that in exchange for payment the Defendant would prepare “documents to satisfy the annual requirement for your corporation.” In fact, Defendant does not prepare corporate minutes with the information provided by Kentucky corporations. Instead, in exchange for the \$125 payment, Defendant provides only a 3 ring notebook with a total of four (4) pages, two (2) of which are instructional in nature. The other two (2) pages are a “Unanimous Consent of Shareholders” form and a “Unanimous Consent of Directors” form. These notebooks, and the pages contained therein, do not satisfy the corporate filing requirements of the Kentucky Secretary of State, nor do they provide anything of real value to the purchasers.

10. On February 6, 2013, the Secretary of State for the Commonwealth of Kentucky issued a press release warning Kentucky businesses of the Corporate Records Scam. (A copy of the press release is attached as Exhibit E)

¹ “Corporate Records Services” is registered as an assumed name with the Michigan Secretary of State, but not the Kentucky Secretary of State.

11. The Attorney General received at a minimum 45 complaints from Kentucky businesses concerning Defendant's solicitations. Based on these complaints, on September 3, 2014, the Attorney General issued a Civil Investigative Demand ("CID"), authorized by KRS 367.240, to the Defendant seeking, among other things, a list of all Kentucky corporations that sent Defendant \$125 in response to Defendant's annual minutes mailers. Although Defendant responded to most of the requests contained in the CID, Defendant has refused to provide the names and contact information of businesses or consumers who paid the Defendant as a result of receiving the annual minutes mailer.

12. Based on its response to the CID, the Defendant has sent 191,051 annual minutes mailers to Kentucky businesses as of January 16, 2015. Approximately 2,191 Kentucky businesses completed Defendant's form and paid the \$125 fee. As a result, Defendant received approximately \$273,875.00 from Kentucky businesses and corporations as a result of the annual minutes mailers.

13. Plaintiff has reason to believe that Defendant received payment from Kentucky businesses who received the unlawful solicitation described above.

14. Defendant's efforts to mislead and deceive Kentucky corporations were willful as evidenced by consumer protection enforcement actions taken by a number of other state Attorneys General alleging deceptive mailings which appear to be from government agencies. In addition to the previous lawsuit in Kentucky (Commonwealth of Kentucky v. The Mandatory Poster Agency, Inc. 06-CI-09207), Defendant was sued or the subject of law enforcement actions in numerous states, including, but not limited to:

Tennessee (AVC -Case No. 07C801 (case number not legible))

Illinois Case No. 2006-CH-583

North Carolina Case No. 07CVS
Idaho (AVC - Case No. CV OT 0703529)
Michigan Case No. 07-589-CP
Arkansas (AVC – no case number)
Washington Case No. 08-2-00099-8
Pennsylvania (AVC Case No. 185 M.D.2008)
Delaware (AVC Case No. M-08M01017)
North Dakota (AVC Case No. 08-7-C-2444-1)
Colorado Case No. 07CV8968
Utah Case No. DCP Case # 74978
Iowa (AVC – no case number)
Missouri (AVC - Case No. 13SL-CC01278)
Wisconsin Case Nos. 2013-CX-2 and 2A
Illinois Case No. 2012-CH-1397
Idaho (Consent Judgment and Order – no case no.)
Utah (AVC UDCP Legal File No. 80002)

COUNT 1

FAILURE TO FULLY RESPOND TO CIVIL INVESTIGATIVE DEMAND

15. The allegations contained in paragraphs 1 through 14 are incorporated by reference as if fully set out in this paragraph.
16. Before issuing the CID in the instant case, Plaintiff attempted to obtain the information by sending discovery requests to the Defendant in the Jefferson Circuit case (06-CI-09207),

which, as stated above, was resolved with a Consent Judgment involving similar conduct and *inter alia*, prohibited future violations of KRS 367.170. Plaintiff asserted that CRS's solicitation was prohibited under the Consent Judgment and discovery of potential violations of the Consent Judgment was appropriate. Defendant objected to responding to certain discovery requests, so Plaintiff filed a Motion to Compel Defendant's responses to requests for information similar to that which remains outstanding in the current CID. The Defendant filed a Motion to Dismiss. The Jefferson County Circuit Court dismissed the case, claiming the language of the Consent Judgment was too broad, citing *Fiscal Court of Jefferson County v. Courier-Journal and Louisville Times Co.*, 554 S.W.2d 72 (Ky. 1977).

17. Thereafter, on September 3, 2014, the Attorney General, served a CID on Defendant pursuant to KRS 367.240 and 367.250, making essentially the same requests as those previously sought in discovery in the Jefferson Circuit case. Defendant's responses to the CID reference and incorporate several of its previous responses to discovery requests in 06-CI-09207, but failed to provide information regarding the number or identity of consumers who responded to the solicitation and paid money. (See Paragraph 21 for an enumeration of unanswered requests. A copy of the CID is attached as Exhibit F and incorporated by reference as if fully set out in this paragraph.)

18. KRS 367.240(1) provides, in part, that the Attorney General may issue an investigative demand:

When the Attorney General has reason to believe that a person has engaged in, is engaging in, or is about to engage in any act or practice declared to be unlawful by KRS 367.110 to 367.300, or when he believes it to be in the public interest that an investigation should be made to ascertain whether a person in fact has engaged in, is engaging in or is about to engage in, any act or practice declared to be unlawful by KRS 367.110 to 367.300, he may execute in writing and cause to be served upon any person who is believed to have information, documentary material or physical evidence relevant to the alleged or suspected violation, an

investigative demand requiring such person to furnish, under oath or otherwise, a report in writing setting forth the relevant facts and circumstances of which he has knowledge, or to appear and testify or to produce relevant documentary material or physical evidence for examination, at such reasonable time and place as may be stated in the investigative demand.

19. Based on information, including that stated above in issuing the Civil Investigative Demand and Subpoena, the Attorney General had reason to believe that a person had engaged in, was engaging in, or was about to engage in any act or practice declared to be unlawful by KRS 367.110 to 367.300, or believed it to be in the public interest that an investigation be made.

20. The CID requested that Defendant produce the requested information and documents no later than October 6, 2014. Defendant provided a partial response dated October 3, 2014. At no time did Defendant petition the court to modify or set aside the demand pursuant to KRS 367.240(2). As such, the 20 day time period in which to do so has expired.

21. The CID consisted of a total of 49 requests, consisting of 28 interrogatories and 21 requests for the production of documents. Defendant objected to, and continues to maintain its objection to the following requests:

- g. Identify each and every Kentucky business that paid You in reference to your “annual minutes” mailing. Include the amount and date of payment for each business.
- h. For each business listed in reference to paragraph (h)[sic] above, provide copies of all documentation Corporate Records Service prepared on behalf of said business.
- i. Identify each and every Kentucky business that sent you any amount of money in reference to your “annual minutes” mailing.
- qq. Provide copies of all minutes You prepared for Kentucky corporations from January 1, 2009 to present.
- rr. Provide copies of all written consents prepared by You on behalf of a Kentucky corporation or consumer.

22. Plaintiff sent a letter to Defendant on December 18, 2014, informing Defendant that the response to the CID was deficient in certain areas. Defendant responded on January 16, 2015, with updated information as to some of the requests. However, Defendant maintained its objection to requests G, H, I, QQ and RR. Specifically, Defendant claimed a response to those requests would result in a disclosure of Defendant's customer list, and a list could not be disclosed as it is confidential, proprietary and trade secret. Defendant has not provided or cited any law to support its contention to Plaintiff.

23. KRS 367.250 requires that any information obtained from Defendant in response to the CID "not be made public or disclosed by the Attorney General or his employees beyond the extent necessary for law enforcement purposes in the public interest." This ensures the protection of information Defendant deems confidential, proprietary or a trade secret during the investigation.

24. The Defendant has failed to fully answer the CID without legal basis. Under Kentucky law, the Attorney General is entitled to all of the information sought in the CID.

25. Defendant did not apply to the Circuit Court for an order to avoid the legal requirement of responding to the CID pursuant to KRS 367.240 or 367.260.

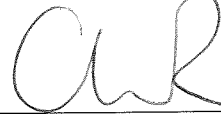
WHEREFORE, Plaintiff prays for judgment as follows:

- a) That Defendant be compelled to fully respond to the Civil Investigative Demand as issued;
- b) That Defendant pursuant to KRS 367.290(a), be enjoined from further practices of engaging in the advertisement or sale of any merchandise, or the conduct of any trade or commerce that is involved regarding the Annual Minutes form solicitations;

- c) That the Court pursuant to KRS 367.290(b) revoke Defendant's certificate of authority to do business in the Commonwealth and all other licenses permits or certificates issued to Defendant, if any, which are used to further Defendant's unlawful practices; and
- d) For any and all other relief for which Plaintiff may be entitled, including but not limited to attorneys' fees and costs of litigation and investigation.

Respectfully Submitted,

ANDY BESHEAR
ATTORNEY GENERAL



Charles W. Rowland
Assistant Attorney General

Benjamin Long
Executive Director
Office of Consumer Protection
1024 Capital Center Drive, Suite 200
Frankfort, KY 40601
(502) 696-5300

EXHIBIT A

CASE NO. 06-CI-09207

JEFFERSON CIRCUIT COURT

DIVISION FIVE

2007 FEB 27 A 9:42

CLERK 6

COMMONWEALTH OF KENTUCKY ex rel
GREGORY D STUMBO ATTORNEY GENERAL — D.C.

PLAINTIFF

CONSENT JUDGMENT

v

THE MANDATORY POSTER AGENCY INC
d/b/a Kentucky Food Service Compliance Center

DEFENDANTS

and

THOMAS FATA, Individually

A Complaint and Answer having been filed; the parties having reached an Agreement in this matter; and the Court having reviewed the Consent Judgment and being otherwise sufficiently advised, the following is **ADJUDGED AND ORDERED**:

I.

FACTS

1. Mandatory Poster Agency Inc. (hereinafter "MPA") is a Michigan corporation with its principal place of business being 422 Elmwood, Suite 14, Lansing MI. Thomas Fata is President. In Kentucky MPA operated under the name Kentucky Food Service Compliance Center. MPA has no physical location in Kentucky but utilized a mail drop at 1309 US 127 South, Frankfort KY 40601. Letters were sent from MPA to consumers across the state, including Jefferson County soliciting for the sale of posters.

RH

2. The Attorney General alleges that the Defendants sent or caused to be sent into Kentucky posters regarding hand washing for workers in the food service industry which contained false and deceptive information in violation of KRS 367.170, namely that Kentucky law required the posting of such information in food service facilities.

3. It is the position of the Defendants that any violations were not willful but agreed to this Order with advise of Counsel and the desire to conclude the litigation.

4. Defendants shall cooperate with the Attorney General to enact the terms of the Order

II. INJUNCTION

IT IS THEREFORE ORDERED that Defendants Mandatory Poster Agency and Thomas Fata, and their employees, officers, directors, agents, successors, assignees, affiliates, merged or acquired predecessors, parent or controlling entities, and all other persons or entities acting in concert or participation with them, are hereby permanently restrained and enjoined from directly or indirectly sending to consumers or businesses, in Kentucky, solicitations that contain false, misleading or deceptive information.

III. MONETARY TERMS

A. RESTITUTION

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that a permanent injunction is here by issued against Defendants Mandatory Poster Agency and Thomas Fata and their employees, officers, directors, agents, successors, assignees, affiliates, merged or acquired predecessors, parent or controlling entities, and all other persons acting in concert or participation with them, requiring the following for any programs operated under the name Kentucky Service Compliance Service Center :

1. Any and all contracts existing between any Kentucky consumer and any of the named Defendants are hereby declared null and void; and
2. Defendants shall return any and all monies accepted from Kentucky residents for the purchase of the Hand Washing Poster; and
3. Said refunds shall be made within 30 days of entry of Order; and
4. A report on the refunds shall be furnished to the Attorney General within 45 days of the sending of the refunds including any checks which were returned to the Defendants; and
5. Consumers shall be allowed retain the posters; and
6. No effort shall be made in any form to collect or renew any contracts.

B. PAYMENT TO THE STATE

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the Commonwealth of Kentucky shall have judgment against Mandatory Poster Agency, Inc d/b/a Kentucky Food Service Compliance and Thomas Fata, jointly and severally, in the amount of ten thousand dollars (\$10,000.00) for civil penalties and costs of investigation and litigation. Said sum shall be delivered to the Attorney General at the time of Entry of the Order.

SIGNED this 27th day of Feb., 2007.

Mary M. Shaw
JUDGE

ENTERED IN COURT
DAVID L. NICHOLS, CLERK

FEB 28 2007

BY [Signature]
DEPUTY CLERK

Wanda R. Delaplane

Wanda R. Delaplane
Assistant Attorney General
Office of Consumer Protection
1024 Capital Center Drive
Frankfort KY 40601
(502) 696-5389

Thomas Fata

Mandatory Poster Agency Inc
d/b/a Kentucky Food Service Compliance Center

Thomas Fata

Thomas Fata
President

EXHIBIT B

Corporate Records Service
1303 US Hwy 127 S. Ste 402 PMB 116
Frankfort, KY 40601-4385

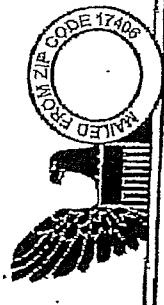
Received Time Dec. 3, 2013 9:36AM No. 7314

THIS IS NOT A GOVERNMENT DOCUMENT

IMPORTANT
Annual Records Solicitation Form
BUSINESS MAIL - TIME SENSITIVE



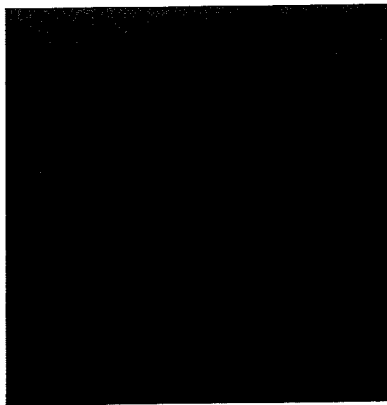
If addressee name is incorrect, please forward this document
to an authorized employee representative immediately



PRSRT STD
U.S. POSTAGE
PAID
LLPS

UNITED STATES MAIL

Parks Landscape Inc.



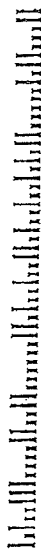
KYOE

Place stamp here
Post Office will
not deliver mail
without postage



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p.1


CORPORATE RECORDS SERVICE
1303 US HWY 127 S. STE 402 PMB 116
FRANKFORT, KENTUCKY 40601-4385

INSTRUCTIONS FOR COMPLETING THE ANNUAL MINUTES FORM
(Kentucky Corporations)

Review the accuracy of the preprinted corporate name and address and make any changes necessary.
PLEASE PRINT CLEARLY.

- Step 1 Enter the name of each stockholder. You must account for 100% of the outstanding shares.
- Step 2 Enter the name of all members of the Board of Directors. Members of the Board of Directors must be at least 18 years of age.
- Step 3 Enter the title of an officer and the name of the officer. You must have at least one officer. Typical officers are Chief Executive Officer (CEO), President, Vice President, Secretary, Assistant Secretary, Chief Financial Officer Treasurer, Chief Operations Officer (COO). In addition, list any other corporate officers.
- Step 4 Enter the name and email address of the person to contact if we have any questions.
- Step 5 Provide a valid payment method.
- Step 6 Sign the form to verify the validity of information provided and authorize your payment.
- Step 7 Return the entire completed form with payment.

Submit the Annual Minutes Form together with the payment for preparation of documents to satisfy the annual minutes requirement for your corporation. **Submit payment for \$125.00 payable to Corporate Records Service and mail to:**

CORPORATE RECORDS SERVICE
1303 US Hwy 127 S. Ste. 402 PMB 116
Frankfurt, KY 40601-4385

Completed documents will be mailed to you within four weeks. Have each party sign the documents where indicated and keep them as permanent records.

Maintaining records is important to the existence of all corporations. In particular the recording of shareholders and director meetings. You can engage an attorney to prepare them, prepare them yourself, use some other service company or use our service.

Please note: The preparation of minutes of annual meetings does not satisfy the requirement to file the annual report set forth in the Kentucky Business Entity Filing Act. The annual report and instructions may be found online.

EXHIBIT C

Mail Boxes Etc. # 1414
1389 US 127 South, Suite C
Frankfort, KY 40601-4385

MAILBOX SERVICE AGREEMENT

Customer Name: Steve Fata
Company: Mandatory Post Agency
Address: 402 Elmwood Rd #14
Home Phone: 517-321-3476 Work Phone: 517-321-4144
E-mail Address: _____ Fax: (888)-442-4144
Mailbox Number: 116 Mailbox Size: Small

- 1) This Mailbox Service Agreement ("Agreement") is made and entered into by the customer identified above ("Customer") for the use of and services related to a mailbox (the "Mailbox") at the Mail Boxes Etc. Center identified above (the "Center") under the terms set forth herein.
- 2) Customer agrees that Customer will not use the Center premises or any Center services for any unlawful, illegitimate or fraudulent purpose or for any purpose prohibited by U.S. postal regulations. Customer further agrees that any use of the Mailbox shall be in conformity with all applicable federal, state and local laws. Each individual or entity must complete a separate U.S. Postal Service Form 1583 ("Form 1583") to be authorized to receive mail or packages at the Mailbox. However, spouses may complete one Form 1583, as long as both spouses include their separate information on the Form.
- 3) This Agreement and Form 1583 shall remain confidential, except that this Agreement and Form 1583 may be disclosed upon request of any law enforcement or other governmental agency, or when legally mandated. Additionally, Customer acknowledges that pursuant to postal regulations the information required to complete Form 1583 may be made available by the U.S. Postal Service to the public if "yes" in block five (5) on Form 1583 is checked. Upon request, Customer agrees to complete all necessary documents, including Form 1583 and any required acknowledgment form relating to service of process. Customer further agrees to sign an updated version of this Agreement and Form 1583 upon request.
- 4) Possession of the Mailbox key shall be considered valid evidence that the possessor is duly authorized to remove any contents from the Mailbox. In the event of death or incapacity of Customer, the Center will require the appropriate documents from the Probate Court, the executor of the estate, the trustee or other similar person or entity before releasing mail or packages to a requesting party.
- 5) Customer agrees to pay an initial set-up fee of \$10.00 and a refundable security/key deposit of N/A, as well as applicable monthly service fees. The security/key deposit is refundable upon expiration, cancellation or termination of this Agreement, provided that Customer returns the key, key card and/or other similar devices, and pays all sums owed to the Center. Mailbox service fees are all due and payable in advance and Customer agrees that the Center may hold mail and packages pending payment. There will be no prorations or refunds for cancellation of any service. Customer agrees to pay a late fee of N/A if any payment is not received within five (5) days of when due. In the event the Mailbox lock is changed upon the request or fault of Customer, Customer agrees to pay a fee of \$10.00. Mailbox service fees and other related fees stated herein are subject to change. In the event that Customer receives an unreasonable volume of mail or packages at the Mailbox according to the Center's reasonable judgment, the Center may require Customer to upgrade to a larger size mailbox and pay any additional charge. The Center reserves the right to increase the Mailbox service fees in the event that Customer adds additional individuals or entities to the names of those individuals or entities authorized to receive mail and packages at the Mailbox pursuant to Form 1583.

©Mail Boxes Etc. USA, Inc.
Revised April 1999

EXHIBIT D

116

United States Postal Service®
Application for Delivery of Mail Through Agent
Privacy Act Statement on Reverse

1. Date

In consideration of delivery of my or our (firm) mail to the agent named below, the addressee and agent agree: (1) the addressee or the agent must not file a change of address order with the Postal Service™ upon termination of the agency relationship; (2) the transfer of mail to another address is the responsibility of the addressee and the agent; (3) all mail delivered to the agency under this authorization must be prepaid with new postage when redeposited in the mails; (4) upon request the agent must provide to the Postal Service all addressees to which the agency transfers mail; and (5) when any information required on this form changes or becomes obsolete, the addressee(s) must file a revised application with the Commercial Mail Receiving Agency (CMRA).

NOTE: The applicant must execute this form in duplicate in the presence of the agent, his or her authorized employee, or a notary public. The agent provides the original completed signed PS Form 1583 to the Postal Service and retains a duplicate completed signed copy at the CMRA business location. The CMRA copy of PS Form PS 1583 must at all times be available for examination by the postmaster (or designee) and the Postal Inspection Service. The addressee and the agent agree to comply with all applicable Postal Service rules and regulations relative to delivery of mail through an agent. Failure to comply will subject the agency to withholding of mail from delivery until corrective action is taken.

This application may be subject to verification procedures by the Postal Service to confirm that the applicant resides or conducts business at the home or business address listed in boxes 7 or 10, and that the identification listed in box 8 is valid.

2. Name in Which Applicant's Mail Will Be Received for Delivery to Agent.
(Complete a separate PS Form 1583 for EACH applicant. Spouses may complete and sign one PS Form 1583. Two items of valid identification apply to each spouse. Include dissimilar information for either spouse in appropriate box.)

4. Applicant authorizes delivery to and in care of:

a. Name **The UPS Store**
b. Address **1309 US 127 South, Suite B**
street, apt. **Frankfort, KY 40601**
c. City

6. Name of Applicant

Steve Fata

8. Two types of identification are required. One must contain a photograph of the addressee(s). Social Security cards, credit cards, and birth certificates are unacceptable as identification. The agent must write in identifying information. Subject to verification.

a. **F3007774 24985**

b. **Sam's Club Men Card**

Acceptable identification includes: valid driver's license or state non-driver's identification card; armed forces, government, university, or recognized corporate identification card; passport, alien registration card or certificate of naturalization; current lease, mortgage or Deed of Trust; voter or vehicle registration card; or a home or vehicle insurance policy. A photocopy of your identification may be retained by agent for verification.

2. If applicant is a firm, name each member whose mail is to be delivered. (All names listed must have verifiable identification. A guardian must list the names of minors receiving mail at their delivery address.)

3. If a CORPORATION, Give Names and Addresses of Its Officers

Steve Fata, Joe Fata, Tom Fata

14. If business name (corporation or trade name) has been registered, give name of county and state, and date of registration.

Mandatory Poster Agency
Eaton County **8/99**

Warning: The furnishing of false or misleading information on this form or omission of material information may result in criminal sanctions (including fines and imprisonment) and/or civil sanctions (including multiple damages and civil penalties).

Signature of Agent/Notary Public

Katie E. Bowers

KATIE E. BOWERS
NOTARY PUBLIC - STATE OF MICHIGAN
COUNTY OF EATON
My Commission Expires Sept. 10, 2012
Acting in the County of

16. Signature of Applicant (If firm or corporation, application must be signed by officer. Show title)

Steve Fata

EXHIBIT E

Secretary of State

Secretary Grimes Warns Kentucky Businesses of Corporate Records Scam

Press Release Date: Wednesday, February 06, 2013

Contact Information: Lynn Sowards Zellen

Director of Communications

Secretary of State Allison Lundergan Grimes

(502) 330-9839

Email: lynn.zellen@ky.gov

Allison Lundergan Grimes, Kentucky's Secretary of State and Chief Business Officer, is warning Kentucky businesses about a confusing, official-looking "2013 Annual Minutes Form" they may receive from an entity called Corporate Records Service. The form instructs recipients to provide information regarding all shareholders, corporate directors and officers and pay a \$125.00 fee.

Corporate Records Service is not registered, affiliated or associated with the Secretary of State, and Kentucky law does not require businesses to file the form requested by Corporate Records Service. Reports of similar mailings have surfaced in other states including Florida, Georgia, Idaho, Illinois, Maine, New York, Tennessee, Texas and Washington.

"Many businesses have contacted my office to inquire about the form; the form was not sent from this office, and all information available to us indicates the request is a scam," said Grimes. "Businesses should exercise caution before providing information or payment to Corporate Records Service, or any other entity that makes misleading requests."

Kentucky businesses are required to file with the Secretary of State's Office an annual report by June 30 each year, and registered entities recently received or will receive shortly a reminder to complete that filing. The fee for filing an annual report in Kentucky is \$15. Businesses can file online, or the form can be returned by mail or in person. For more information about the annual report or other business filing requirements under Kentucky law, visit www.sos.ky.gov or call 502-564-3490.

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Last Updated 2/6/2013

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EXHIBIT F



COMMONWEALTH OF KENTUCKY
OFFICE OF THE ATTORNEY GENERAL

JACK CONWAY
ATTORNEY GENERAL

1024 CAPITAL CENTER DRIVE
SUITE 200
FRANKFORT, KENTUCKY 40601

SUBPOENA AND INVESTIGATIVE DEMAND

TO: **Corporate Records Service**

c/o David R. Brake
Knaggs, Harter, Brake and Schneider, P.C.
7521 Westshire Drive #100
Lansing, MI 48917

AND

Thomas Fata, Registered Agent
5859 West Saginaw Hwy #343
Lansing, MI 48917

Original: Certified Mail; Copy Via United States First Class Mail

IN RE INVESTIGATION OF: EAGLE MARKETING GROUP, L.L.C.

Pursuant to the authority of KRS 367.240 and 367.250, the Attorney General of Kentucky, having reason to believe that KRS 367.170 has been violated, and that it is in the public interest that an investigation should be made, then it is hereby **ORDERED** as follows:

1. That you personally appear to testify at _____ on _____.
- ☒ 2. That you provide the following information and produce the following documents at the time and place above or, if blank, then by mailing them together with a completed sworn statement of authenticity and completeness of documents, no later than **October 6, 2014** to: Office of Attorney General, Consumer Protection, 1024 Capital Center Drive, Frankfort, KY 40601, ATTN: Dinah L. Koehler:



- a. Identify Your principal place of business.
- b. Explain the activities of Respondent.
- c. State the number of entities in Kentucky to which You sent an “annual minutes” mailing.
- d. Identify all Kentucky businesses that Corporate Records Service sent an “annual minutes” mailing to from January 1, 2009 to Present. (See attached Exhibit A for reference).
- e. Provide any and all information and documents about how You identified the entities to which the mailing was sent in Kentucky.
- f. For each business listed in reference to paragraph (e) above, state the number of mailings sent to each business and the “due date” or “response date” noted on each mailing sent.
- g. Identify each and every Kentucky business that paid You in reference to your “annual minutes” mailing. Include the amount and date of payment for each business.
- h. For each business listed in reference to paragraph (h) above, provide copies of all documentation Corporate Records Service prepared on behalf of said business.
- i. Identify each and every Kentucky business that sent you any amount of money in reference to your “annual minutes” mailing.
- j. Provide copies of any and all complaints, request for refunds, or similar correspondence received by Corporate Records Service from any consumer or their counsel within the last thirty-six (36) months.
- k. Provide copies of all complaints received by You directly or from a consumer, a company, the Better Business Bureau, a government agency or any other entity, and any related correspondence (including emails) relating to Kentucky businesses or consumers.

- l. Provide copies of any documentation Corporate Records Service filed with the Kentucky Secretary of State on behalf of Corporate Records Service.
- m. Provide copies of any documentation Corporate Records Service filed with the Kentucky Secretary of State on behalf of any consumer or business.
- n. Provide all documentation filed with the Michigan Secretary of State on behalf of Corporate Records Service or its parent or controlling entities.
- o. Provide copies of any and all "follow up" mailings sent to any Kentucky business.
- p. Provide copies of any and all emails sent to you by any Kentucky consumer or business and any and all responses made by You.
- q. Provide copies of all recorded phone calls between Corporate Records Service and any and all consumers or persons solicited for business regardless of whether said person became a customer.
- r. In addition to the "annual minutes" mailings, provide a specimen copy of each and every solicitation sent by You to a Kentucky business or consumer from January 1, 2009 to Present.
- s. Identify each and every state in which an "annual minutes" mailing identical or similar to Exhibit A was sent by You to businesses or consumers within that state from January 1, 2009 to Present.
- t. Identify the business that owns, rents or leases the postal mail box associated with Corporate Records Service's return address of : 1303 US Hwy 127 S. Ste. 402, PMB 116, Frankfort, KY 40601-4385.
- u. On the 2013 Annual Minutes Form, attached as Exhibit A , define Your use of "key code". The definition should include, but is not limited to the purpose of the code, how the code is obtained and whether said code is unique to each Kentucky corporation.

- v. At the bottom of Exhibit A, explain the meaning and significance of ND: 2013-01-30 and KC:K191249914.
- w. State how each Kentucky corporation was chosen to receive Your “annual minutes” mailing.
- x. State how You obtained specific information that is unique to each particular Kentucky corporation.
- y. State what product or service You provided to Kentucky corporations upon the payment of \$125 and receipt of the completed 2013 Annual Minutes Form. Additionally, state how this product or service satisfies a Kentucky corporation’s statutory requirements regarding annual minutes.
- z. Regarding the 2013 Annual Minutes Form, state Your rationale for using the response dates of February 27, 2013 and July 13, 2013.
- aa. State Your purpose and rationale for using the city of Frankfort as the city for Your return address.
- bb. Identify all the officers and directors of Your business entity and the date(s) of birth for each.
- cc. State the cost You incurred for mailing one “annual minutes” mailing. Specifically identify each category as well the specific amount spent on each said category which shall include, but is not limited to the cost of printing and posting each solicitation and the cost incurred to obtain the mailing list(s).
- dd. State the total number of “annual minutes” mailings sent to Kentucky corporations/consumers from January 1, 2009 to Present.
- ee. State the total amount of money paid to You by Kentucky corporations/consumers from 2009 to the present in reference to Your “annual minutes” mailings.
- ff. Identify Your merchant processor.

- gg. State Your monthly chargeback rate, separately for each month and separately by month by each state.
- hh. Identify (10) ten Kentucky corporations or consumers that will affirm that they knew what they ordered and are satisfied with the product You provided.
- ii. State the date that You first began mailing the "annual minutes" solicitations to Kentucky corporations and consumers.
- jj. Identify the financial institution(s) and corresponding account(s) and account number(s) into which funds paid by Kentucky corporations and consumers were deposited.
- kk. Provide copies of all emails sent to records@corp-records.com or any other email address associated with Corporate Records Service on behalf of a Kentucky business or consumer.
- ll. Provide copies of any and all "follow up" mailings, email or faxes sent by You to any Kentucky corporation or consumer due to insufficient payment, insufficiency of the form to be filled out by the corporation/consumer, due to a request by a consumer or any other reason requiring a follow up mailing from January 1, 2009 to present.
- mm. Provide copies of all Consent Judgments, Court Orders or Decrees, Notices of Violation, Cease and Desist Orders to which You were a party or a recipient that was entered or received between January 1, 2007 to present.
- nn. Provide copies of all Assurances of Voluntary Compliance, Assurances of Discontinuance and settlement agreements You entered into beginning January 1, 2007 to present.
- oo. Provide copies of all contracts between You and the UPS store for the rental of postal mailboxes in Kentucky from January 1, 2009 to present.
- pp. Identify each Kentucky business or consumer that received a refund, noting the date and amount of each refund.

- qq. Provide copies of all minutes You prepared for Kentucky corporations from January 1, 2009 to present.
- rr. Provide copies of all written consents prepared by You on behalf of a Kentucky corporation or consumer.
- ss. Provide a specimen copy of a "unanimous consent" prepared by You on behalf of a corporation.
- tt. Provide a specimen copy of a "corporate minute book binder".
- uu. Provide any and all information and documents regarding Your refund policy, including any written policy, or if no written policy exists, a description of said policy.
- vv. Provide copies of all telephone scripts used to sell or respond in any way via telephone to Respondent's customers or possible customers.
- ww. Explain what the significance is of the date used after "Plase Respond By DATE" in the Annual Minutes for, and why consumers should respond by said date. Further, expalin the use and the reason for the bar code directly above the "Please Respond By DATE" in the Annual Minutes Form.

Failure to comply with this Subpoena and Investigative Demand will result in legal action pursuant to KRS 367.290. Intentional concealment, falsification or destruction of documents may be punishable as a class A misdemeanor under KRS 367.990(3). It is a class D felony to intentionally destroy, mutilate, conceal, remove, alter, or fabricate physical evidence believing that an official proceeding may be pending or instituted pursuant to KRS 524.100.

Date Issued: *September 3, 2014*

JACK CONWAY
ATTORNEY GENERAL

By: *Dinah L. Koehler*
Dinah L. Koehler
Assistant Attorney General
Office of Consumer Protection
1024 Capital Center Drive
Frankfort, KY 40601-8204
(502) 696-5389

Served via: X 1. Certified mail, return receipt requested.

 2. Personal delivery _____

Date: _____

By: _____
Paul Wingate, Complaint Investigator

**ATTACHMENT TO SUBPOENA AND CIVIL INVESTIGATIVE DEMAND TO
Corporate Records Service**

INSTRUCTIONS AND DEFINITIONS

1. Answer each request separately and fully in writing and under oath.
2. As a convenience, defined terms are capitalized and in bold font, but the presence or absence of capitalization or bold font does not alter or reduce the meaning of such terms.
3. In answering the requests, furnish all information or documents known by **You** and in **Your** possession, regardless of how the information was obtained or whether such information is hearsay or otherwise admissible evidence.
4. Exercise due diligence in answering each request and securing all information with which to answer each request. If **You** cannot answer a request fully and completely after exercising due diligence, then answer the request to the extent possible, specifying the basis for **Your** inability to answer the remainder and detailing **Your** attempts to secure the unknown information.
5. A request that seeks information contained in whole or in part within a document, or that seeks the identification of any document, may be answered by furnishing a copy of such document, identifying the document and specifying the portion(s) of the document containing the requested information.
6. All answers should include attachments of as many pages as are necessary to fully and completely respond, and should be identified by the number or letter corresponding to each request as set forth above and in the previous Investigative Demand.
7. All requests relate to all employees, agents, representatives, successors, assigns, principals, officers and directors, jointly and severally, while acting personally, or through the corporation or any other business entity or form, whose acts, practices, or policies are directed, formulated or controlled by **You, Mid-Continent University**.
8. **"Identify"**, as used to refer to a natural person, means to state the person's full name, present or last known address, telephone number, fax number, and the person's present or last known position and dates of employment.
9. **"Person"** includes any individual, corporation, company, partnership, association or entity.
10. **"Records"/"Documents"** means all books, papers, maps, photographs, cards, tapes, discs, diskettes, recordings, software, electronic information, or other documentation regardless of physical form or characteristics, which are prepared, owned, used, in the possession of or retained by **You, Mid-Continent University**.
11. **"You"** or **"Your"** includes Mid-Continent University and any other alias, d/b/a, a/k/a or trade name used by You or the owners, employees, agents, representatives, successors, assigns, principals, officers and directors.

I, _____ (print name),
_____, (title) of _____, declare
under oath, subject to the penalty of perjury, that the foregoing statements are true, to my
knowledge and belief.

Signature: _____

STATE OF: _____)

COUNTY OF: _____)

Subscribed, sworn to and acknowledged before me by

_____, (name), _____

(title), on behalf of _____

on _____ 2013.

My Commission Expires: _____

Signature: _____

Printed name: _____

Title: _____