



BUSINESS MASQUERADES AS STATE AGENCY

My office has just filed suit against a deceptive operation masquerading as an official arm of state government. “Texas Corporate Compliance” warns Texas businesses about certain reporting requirements and liabilities that do not actually exist under state law. The operation even goes so far as to include the use of an icon that resembles the state seal of Texas, which the Secretary of State uses in its official correspondence.

Businesses are told that they must remit a \$125 fee within ten business days to ensure that they meet state corporate reporting requirements regarding minutes of meetings of shareholders and directors. Neither the Texas Secretary of States Office nor state law requires the kind of “disclosures” described in the solicitation. Corporations are required only to retain annual minutes.

The solicitation form falsely warns businesses that failure to complete a form and return it as directed could result in personal liability of a corporations officers and directors. The Texas Business Corporation Act cited in the fraudulent solicitation letter does not place personal liability upon corporate officers for failure to file annual minutes. In addition, Texas Corporate Compliance warns that failure to file annual minutes can result in possible loss of the corporations limited liability status, which is also false.

This deceptive operation, which has already been run out of Florida, is merely trying to scare businesses into paying for its services. I urge all business owners to read any solicitation for business services very closely. Documents relating to the lawsuit against Texas Corporate Compliance can be found on our website at www.oag.state.tx.us.

Sincerely,

Greg Abbott, Attorney General of Texas

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