



LAW OFFICES OF SPECTOR, MIDDLETON, YOUNG & MINNEY, LLP

SCAM WARNING: CORPORATE COMPLIANCE CENTER NOTICES

Over the past year, a number of our clients have received faxed and mailed notices instructing them to complete a corporate compliance form by a specific deadline. (We have provided links to sample letters that our office has received on behalf of clients – see below). Some of these notices are directed at directors or officers, while others are for the general corporation. Generally, these notices cite to a California statute that requires corporations to prepare corporate minutes. The form usually requests that the corporation provide the name of the officers and directors of the corporation and that upon paying a fee, approximately \$100.00 or more, the “Compliance Division” or “Compliance Center” will assist the corporation in meeting its statutory obligations. These notices appear to be issued by the California Secretary of State or some other governmental entity. However, these notices should be disregarded because they are neither issued by the California Secretary of State’s office nor any governmental agency. Instead, they are issued by private for profit, non-governmental businesses, such as Compliance Filings, Inc.

In very fine print, the document usually has a disclaimer, such as:

“CA Business & Professions Code Sec 17533.6 This service has not been approved or endorsed by any government agency, and this offer is not being made by an agency of the government.”

Compliance Filings, Inc., and similar private businesses obtain information from the California Secretary of State’s website regarding the name and address of your corporation and will mail out these compliance notices to new organizations. These so called “notices” make the reader believe that their corporation is somehow out of compliance and must file with the organization to cure the problem.

Although charter schools that incorporate as nonprofit public benefit corporations are subject to the California Corporations Code and should maintain adequate annual corporate meeting minutes, charter schools should not be deceived by these solicitations and should not provide information or fees to these private entities.

If you should have any questions regarding this update, please contact Paul Minney at (pminney@smymlaw.com) or Victoria Lin at (mlin@smymlaw.com) at the Law Offices of Spector, Middleton, Young & Minney, LLP at (916) 646-1400.

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