

**IN THE CIRCUIT COURT OF THE SECOND JUDICIAL CIRCUIT  
IN AND FOR LEON COUNTY, FLORIDA**

STATE OF FLORIDA,  
OFFICE OF THE ATTORNEY GENERAL,

Plaintiff,

v.

Case No. 2015 CA 001632

UNITED BUSINESS SERVICES, INC.,  
UNITED CERTIFICATE SERVICES, INC.,  
CFSOF, INC. D/B/A CORPORATE FILING SERVICES,  
TRAVIS SMITH and JEREMY BAUER.

Defendants.

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**COMPLAINT**

Plaintiff STATE OF FLORIDA, OFFICE OF THE ATTORNEY GENERAL, DEPARTMENT OF LEGAL AFFAIRS ("the Attorney General") sues Defendants UNITED BUSINESS SERVICES, INC. (UBS), UNITED CERTIFICATE SERVICES, INC. (UCS), CFSOF, INC. D/B/A CORPORATE FILING SERVICES (CFSOF), TRAVIS SMITH and JEREMY BAUER, and alleges:

1. This is an action for civil penalties, restitution on behalf of consumers, injunctive relief, attorney's fees and costs and other relief pursuant to the Florida Deceptive and Unfair Trade Practices Act, Chapter 501, Part II, Florida Statutes (2013), and Florida's Misleading Solicitations statute, Section 817.061, Florida Statutes (2013).

**PARTIES AND JURISDICTION**

2. The Attorney General is an enforcing authority of the Florida Deceptive and Unfair Trade Practices Act.

3. The Attorney General has determined that an enforcement action serves the public interest as required by Section 501.207(2).

4. This Court has jurisdiction pursuant to Section 501.207(3).

5. UBS is a corporation located at 970 Lake Carillon Dr. 300, St. Petersburg, FL 33716.

6. UCS is a corporation located at 970 Lake Carillon Dr. 300, St. Petersburg, FL 33716.

7. CFSOF is a corporation located at 7780 49th Street North, Suite 109, Pinellas Park, FL 33781.

8. JEREMY BAUER is the owner and operator of UBS and UCS and resides at 3660 103<sup>rd</sup> Ave North, Clearwater, FL 33762.

9. TRAVIS SMITH is the incorporator and founder of CFSOF and resides at 3660 103<sup>rd</sup> Ave North, Clearwater, FL 33762.

10. The injurious actions of the Defendants affect consumers in judicial circuits throughout Florida, including the Second Judicial Circuit.

#### **SUMMARY OF THE CASE**

11. The Defendants have three overlapping schemes that involve mailing solicitations to businesses throughout the state of Florida. The Defendant's solicitations appear to come from the state of Florida and/or the federal government and recipients believe they are required to send payments to comply with state and federal laws. In reality, the "services" offered by the Defendants have no legitimate purpose and are either entirely optional or can be completed for free.

12. In the first scheme, JEREMY BAUER uses UBS and UCS to send official-looking documents to Florida businesses, soliciting payments for "Certificates of Status." BAUER charges recipients up to \$53.25 for these unnecessary documents, which are sold by the Division of Corporations for \$8.75 for a corporation and \$5.00 for a LLC.

13. In the second scheme, BAUER and SMITH, use CFSOF to send mailings soliciting payments for "annual minutes." BAUER and SMITH charge recipients of the mailings \$125.00 for annual minutes which serve no purpose and do not satisfy the state of Florida's requirement that businesses file an "annual report."

14. In the third scheme, BAUER and SMITH use CFSOF to mail solicitations to Florida businesses for "Employment Law Posters." BAUER and SMITH charge \$105.00 for these "posters" which are available for free at the United States Department of Labor's website and various other locations.

15. The Defendants' actions are merely the latest iteration of these schemes, all of which have been occurring in Florida and other states for many years. These schemes continue because they have proven to be very lucrative. The Defendants send these solicitations to thousands of Florida businesses each month and charge anywhere from \$47.99 to \$125.00 for these various unnecessary services. Defendants have taken in tens of thousands of dollars from unsuspecting businesses who believe they are sending money to the state of Florida or the federal government.

16. In light of these facts, which are explained below in detail, the Attorney General brings this action to halt Defendants' deceptive actions.

## **THE DEFENDANTS' COURSE OF CONDUCT**

17. The Defendants operate together and separately in several schemes which center around mailing solicitations to businesses throughout the state of Florida. The Defendant's solicitations target new and existing corporations and Limited Liability Companies (LLCs) and appear to originate from the federal government and/or the state of Florida.

### **"Certificates of Status" Scheme**

18. In the First scheme, JEREMY BAUER, who owns and operates UBS and UCS, sends official-looking documents to newly formed Florida businesses, soliciting payments for "Certificates of Status." The Division of Corporations, which is part of the Florida Department of State, is authorized by statute to grant corporate or LLC status to businesses. Each day on its publicly available website, the Division posts the names and contact information of hundreds of newly approved corporations and LLCs. BAUER uses this information to mail solicitations to these newly formed businesses.

19. The solicitations give new Florida businesses the impression that they originate from the state of Florida, and that the Division of Corporations requires the recipients to send payments to complete the process of becoming a corporation or LLC. In actuality, certificates of status are entirely optional decorative pieces of paper which have no bearing on a corporation or LLC's official status.

20. BAUER charges recipients \$47.00 to \$53.25 for these certificates, which are sold by the Division of Corporations at the much lower prices of \$8.75 for a corporation and \$5.00 for a LLC.

21. Numerous corporations and LLCs have responded to the solicitations by sending funds to BAUER. The corporations and LLCs who paid received certificates of status that were purchased by BAUER using a credit card. As of January 15, 2015, BAUER had purchased 897 certificates of status from the Division of Corporations. Since BAUER charges prices ranging from \$47.00 to \$53.25, this equals a minimum of \$42,159.00 in revenue that BAUER has realized as the result of the deceptive solicitations.

22. On February 19, 2015, BAUER dissolved UBS and simultaneously registered UCS with the same principal address as UBS. BAUER is listed as both Chief Executive Officer and Registered Agent of UCS. BAUER has simply continued sending the misleading solicitations to Florida businesses using the name UCS.

23. As part of the Attorney General's investigation into the Defendants' activities, Financial Investigator Stephen Roberts posed as a corporation and registered with the Florida Division of Corporations. The following week, Investigator Roberts received a solicitation from Defendant, UBS, requesting that check, credit card, or money order payments be sent to 113 South Monroe Street, 1<sup>st</sup> Floor, Tallahassee, FL 32301, with checks made payable to UBS. Upon visiting the address, Investigator Roberts found it was a "virtual office", and the Defendants maintain no physical presence there. Defendants merely rent the address to send and receive mail.

24. BAUER is merely the latest of many to send these solicitations to Florida businesses. Similar schemes began in 2013, and this Court has previously issued three Orders enjoining others from sending solicitations virtually identical to those currently being sent by BAUER.

25. Each week, the Attorney General receives complaints from new Florida businesses who have received solicitations from the Defendants. Recipients of the Defendants' mailings send money because the mailings lead them to believe that certificates of status are required and that the mailings come from a government entity.

**The Deceptive Mailings for "Certificates of Status"**

26. The mailings of UBS and UCS are deceptive on their face and employ a variety of devices to give recipients the impression that the documents are official and that certificates of status are necessary. These devices include but are not limited to:

- (a) a star-studded seal,
- (b) a "document number" giving the impression that the solicitation is an official government document,
- (c) the words "2015 CERTIFICATE OF STATUS REQUEST FORM" stamped on the upper right corner of the document,
- (d) the format of a "FORM,"
- (e) use of the language "[y]ou have one step left..." giving the impression that consumers must take additional steps to complete the registration process,
- (f) official-sounding language such as "IMPORTANT! FOLLOW INSTRUCTIONS EXACTLY WHEN COMPLETING THIS FORM. PLEASE PRINT CLEARLY,"
- (g) failure to disclose clearly and conspicuously that the documents are merely solicitations as required by Section 817.061, Florida Statutes.

### **“Annual Minutes” Scheme**

27. In the second scheme, BAUER and SMITH use CFSOF to send solicitations to Florida businesses soliciting payments for "Annual Minutes." Because the Division of Corporations requires businesses to file an “annual report,” recipients remit payment to CFSOF believing they are paying the state of Florida to meet this requirement.

28. In actuality, annual minutes are not required and do not satisfy the division’s annual report requirement. Consumers do not realize they have been scammed until they later receive a notice from the Division of Corporations that their annual report is still due and they are required to send additional payments to the *actual* Division of Corporations.

29. BAUER and SMITH charge recipients of the mailings \$125.00 for annual minutes which serve no purpose and are not required by the Division of Corporations.

30. During the course of the Attorney General’s investigation into the Defendants’ activities, Financial Investigator Stephen Roberts received a solicitation from CFSOF for “Annual Minutes.” The solicitation requested that check, credit card, or money order payments be sent to 400 Capital Circle Southeast, Suite 18311, Tallahassee, FL 32301, with checks made payable to CFSOF. Investigator Roberts remitted payment to CFSOF and several days later Investigator Roberts found that the check had been cashed by CFSOF.

### **The Deceptive Mailings for “Annual Minutes”**

31. The mailings of CFSOF are deceptive on their face and employ a variety of devices to give recipients the impression that the documents are official and that annual minutes are necessary. These devices include but are not limited to:

- (a) a “corporation number” giving the impression that the solicitation is an official government document,
- (b) a “key code” furthering the impression that the solicitation is an official government document,
- (c) The incorporation date of the business to which the solicitation was sent,
- (d) official-sounding language such as "IMPORTANT! FOLLOW INSTRUCTIONS EXACTLY WHEN COMPLETING THIS FORM. PLEASE PRINT,"
- (e) the words "2015 ANNUAL MINUTES FORM" stamped on the upper center of the document,
- (f) The use of Florida statutory language giving the misleading impression that annual minutes are required by law,
- (g) Detailed instructions on completing the form, which includes the terms stockholders, board of directors, and corporate officers,
- (h) failure to disclose clearly and conspicuously that the documents are merely solicitations as required by Section 817.061, Florida Statutes.

### **“Employment Law Posters” Scheme**

32. In the third scheme, BAUER and SMITH use CFSOF to send mailings soliciting payments for "Employment Law Posters." The solicitations are also disguised as official-looking documents and are sent to existing corporations and LLCs throughout the state of Florida.

33. Because employers may be required to post various announcements in their places of business, related to issues such as wages, workers compensation and safety requirements, the

recipients of the solicitations pay CFSOF believing they are paying a government entity to comply with government requirements.

34. BAUER and SMITH charge recipients of the mailings \$105.00 for these “posters” which are completely free at the United States Department of Labor’s website and various other locations. Consumers do not realize they have been scammed unless they are informed by another party that these posters are free from various organizations.

35. During the course of the Attorney General’s investigation into the Defendants’ activities, Financial Investigator Stephen Roberts received a solicitation from the CFSOF for “Employment Law Posters.” The solicitation requested that check, credit card, or money order payments be sent to 400 Capital Circle Southeast, Suite 18311, Tallahassee, FL 32301, with checks made payable to CFSOF.

36. The Defendants’ deceptive schemes are ongoing as of the filing of this Complaint. Each week, the Attorney General receives complaints from new Florida businesses who have received solicitations from the Defendants. Recipients of the Defendants’ mailings send money because the mailings lead them to believe that the mailings come from a government entity.

**The Deceptive Mailings for “Employment Law Posters”**

37. The mailings of CFSOF are deceptive on their face and employ a variety of devices to give recipients the impression that the documents are official and that their employment law posters are necessary. These devices include but are not limited to:

- (a) an envelope bearing a seal with the image of the State of Florida,
- (b) language on the envelope stating “INSIDE: 11 FEDERAL & FLORIDA REGULATIONS AFFECTING YOUR EMPLOYEES OPEN IMMEDIATELY,”

- (c) a return address on Capital Circle in the city of Tallahassee giving the impression that the mailings originate from the Capital of the state of Florida,
- (d) a "Business ID" number,
- (e) the words "LABOR LAW COMPLIANCE NOTICE" stamped on the upper right corner of the document,
- (f) The use of state and federal statutory language and citations giving the misleading impression that the purchase of the "posters" is required by law,
- (g) Detailed descriptions of various labor laws furthering the impression that the purchase of the poster is required by law,
- (h) failure to disclose clearly and conspicuously that the documents are merely solicitations as required by Section 817.061, Florida Statutes.

**COUNT ONE**  
**FLORIDA DECEPTIVE AND UNFAIR TRADE PRACTICES ACT**  
**CHAPTER 501, PART II, FLORIDA STATUTES**

38. The Attorney General re-alleges Paragraphs 1 to 37.

39. Section 501.204(1) of the Florida Unfair and Deceptive Trade Practices Act, Chapter 501, Part II, states that "unfair or deceptive acts or practices in the conduct of any trade or commerce are hereby declared unlawful."

40. Any entity that willfully engages in a deceptive or unfair act or practice is liable for a civil penalty of \$10,000 for each such violation; willful violations occur when the entity knew or should have known that the conduct in question was deceptive or unfair or prohibited by rule. Fla. Stat. § 501.2075.

41. At all times material hereto, Defendants UBS, UCS, CFSOF, TRAVIS SMITH, and JEREMY BAUER, have engaged in "trade or commerce" as defined by Section 501.203(8), Florida Statutes.

42. Defendant JEREMY BAUER directs or controls, or has the authority to direct or control, the deceptive and unfair acts or practices engaged in by UBS and UCS.

43. Defendants TRAVIS SMITH and JEREMY BAUER direct or control, or have the authority to direct or control, the deceptive and unfair acts or practices engaged in by CFSOF.

44. Defendants UBS, UCS, CFSOF, TRAVIS SMITH, and JEREMY BAUER know or should know that their conduct was deceptive and unfair.

45. Defendants UBS, UCS, CFSOF, TRAVIS SMITH, and JEREMY BAUER, engaged in deceptive, unfair and unconscionable acts that include but are not limited to creating, preparing, mailing and seeking payment in connection with documents that appear to be official government documents.

46. Defendants UBS, UCS, CFSOF, TRAVIS SMITH, and JEREMY BAUER, engaged in deceptive, unfair and unconscionable acts that include but are not limited to representing to businesses and seeking payment in connection with representations that the businesses need to obtain additional documents in order to comply with state and federal requirements.

**COUNT TWO**  
**MISLEADING SOLICITATIONS STATUTE,**  
**SECTION 817.061, FLORIDA STATUTES**

47. The Attorney General re-alleges Paragraphs 1 to 37.

48. The Misleading Solicitations Statute, Section 817.061, states:

It is unlawful for any person, company, corporation, agency, association, partnership, institution, or charitable entity to solicit payment of money by another by means of a statement or invoice, or any writing that would reasonably be interpreted as a statement or invoice, for goods not yet ordered or for services not yet performed and not yet ordered, unless there appears on the face of the statement or invoice or writing in 30-point boldfaced type the following warning:

**"This is a solicitation for the order of goods or services, and you are under no obligation to make payment unless you accept the offer contained herein."**

Fla. Stat. § 817.061(1) (emphasis and 30-point boldface type supplied).

49. At all times material hereto, Defendant JEREMY BAUER directed or controlled, or had the authority to direct or control, the acts or practices engaged in by UBS and UCS.

50. At all times material hereto, Defendants TRAVIS SMITH and JEREMY BAUER directed or controlled, or had the authority to direct or control, the acts or practices engaged in by CFSOF.

51. Defendants UBS, UCS, CFSOF, TRAVIS SMITH and JEREMY BAUER violated the Misleading Solicitations Statute, Section 817.061, Florida Statutes, by failing to include the statutorily required 30-point boldface warning in their solicitations for goods or services not yet ordered.

**PRAYER FOR RELIEF**

WHEREFORE, Plaintiff, State of Florida, Department of Legal Affairs, Office of the Attorney General respectfully requests that this Court:

(a) Temporarily and permanently enjoin Defendants UBS, UCS, CFSOF, TRAVIS SMITH, and JEREMY BAUER from violating the Florida Unfair and Deceptive Trade Practices Act, Chapter 501, Part II, Florida Statutes, and the Misleading Solicitations Statute, Section 817.061, Florida Statutes;

(b) Order Defendants UBS, UCS, CFSOF, TRAVIS SMITH and JEREMY BAUER, to fully reimburse every consumer who paid them money in response to their deceptive, unfair, unconscionable and unlawful business practices;

(c) Order Defendants UBS, UCS, CFSOF, TRAVIS SMITH, and JEREMY BAUER to pay civil penalties pursuant to Sections 501.2075 and 501.2077, Florida Statutes;

(d) Award the Attorney General reasonable attorney's fees and costs pursuant to Section 501.207(6); and

(e) Grant such other relief as this Court deems just and proper.

Dated: July 16, 2015

Respectfully submitted,  
PAMELA JO BONDI  
ATTORNEY GENERAL

/s/ Sean T. Garvey

Sean T. Garvey, Esq.  
FBN# 0094652  
Assistant Attorney General  
Consumer Protection Division  
Office of the Attorney General  
The Capital, PL-01  
Tallahassee, Florida 32399-1050  
Phone: (850) 414-3300  
Fax: (850) 488-4483  
sean.garvey@myfloridalegal.com  
oag.ec.tlh@myfloridalegal.com