



Attorney General Doug Peterson

News Release

FOR IMMEDIATE RELEASE
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Attorney General Doug Peterson Announces Settlement with Florida-Based Businesses and their Principals for Alleged Postcard Scheme

Nebraska Attorney General Doug Peterson today announced a settlement with Florida-based businesses United Business Services, LLC and Corporations Filing Service, LLC, as well as their principals James L. Beard and Sean M. Shaughnessy, resolving an investigation and lawsuit which focused on the operation of a postcard mailing campaign and related telephone support. Nebraska entities were solicited to purchase labor law posters and certificates of existence, but the State alleged the Defendants falsely represented that business entities needed to obtain these products in order to comply with state and federal law and to avoid fees or penalties. Furthermore, the State alleged that the postcards intentionally appeared as though they originated from an official governmental entity, which they did not, and that the postcards were sent from a local address in Lincoln, Nebraska, which they were not.

The settlement requires United Business Services, et al. to cease and desist from engaging in any postcard campaign, like the one alleged, or any other similar scheme, as well as cease and desist from engaging in any activity that is misleading, unfair, unconscionable, or deceptive to Nebraskans or that effects Nebraska. United Business Services, et al. is also required to make a payment of \$2,118 for restitution to Nebraska entities, and make a \$4,000 payment to the State. Nebraska entities who qualify for restitution will be notified by the Attorney General's Office in the near future.

The Attorney General had previously warned Nebraskans about this [scheme](#).

To obtain information about how to protect yourself as a consumer, file a consumer complaint, or report a scam, please visit the Nebraska Attorney General's Office, Consumer Protection Division website at www.protectthegoodlife.nebraska.gov or call (800) 727-6432.

IN THE DISTRICT COURT OF LANCASTER COUNTY, NEBRASKA

STATE OF NEBRASKA, ex rel.
DOUGLAS J. PETERSON, ATTORNEY
GENERAL,

Plaintiff,

v.

UNITED BUSINESS SERVICES, LLC,
a Florida limited liability company;
CORPORATIONS FILING SERVICE,
LLC, a Florida limited liability company;
JAMES L. BEARD, an individual; and
SEAN M. SHAUGHNESSY, an
individual,

Defendants.

CI 16 - 1681

COMPLAINT

LANCASTER COUNTY
2016 MAY 17 AM 11 05
CLERK OF THE
DISTRICT COURT

The State of Nebraska, ex rel. Douglas J. Peterson, Attorney General, by and through the undersigned Assistant Attorney General ("State"), sets forth its causes of action against Defendants.

I. INTRODUCTION

1. This is a consumer protection action brought pursuant to the Nebraska Consumer Protection Act, Neb. Rev. Stat. § 59-1601 et seq. ("Consumer Protection Act"), and the Uniform Deceptive Trade Practices Act, Neb. Rev. Stat. § 87-301 et seq. ("Uniform Deceptive Trade Practices Act").

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2. The State has cause to believe the Defendants have violated and may be continuing to violate the Consumer Protection Act and Uniform Deceptive Trade Practices Act, among other relevant laws. The State also has cause to believe this action is in the public interest because the Defendants have deceived, misled, and caused financial harm to numerous Nebraska persons.

II. PARTIES

3. The Plaintiff in this case is the State of Nebraska, ex rel. Douglas J. Peterson, Attorney General. Pursuant to Neb. Rev. Stat. § 59-1608, the Attorney General may bring an action in the name of the State against any person to restrain and prevent the doing of any act prohibited by the Consumer Protection Act. In addition, pursuant to Neb. Rev. Stat. § 87-303.05 of the Uniform Deceptive Trade Practices Act, the Attorney General may apply for and obtain, in an action in any district court of Nebraska, a temporary restraining order, or injunction, or both, prohibiting a person from engaging in deceptive trade practices or doing any act in furtherance thereof.

4. Defendant United Business Services, LLC ("UBS") is a Florida limited liability company with its principal office in Pinellas Park, Florida.

5. Defendant Corporations Filing Service, LLC ("CFS") is a Florida limited liability company with its principal office in Pinellas Park, Florida.

6. Defendant James L. Beard ("Beard") is an individual believed to be residing in Pinellas Park, Florida. At all times relevant hereto, Beard has been the sole person authorized to manage UBS. At all times material to this Complaint, acting alone or in concert with others, Beard has formulated, directed, controlled, had the authority to

control, or participated in the acts and practices of UBS, including the acts and practices set forth in this Complaint.

7. Defendant Sean M. Shaughnessy ("Shaughnessy") is an individual believed to be residing in Pinellas Park, Florida. At all times relevant hereto, Shaughnessy has been the sole person authorized to manage CFS. At all times material to this Complaint, acting alone or in concert with others, Shaughnessy has formulated, directed, controlled, had the authority to control, or participated in the acts and practices of CFS, including the acts and practices set forth in this Complaint.

8. Neither UBS nor CFS has registered with the Nebraska Secretary of State in order to conduct business within the State of Nebraska.

III. JURISDICTION AND VENUE

9. This court has jurisdiction over this matter pursuant to Neb. Rev. Stat. § 59-1608.01 and § 87-303.05.

10. UBS, CFS, Beard, and Shaughnessy have actively solicited business from Nebraska entities sufficient to establish jurisdiction under Neb. Rev. Stat. §§ 59-1616, 87-304, and 25-536. In an attempt to solicit business, UBS, CFS, Beard, and Shaughnessy mailed postcards to numerous business entities registered within Nebraska, including business entities which maintain a principal place of business within Lancaster County.

11. Venue is proper pursuant to Neb. Rev. Stat. §§ 59-1608.01 and 87-303.05.

IV. FACTUAL ALLEGATIONS

12. On or about December 8, 2015, Shaughnessy conducted a custom search for Nebraska business entities through the Nebraska Secretary of State's website. This

search retrieved approximately 3,000 results which contained the identifying information for newly-formed Nebraska business entities. The cost for the search was \$45.00.

13. Having obtained the information for these newly-formed Nebraska business entities, UBS, CFS, Beard, and Shaughnessy designed and developed a postcard mailing campaign to solicit business.

14. Defendants CFS and Shaughnessy contracted with a Florida-based commercial printing and mailing company to develop the postcards and mail the postcards to Nebraska addresses. CFS and Shaughnessy provided the printing and mailing company a list of addresses of Nebraska business entities.

15. Based on information and belief, the Defendants caused a total of approximately 1,946 postcards to be mailed to Nebraska business entities.

16. The front side of the postcard the Defendants mailed lists a Nebraska business address and instructs the postcard recipient to read the reverse of the card for "important information regarding [the] business". A true and correct copy of the front side of one such postcard, with the identifying information removed, is attached to this Complaint and marked as Exhibit No. 1.

17. The front side of the postcard also states that the mailing is purportedly from the Compliance Division of UBS. UBS lists a mailing address of 129 North 10th Street, Lincoln, Nebraska 68508. Based on information and belief, there has never been a UBS presence at this address in Lincoln, Nebraska or anywhere else in Nebraska.

18. The mailing address UBS lists on the postcard corresponds to a Nebraska-based property management company which has no involvement or ties to any of the Defendants.

19. On the reverse side of the postcard mailing, the recipient is notified that the business may have a “potential compliance violation”. A true and correct copy of the reverse side of one such postcard, with the identifying information removed, is attached to this Complaint and marked as Exhibit No. 2.

20. The reverse side of the postcard mailing contains the business name, an entity number, and a notice date. The recipient is further instructed to call a toll-free telephone number in order to avoid potential fees and penalties.

21. Also appearing on the reverse side of the postcard is a key code, PCNE2537, which the recipient is instructed to reference when calling UBS. All postcards sent to Nebraska businesses appear to contain the same key code.

22. There is no notification on either side of the postcard to inform the recipient that the Defendants have no relation to any Nebraska or other governmental entity.

23. Numerous Nebraska business entities which received this postcard have contacted the Defendants via the toll-free telephone number. Representatives for these entities have stated that they believed they were contacting a governmental entity or the Better Business Bureau based on the information contained on the postcard.

24. Upon speaking with a UBS representative, the representatives for Nebraska business entities were informed that they needed to purchase one of two products in order to remain in compliance with the law and avoid substantial penalties: (i) a poster containing various employment and labor laws, notices, and regulations (“Labor Poster”); or (ii) a Certificate of Existence.

Labor Posters

25. Defendants have represented the Labor Poster is needed to comply with various state and federal requirements for businesses to inform employees of their rights in the workplace. Defendants have sold this poster for approximately \$89.00.

26. Based on information and belief, Defendants have not developed these posters themselves. Instead, Defendants have purchased these Labor Posters from a third-party merchant over the Internet at a substantially reduced cost and have then resold the same posters to Nebraskans.

27. Because of this purchasing practice, Defendants have not undertaken any meaningful review of the poster to ensure it complies with either Nebraska law or federal law. Further, Defendants did not engage in research into each Nebraska entity which they solicited to discover whether the entity was even required to display such a poster in its place of business or whether the entity would be required to display additional posters due to industry-specific requirements. Therefore, based on information and belief, Defendants could not fully guarantee that a business obtaining this poster would cure any potential compliance violations and avoid any penalties.

28. The Nebraska Department of Labor offers posters which fully comply with federal labor laws and Nebraska labor laws for no charge and will even ship these posters to requesting parties at no additional charge.

Certificates of Existence

29. When a Nebraska business entity responding to the postcard mailing did not purchase a poster, the Defendants' representatives attempted to sell a Certificate of Existence to the calling party. Based on information and belief, the Defendants have sold these certificates to Nebraska business entities for \$70.00.

30. A Certificate of Existence is not a recognized document in Nebraska. Rather, the Nebraska Secretary of State offers two types of Certificates of Good Standing for purchase. The cost to purchase a paper copy of a Certificate of Good Standing through the Nebraska Secretary of State is \$10.00. The Nebraska Secretary of State also offers an online Certificate of Good Standing for \$6.50 and this form of certificate can be validated over the internet.

31. A business entity registered in Nebraska is not required to have a Certificate of Good Standing when conducting business. Thus, there is no compliance violation or potential fees or penalties which a Nebraska business entity could incur for not having a Certificate of Good Standing.

32. Based on information and belief, Defendants have placed orders for over 20 Certificates of Good Standing through the Nebraska Secretary of State's website. The Defendants have utilized the Nebraska business entity's information to place the order, paid for the order with a CFS credit card, and then directed that the Certificate of Good Standing be shipped directly to the Nebraska entity.

VIOLATIONS OF THE CONSUMER PROTECTION ACT

33. Under the Consumer Protection Act, Neb. Rev. Stat. § 59-1602 prohibits “[u]nfair methods of competition and unfair or deceptive acts or practices in the conduct of any trade or commerce.”

34. At all times relevant to this complaint, UBS has been under the actual control of Beard and CFS has been under the actual control of Shaughnessy. Beard and Shaughnessy exercised their control over UBS and CFS to commit wrongs in contravention of the Consumer Protection Act.

**COUNT I – DESIGNING AND MAILING POSTCARDS WHICH APPEAR TO
ORIGINATE FROM AN OFFICIAL GOVERNMENT ENTITY**
(Unfair or Deceptive Trade Act or Practice)

35. The State re-alleges and incorporates by reference all of the allegations contained in the preceding paragraphs above, as though fully set forth herein.

36. Defendants created, prepared, mailed, and sought payment in connection with a postcard campaign through which they designed and mailed postcards to Nebraska business entities. These postcards intentionally appear as though they had originated from an official governmental entity.

37. There is no disclaimer on the postcard to inform a recipient that Defendants are soliciting products and that Defendants have no relation to a governmental entity.

38. The trade and commerce mentioned in this Count directly and indirectly affected the people of the State of Nebraska.

39. Defendants' actions constitute unfair or deceptive acts or practices in the conduct of any trade or commerce in violation of Neb. Rev. Stat. § 59-1602. For each and every postcard Defendants mailed to a Nebraska business entity, Defendants committed a separate violation of this statute.

**COUNT II – DESIGNING AND MAILING POSTCARDS WHICH APPEAR TO
ORIGINATE FROM A NEBRASKA ENTITY**
(Unfair or Deceptive Trade Act or Practice)

40. The State re-alleges and incorporates by reference all of the allegations contained in the preceding paragraphs above, as though fully set forth herein.

41. Defendants created, prepared, mailed, and sought payment in connection with a postcard campaign through which they designed and mailed postcards to Nebraska

business entities. These postcards intentionally appear as though they had originated from a business located in Lincoln, Nebraska.

42. The trade and commerce mentioned in this Count directly and indirectly affected the people of the State of Nebraska.

43. Defendants' actions constitute unfair or deceptive acts or practices in the conduct of any trade or commerce in violation of Neb. Rev. Stat. § 59-1602. For each and every postcard Defendants mailed to a Nebraska business entity, Defendants committed a separate violation of this statute.

COUNT III – SOLICITING UNNECESSARY PRODUCTS UNDER THREATS OF VIOLATIONS AND PENALTIES
(Unfair or Deceptive Trade Act or Practice)

44. The State re-alleges and incorporates by reference all of the allegations contained in the preceding paragraphs above, as though fully set forth herein.

45. Defendants represented to Nebraska residents and sought payment in connection with representations that the business entities needed to obtain the products Defendants solicited in order to comply with state and federal law.

46. The trade and commerce mentioned in this Count directly and indirectly affected the people of the State of Nebraska.

47. Defendants' actions constitute unfair or deceptive acts or practices in the conduct of any trade or commerce in violation of Neb. Rev. Stat. § 59-1602. For each and every postcard Defendants mailed to a Nebraska business entity, Defendants committed a separate violation of this statute.

VIOLATIONS OF THE UNIFORM DECEPTIVE TRADE PRACTICES ACT

48. Section 87-302(a) of the Uniform Deceptive Trade Practices Act specifies a number of practices which, when conducted in the course of business, may constitute a deceptive trade practice, including:

1. [Passing] off goods or services as those of another;
2. [Causing] likelihood of confusion or of misunderstanding as to the source, sponsorship, approval, or certification of goods or services;
3. [Causing] likelihood of confusion or of misunderstanding as to affiliation, connection, association with, or certification by, another;
4. [Using] deceptive representations or designations of geographic origin in connection with goods or services; and
5. [Representing] that goods have sponsorship, approval, characteristics, ingredients, uses, benefits, or quantities that they do not have or that a person has a sponsorship, approval, status, affiliation, or connection that he or she does not have.

49. Furthermore, Neb. Rev. Stat. § 87-303.01(1) declares that an “unconscionable act or practice by a supplier in connection with a consumer transaction shall be a violation of the Uniform Deceptive Trade Practices Act.”

50. At all times relevant to this complaint, UBS has been under the actual control of Beard and CFS has been under the actual control of Shaughnessy. Beard and Shaughnessy exercised their control over UBS and CFS to commit wrongs in contravention of the Uniform Deceptive Trade Practices Act.

**COUNT IV – DESIGNING AND MAILING POSTCARDS WHICH APPEAR TO
ORIGINATE FROM AN OFFICIAL GOVERNMENT ENTITY**
(Unconscionable Practice)

51. The State re-alleges and incorporates by reference all of the allegations contained in the preceding paragraphs above, as though fully set forth herein.

52. Defendants' actions listed in Count I of this complaint also constitute deceptive trade practices in violation of § 87-302(a)(1), (2), (3), and (5) of the Uniform Deceptive Trade Practices Act. For each and every postcard Defendants mailed to a Nebraska business entity, Defendants committed a separate violation of this statute.

**COUNT V – DESIGNING AND MAILING POSTCARDS WHICH APPEAR TO
ORIGINATE FROM A NEBRASKA ENTITY**
(Unconscionable Practice)

53. The State re-alleges and incorporates by reference all of the allegations contained in the preceding paragraphs above, as though fully set forth herein.

54. Defendants' actions listed in Count II also constitute deceptive trade practices in violation of § 87-302(a)(4) of the Uniform Deceptive Trade Practices Act. For each and every postcard Defendants mailed to a Nebraska business entity, Defendants committed a separate violation of this statute.

**COUNT VI – SOLICITING UNNECESSARY PRODUCTS UNDER THREATS OF
VIOLATIONS AND PENALTIES**
(Unconscionable Practice)

55. The State re-alleges and incorporates by reference all of the allegations contained in the preceding paragraphs above, as though fully set forth herein.

56. Defendants' actions listed in Count III also constitute deceptive trade practices in violation of § 87-302(a)(1), (2), (3), and (5) of the Uniform Deceptive Trade Practices Act. For each and every postcard Defendants mailed to a Nebraska business entity, Defendants committed a separate violation of this statute.

**COUNT VII – DESIGNING AND MAILING POSTCARDS WHICH MISLEAD
NEBRASKA RESIDENTS**
(Unconscionable Practice)

57. The State re-alleges and incorporates by reference all of the allegations contained in the preceding paragraphs above, as though fully set forth herein.

58. Defendants' actions listed in Counts I, II, and III of this complaint also constitute unconscionable practices in violation of § 87.303.01(1) of the Uniform Deceptive Trade Practices Act. For each and every postcard Defendants mailed to a Nebraska business entity, Defendants committed a separate violation of this statute.

PRAYER FOR RELIEF

WHEREFORE, the State of Nebraska respectfully requests this Court to:

(A) Pursuant to Neb. Rev. Stat. §§ 59-1608 and 87-303.05, permanently enjoin Defendants UBS, CFS, James L. Beard, and Sean M. Shaughnessy from violating the Consumer Protection Act and the Uniform Deceptive Trade Practices Act;

(B) Pursuant to Neb. Rev. Stat. §§ 59-1608 and 87-303.05 order Defendants to fully reimburse every Nebraska person which paid the Defendants money in response to their deceptive, unfair, and unconscionable postcard mailing;

(C) Order Defendants to pay civil penalties of up to \$2,000.00 for each and every violation of the Consumer Protection Act, pursuant to Neb. Rev. Stat. § 59-1614;

(D) Order Defendants to pay civil penalties of up to \$2,000.00 for each and every violation of the Uniform Deceptive Trade Practices Act, pursuant to Neb. Rev. Stat. § 87-303.11;

(E) Order Defendants to pay all of the State's costs and attorney's fees for the prosecution and investigation of this action, pursuant to the Consumer Protection Act,

Neb. Rev. Stat. § 59-1608, and the Uniform Deceptive Trade Practices Act, Neb. Rev. Stat. § 87-303; and

(F) Grant the State any such other and further relief as the Court deems equitable, just, and proper.

Dated this 17th day of May, 2016.

BY: Douglas J. Peterson, # 18146
Attorney General of Nebraska

BY: Timothy R. Ertz

Timothy R. Ertz, # 25162
Assistant Attorneys General
2115 State Capitol
Lincoln, NE 68509-8920
Phone: (402) 471-1919
timothy.ertz@nebraska.gov

Attorneys for Plaintiff.

!NOTICE OF POTENTIAL COMPLIANCE VIOLATION!

Business Name:

Entity Number:

Notice Date: 12/11/2018

PLEASE CALL IMMEDIATELY

1-844-564-2211

Avoid Potential Fees and Penalties

KEY CODE: PCNE2537

PLEASE REFERENCE THIS KEY CODE WHEN CALLING.

12/11/2018

12/11/2018

Exhibit 2
Eltzberg No. 8117

IN THE DISTRICT COURT OF LANCASTER COUNTY, NEBRASKA

STATE OF NEBRASKA, ex rel.)
DOUGLAS J. PETERSON, ATTORNEY)
GENERAL,)
Plaintiff,)
v.)
UNITED BUSINESS SERVICES, LLC, a)
Florida limited liability company;)
CORPORATIONS FILING SERVICE,)
LLC, a Florida limited liability company;)
JAMES L. BEARD, an individual; and)
SEAN M. SHAUGHNESSY, an individual,)
Defendants.)

CI 16 - 1681

LANCASTER COUNTY
2016 JUL 26 PM 1 31
CLERK OF THE
DISTRICT COURT

AGREEMENT TO ENTRY OF FINAL CONSENT JUDGMENT

Plaintiff, the State of Nebraska by and through Douglas J. Peterson, the Attorney General, and through Assistant Attorneys General, has filed a Complaint against Defendants United Business Services, LLC, Corporations Filing Service, LLC, James L. Beard, and Sean M. Shaughnessy requesting an injunction and other relief in this matter pursuant to the Consumer Protection Act, Neb. Rev. Stat. § 59-1601 *et seq.* (hereinafter "Consumer Protection Act") and the Uniform Deceptive Trade Practices Act, Neb. Rev. Stat. § 87-301 *et seq.* (hereinafter "Uniform Deceptive Trade Practices Act") alleging Defendants committed violations of the aforementioned Acts through a postcard mailing campaign and related telephone support.

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WHEREAS, the Plaintiff and Defendants now wish to amicably resolve the issues raised in the Complaint, and **NOW THEREFORE**, upon the consent of the Parties hereto, **IT IS HEREBY AGREED AS FOLLOWS**:

Plaintiff, by its counsel, and Defendants, by their counsel, have consented to the entry by the court of a final consent judgment approving this Agreement to Entry of Final Consent Judgment (hereinafter "Agreement") without trial or adjudication of any issue of fact or law, and without admission of any wrongdoing or admission of any violations of law, including violations of the Consumer Protection Act and the Uniform Deceptive Trade Practices Act.

PARTIES

1. Douglas J. Peterson is the duly elected, qualified, and acting Attorney General of the State of Nebraska. The Nebraska Attorney General is responsible for enforcement of Nebraska consumer protection laws, including, but not limited to, the Consumer Protection Act and the Uniform Deceptive Trade Practices Act.

2. Defendant United Business Services, LLC (hereinafter "UBS") is a Florida limited liability company with its principal office in Pinellas Park, Florida.

3. Defendant Corporations Filing Service, LLC (hereinafter "CFS") is a Florida limited liability company with its principal office in Pinellas Park, Florida.

4. Defendant James L. Beard (hereinafter "Beard") is an individual residing in Pinellas Park, Florida. At all times relevant hereto, Beard has been the sole person authorized to manage UBS.

5. Defendant Sean M. Shaughnessy (hereinafter "Shaughnessy") is an individual residing in Pinellas Park, Florida. At all times relevant hereto, Shaughnessy has been the sole person authorized to manage CFS.

6. UBS, CFS, Beard, and Shaughnessy shall be collectively referred to as “Defendants” throughout this Agreement.

7. Plaintiff and Defendants shall be collectively referred to as “the Parties” throughout this Agreement.

PLAINTIFF’S ALLEGATIONS

8. Defendants violated the Consumer Protection Act and the Uniform Deceptive Trade Practices Act through both a postcard mailing scheme sent to Nebraska addresses, and related telephone support (hereinafter “postcard campaign”), the purpose of which was to entice the purchase of labor law posters and/or certificates of existence, under the threat of a compliance violation or potential fees or penalties that the Nebraska recipient could incur.

9. Defendants created, prepared, mailed, and sought payment in connection with a postcard campaign through which they designed and mailed postcards to Nebraska business entities. These postcards intentionally appear as though they had originated from an official governmental entity. There is no disclaimer on the postcard to inform a recipient that Defendants are soliciting products and that Defendants have no relation to a governmental entity. Furthermore, these postcards intentionally appear as though they had originated from a local Lincoln, Nebraska address. The postcards instruct the recipients to call a toll-free telephone number in order to avoid potential fees and penalties.

10. Through these postcards and telephone communications, Defendants represented to Nebraska entities, and sought payment in connection with the representations, that the business entities needed to obtain the products Defendants solicited in order to comply with state and federal law and to avoid fees or penalties.

11. Numerous Nebraska business entities which received a postcard contacted the Defendants via the toll-free telephone number. Representatives for these entities have stated that they believed they were contacting a governmental entity or the Better Business Bureau based on the information contained on the postcard.

12. Numerous Nebraska entities purchased the labor law posters or the certificates of existence due to Defendants' misleading postcards and misleading statements made during the telephone communications.

13. In regard to the solicitation of labor law posters, Defendants did not undertake any meaningful review of the labor law posters they sold to ensure the posters complied with either Nebraska law or federal law. Further, Defendants did not research each Nebraska entity which they solicited to discover whether the entity was even required to display such a poster in its place of business or whether the entity would be required to display additional posters due to industry-specific requirements. Therefore, Defendants could not fully guarantee that a business obtaining this poster would cure any potential compliance violations and avoid any penalties.

14. In regard to the solicitation of certificates of existence, a certificate of existence is not an official government sponsored document for entities domiciled in Nebraska. Rather, the Nebraska Secretary of State offers two types of Certificates of Good Standing for purchase. A business entity registered in Nebraska is not required to have a Certificate of Good Standing when conducting business. Thus, there is no compliance violation or potential fees or penalties which a Nebraska business entity could incur for not having a Certificate of Good Standing, or the non-government sponsored certificate of existence.

DEFENDANTS' DENIALS

15. Defendants deny the Plaintiff's allegations and deny that they have violated the Consumer Protection Act or the Uniform Deceptive Trade Practices Act through their postcard campaign.

APPLICATION

16. The provisions of this Agreement apply to Defendants, doing business under their personal or limited liability company names, under any other business name, or in the name of any owners, principals, directors, officers, agents, representatives, salespersons, employees, instructors, independent contractors, affiliates, successors, transferees, assignees, and all persons acting in concert or participation with Defendants, directly or indirectly, through any corporate device, partnership, association, or other business entity, over which the Plaintiff has jurisdiction.

INJUNCTION

17. Defendants shall immediately cease and desist from engaging in any postcard campaign, such as the one described in the Plaintiff's allegations above, or any other similar scheme.

18. Defendants shall immediately cease and desist from engaging in any activity that is misleading, unfair, unconscionable, or deceptive to Nebraska consumers or that effects Nebraska, and shall immediately cease and desist from engaging in activity that is in violation of the Consumer Protection Act, the Uniform Deceptive Trade Practices Act, and other Nebraska consumer protection laws.

CONSUMER RESTITUTION

19. The Parties have compiled a list of Nebraska persons who have transacted business with Defendants through the postcard campaign (hereinafter "List"), which includes the amount

each entity paid to Defendants. Nebraska person means any natural person, corporation, trust, unincorporated association, partnership, limited liability company or other business entity, who is a legal resident of Nebraska or domiciled in Nebraska at the time the transaction occurred.

20. Defendants shall pay Plaintiff two thousand, one hundred eighteen dollars (\$2,118.00) by the date of court approval of this Agreement via certified check, to be placed in the State Settlement Trust Fund, held in trust, and paid as restitution to each Nebraska person on the List.

21. If, by October 31, 2016, either the Defendants or Plaintiff becomes aware that any Nebraska person transacted business with Defendants through the postcard campaign, but who was not on the List and therefore did not receive a full refund, or becomes aware that any Nebraska person on the List did not receive a full refund because the amount the entity paid was inaccurate, the Party privy to this information must promptly notify the other Party. If adequate proof is provided of said transaction to the reasonable satisfaction of both the Defendants and the Plaintiff, Defendants shall pay a full refund to those person(s) within fifteen (15) days of prompt verification of the transaction by both Parties.

PAYMENT

22. Defendants shall pay four thousand dollars (\$4,000.00) to Plaintiff by the date of court approval of this Agreement via certified check.

23. Payment made pursuant to paragraph 22 shall be placed in the State Settlement Cash Fund. These funds may be used for attorney's fees and other costs of investigation, future consumer protection or privacy enforcement, consumer education, litigation, to defray the costs of the inquiry leading hereto, or for other uses permitted by state law at the sole discretion of the Nebraska Attorney General. The Parties acknowledge that the payment described in this paragraph

is not a fine or penalty, or payment in lieu thereof.

24. Should any of the Defendants in this matter be found to have violated the provisions of this Agreement within five (5) years of the date of court approval of this Agreement, the individual or entity found to be in violation shall pay an additional fifty thousand dollars (\$50,000.00) to the Plaintiff. Such funds shall be placed in the State Settlement Cash Fund. The Parties acknowledge that the payment described in this paragraph is not a fine or penalty, or payment in lieu thereof and that this in no way limits any other action or proceeding that can be made by Plaintiff against Defendants pursuant to law.

GENERAL PROVISIONS

25. This Agreement constitutes a complete settlement and release by the Plaintiff of all civil claims and causes of action against Defendants arising out of the conduct alleged in this Agreement that existed as of the date of court approval of this Agreement and that could have been asserted by the Plaintiff under the Consumer Protection Act or the Uniform Deceptive Trade Practices Act. This does not affect a consumer's private right of action, or the Plaintiff's right to bring any and all contempt actions, or other actions arising out of violation of this Agreement, should any occur in the future.

26. Nothing in this Agreement shall be construed so as to limit or bar any other person or entity from pursuing any and all available legal remedies against Defendants; nor is it the intent of the Parties hereto that this Agreement shall create or support a cause of action against Defendants by non-parties to this Agreement.

27. Nothing contained herein shall be construed as relieving Defendants of the obligation to comply with any and all federal, state and local laws, regulations or rules, nor shall any of the provisions of this Agreement be deemed a waiver or permission to engage in any act or practice prohibited by law, regulation or rule. This Agreement is subject to all applicable federal,

state and local laws, regulations and rules.

28. Defendants understand that this Agreement shall not be construed as an approval of or sanction by the Plaintiff of the Defendants' business practices, nor shall the Defendants represent the Agreement as such approval. The Parties further understand and agree that any failure by the Plaintiff to take any action in response to any information submitted pursuant to this Agreement shall not be construed to be an approval of or sanction of any representations, acts, or practices of the Defendants, nor shall any inaction by the Plaintiff be considered a waiver by the Plaintiff of any rights under this Agreement or the law.

29. If any portion, provision, or part of this Agreement is held to be invalid, unenforceable or void for any reason whatsoever, that portion shall be severed from the remainder and shall not affect the validity or enforceability of the remaining provisions, portions or parts.

30. In the event any law, regulation or order is enacted, adopted or issued by the federal government, the State of Nebraska or any of its agencies, any relevant local government or a court of competent jurisdiction with respect to any issue specifically covered by this Agreement, the requirements of such law, regulation or order, after written notice by Defendants to the Plaintiff, shall replace any provision contained herein so that compliance with such law, regulation or order shall be deemed compliance with this Agreement.

31. Defendants shall generate, retain and make readily available to Plaintiff for inspection, upon reasonable notice and without the necessity of a subpoena, civil investigative demand or other legal process, all material records and documents reasonably necessary to document compliance with this Agreement.

32. This Agreement is made and entered into without trial, finding of fact or conclusions of law by a court. This Agreement does not constitute evidence against or an admission

by Defendants of any issues of fact or any violations of law in the past or that Defendants have engaged in any inappropriate activities or other wrongdoing, and shall not be used in a manner inconsistent with these terms.

33. The Parties acknowledge and represent that: (a) each Party has read this Agreement in its entirety and fully understands all of its terms and conditions and the ramifications and consequences thereof; (b) each Party unconditionally consents to the terms of this Agreement; (c) each Party has either consulted with or had ample opportunity to consult with legal counsel of their choosing prior to executing this Agreement; (d) each Party has freely and voluntarily signed this Agreement; and (e) the consideration received by each Party as described in this Agreement is adequate.

34. The Parties acknowledge and agree that this Agreement contains the entire understanding of the Parties and supersedes and forever terminates all prior and contemporaneous representations, promises, agreements, understandings, and negotiations, whether oral or written, with respect to its subject matter. The Parties further agree that this Agreement may only be amended, modified, or supplemented by a duly executed writing signed by each Party to this Agreement.

35. The Parties agree that they may execute this Agreement in any number of counterparts, each of which shall be deemed an original hereof, but which together shall constitute one and the same instrument and agreement, and that facsimile or electronically-transmitted signatures may be attached to this Agreement and shall be binding on such party as an original signature.

36. Any notices, statements, or other written documents required by this Agreement shall be provided by first class mail and/or emailed to the intended recipient at the addresses set

forth below, unless a different address is specified in writing by the Party changing such address:

A. For Plaintiff:

Abigail M. Stempson
Assistant Attorney General
Chief, Consumer Protection Division
Nebraska Attorney General's Office
2115 State Capitol Building
Lincoln, NE 68509
abigail.stempson@nebraska.gov

B. For Defendants:

Andrew D. Strotman, Esq.
Cline Williams Wright Johnson & Oldfather, L.L.P.
1900 U.S. Bank Building - 233 South 13th Street
Lincoln, Nebraska 68508
astrotman@clinewilliams.com

WHEREFORE, each undersigned representative of the Plaintiff and Defendants certifies that he or she is fully authorized to enter into the terms and conditions of this Agreement and legally bind such Party to its terms. The following signatures are affixed hereto as of the dates written below in agreement hereof.

JOINTLY APPROVED AND SUBMITTED FOR ENTRY:

FOR PLAINTIFF:

STATE OF NEBRASKA, ex rel.
DOUGLAS J. PETERSON,
Attorney General

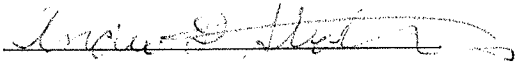
By: Douglas J. Peterson, No. 18146
Attorney General

By: Abigail M. Stempson 7.22.16
Abigail M. Stempson, No. 23329 Date
Assistant Attorney General
Chief, Consumer Protection Division
2115 State Capitol
Lincoln, NE 68590-8920

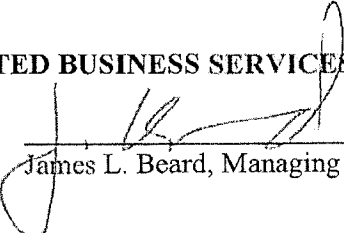
Phone: (402) 471-3833
Email: abigail.stempson@nebraska.gov


Counsel for the State of Nebraska

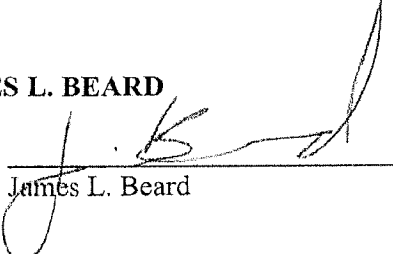
FOR DEFENDANTS:

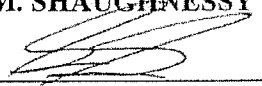
By:  7/22/16
Date

Andrew D. Strotman, Esq.
Cline Williams Wright Johnson & Oldfather, L.L.P.
1900 U.S. Bank Building - 233 South 13th Street
Lincoln, Nebraska 68508
Phone: (402) 474-6900
Email: astrotman@clinewilliams.com

UNITED BUSINESS SERVICES, LLC
By:  7/21/16
Date
James L. Beard, Managing Member

CORPORATIONS FILING SERVICE, LLC
By:  7/21/16
Date
Sean M. Shaughnessy, Managing Member

JAMES L. BEARD
By:  7/21/16
Date
James L. Beard

SEAN M. SHAUGHNESSY
By:  7/21/16
Date
Sean M. Shaughnessy