

ASSURANCE OF DISCONTINUANCE

IN THE MATTER OF COMPLIANCE SERVICES COLORADO, INC.
("COMPLIANCE SERVICES")

This Assurance of Discontinuance ("Assurance") is entered into between Philip J. Weiser, Attorney General for the State of Colorado ("Attorney General") in his official law enforcement capacity, and Compliance Services Colorado, Inc. ("CSC") and Colorado Compliance Services, LLC ("CCS"), pursuant to the Attorney General's powers under Colo. Rev. Stat. section 6-1-110(2). This Assurance constitutes a complete settlement between the Attorney General, CSC, and CCS (the "Parties") regarding the Attorney General's allegations that Defendants violated the Colorado Consumer Protection Act ("CCPA").

I. PARTIES

1. Philip J. Weiser is the duly elected Attorney General for the State of Colorado and has jurisdiction to investigate and prosecute violations of the CCPA, C.R.S. sections 6-1-101 to 6-1-116.

2. Compliance Services Colorado, Inc. is a Colorado corporation registered with the Colorado Secretary of State with a principal office address of 3246 Centennial Blvd #121, Colorado Springs, CO 80907.

3. Colorado Compliance Services, LLC is a Colorado limited liability company currently in the wind-up phase of its business and is registered with the

Colorado Secretary of State with a principal office address of P.O. Box 941, Colorado Springs, CO 80901.

4. At all times relevant to the conduct described in this Assurance, CSC and CCS conducted business in Colorado. Both CSC and CCS participated in some capacity in the business conduct that is at issue in this Assurance.

II. DEFINITIONS

5. Unless otherwise specified, all definitions found in C.R.S. § 6-1-102 are incorporated herein, and any terms defined in those sections shall have the same meaning when used in this Assurance.

6. “CSC” means “Compliance Services Colorado, Inc.” and all of its owners, members, predecessors, successors, officers, Employees, agents, subsidiaries, representatives, Affiliates, attorneys and all other persons acting on its behalf.

7. “CCS” means “Colorado Compliance Services, LLC” and all of its owners, members, predecessors, successors, officers, Employees, agents, subsidiaries, representatives, Affiliates, attorneys and all other persons acting on its behalf.

8. The term “Affiliate” means any person, agent, corporation, partnership, business, association, independent contractor, subcontractor, or joint venture that acts in any capacity on behalf of a person or entity, or for whom such person or entity acts in any capacity.

9. The term “Claimant” means any person in Colorado who received a solicitation from CSC, and paid money to CSC without a Preexisting Business

Relationship from August 7, 2023 to the Effective Date of this Assurance.

10. The term “Employee” means all persons who receive compensation of any kind for services provided to CSC or CCS, and includes, but is not limited to, all employees, officers, managers, members, directors, agents, independent contractors, sub-contractors, interns, and any person to whom CSC or CCS has provided compensation or remuneration of any kind.

11. The term “Preexisting Business Relationship” means a prior or existing relationship formed by a voluntary two-way communication between a person or entity and CSC related to the goods or services CSC provides.

12. The term “solicitation” is used as defined in C.R.S. § 6-1-733(1).

III. ATTORNEY GENERAL’S ALLEGATIONS

A. Factual Allegations

13. In the course of CSC’s business, it directly advertised to consumers and solicited a fee for filing periodic reports, which are documents filed with the Colorado Secretary of State.

14. The solicitation is styled in a way that is consistent with an invoice but is an offer to sell consumers services.

15. CSC sent the solicitation to consumers who did not request the solicitation form or initiate the request for services. CSC also sent the solicitation to consumers who did not have a bona fide, Preexisting Business Relationship with CSC at the time of the solicitation.

16. The solicitation used by CSC contains a deadline date in bold at the top

of the document as well as multiple citations to the Colorado statutes governing business entities throughout the body of the solicitation. Directions to complete the form exactly to file a report, coupled with the threat of penalty for failing to file a periodic report, leads consumers to believe they must complete CSC's forms and use CSCs services to avoid penalties and legal consequences.

17. Since August 7, 2023, solicitations from CSC have failed to contain the following required statement at the top of the physical document: "This is an advertisement. This offer is not being made by, or on behalf of, any government agency. You are not required to make any payment or take any other action in response to this offer."

18. The solicitation used by CSC appears to impose a legal duty on the person being solicited by directing consumers to pay the amount on the form.

19. CSC charges \$75 to file a periodic report with the Secretary of State.

20. Consumers can file a periodic report with the Secretary of State themselves for \$25.

B. Legal Allegations

21. The Attorney General alleges that, through the conduct outlined above, CSC has solicited consumers with a form that could reasonably be considered a bill, invoice, or compliance obligation.

22. CSC does not have a bona fide, Preexisting Business Relationship with all the consumers it solicits, and consumers had not initiated a request for bona fide services.

23. CSC does not state at the top of the solicitation, in the physical document, in at least twenty-four-point type, and in the same language as the solicitation: “This is an advertisement. This offer is not being made by, or on behalf of, any government agency. You are not required to make any payment or take any other action in response to this offer.”

24. CSC’s solicitation sets forth a deadline date and appears to impose a legal duty on the consumer being solicited.

25. By not including the required disclaimers and by including prohibited deadline dates, CSC violated C.R.S. §§ 6-1-733 and 6-1-105(1)(vvv).

26. CSC thus unlawfully collected fees on top of the fees paid to the Secretary of State’s Office by soliciting consumers in violation of C.R.S. § 6-1-105(1)(vvv).

IV. DENIALS

27. CSC and CCS deny the allegations above that they engaged in violations of the CCPA as alleged by the Attorney General, and enter into this Assurance of Discontinuance as a compromise of disputed claims.

V. LEGAL AUTHORITY

28. C.R.S. § 6-1-110(2) authorizes the Attorney General to accept an assurance of discontinuance for any deceptive trade practice listed in the CCPA. Section 6-1-110(2) also allows the Attorney General to accept a voluntary payment of any amount necessary to restore to any person money acquired by means of a deceptive trade practice.

VI. PERMANENT INJUNCTION

29. CSC and its owner, and CCS and its owner, agree to be permanently enjoined from engaging in any business by which they solicit a fee for filing a document with, or retrieving a copy of a public record from, the Colorado Secretary of State.

PAYMENT TO CONSUMERS

30. In accordance with this Assurance, CSC shall make restitution payments that the Attorney General alleges were made as a result of deceptive solicitations since August 7, 2023.

31. CCS or its owner will pay \$85,631 to CSC within 60 days of the Effective Date of this Assurance for CSC to use as restitution payments. Upon providing proof to the Attorney General of that payment to CSC, CCS's restitution payment obligations under this Assurance will be fulfilled and any releases in this Assurance that encompass or apply to CCS, including CCS's owner, will be deemed effective. For purposes of clarity, once the \$85,631 payment is made to CSC and proof of that payment is provided to the Attorney General, CCS shall not be responsible for orchestrating or accounting for consumer refunds under this Assurance; that shall be CSC's sole obligation and CCS shall have no liability for breach of this Assurance if CSC fails to fulfill that obligation.

32. CSC's owner will pay an additional \$10,000 such that the total amount that CSC will be responsible for refunding to Claimants is \$95,631.

33. These amounts are payable to the Attorney General of the State of

Colorado, in trust by the Attorney General, to be used in the Attorney General's sole discretion for reimbursement of attorneys' fees and costs, the payment of consumer restitution, if any, and for consumer education purposes, for future consumer protection enforcement, or public welfare purposes.

34. The Attorney General elects, however, in lieu of receiving payment directly to the Attorney General in the first instance, to direct CSC to pay partial refunds to Claimants. The Attorney General has identified approximately 3,640 Claimants that are due a refund under the allegations of this Assurance. The Attorney General will provide a final list of those Claimants to CSC. The \$95,631 in restitution payments shall be proportionally split between those Claimants such that each Claimant will receive an equal refund amount.

35. To the extent CSC is unable to locate Claimants entitled to a refund or to otherwise make a refund to a Claimant within 150 days, after 180 days such unpaid refunds or payments shall be paid to the Attorney General in accordance with the terms below.

36. In order to effectuate this relief, CSC will take steps to locate and confirm customer addresses before mailing the refund checks, and will make at least one additional effort to ascertain customer addresses upon receipt of returned mail. CSC represents that it is now in the process of preparing these refunds to all Claimants as set forth below.

37. Within thirty (30) business days of Effective Date of this Assurance, CSC shall provide the Attorney General proof of all payments it has made toward the

\$95,631 as of that date.

38. No later than one hundred and fifty (150) days after execution of this Assurance, CSC must submit to the Attorney General a report regarding the refund program described herein. The report shall include, at a minimum, the following information for each Claimant:

- a. Name and address;
- b. The amount of refund paid to the customer;
- c. The date any refund was issued;
- d. Whether the costumer has cashed the refund check;
- e. A list of all checks cashed, uncashed or returned;
- f. Whether the mail was returned to CSC as undeliverable; and
- g. The total amount remaining.

39. If, after making reasonable, good faith attempts to make all payments to former customers, any amount of the \$95,631 has not been paid (i.e., checks have not been cashed or customers were unable to be located), CSC shall pay any unpaid amounts to the Attorney General within one hundred fifty (150) days after execution of this Assurance. On the same date, and to the extent not encompassed in the report set forth above, CSC shall also provide proof of all payments made under the terms of this Assurance.

40. All payments to the Attorney General pursuant to the terms above are to be held, along with any interest thereon, in trust by the Attorney General to be used in the Attorney General's sole discretion for reimbursement of the Attorney

General's actual costs and attorneys' fees, future consumer fraud or antitrust enforcement, consumer education, public welfare purposes, or consumer redress. All payments to the Attorney General shall be made payable to the Colorado Department of Law with a reference to "In re Compliance Services", and shall be delivered to:

Miriam Burnett, Administrative Assistant
c/o Conor A. Kruger, AAG
Consumer Fraud Unit
Colorado Department of Law
1300 Broadway, 9th Floor
Denver, Colorado 80203

VII. ENFORCEMENT

41. The obligations set forth in this Assurance are continuing.

42. CSC and CCS expressly agree and acknowledge that the Attorney General may initiate a subsequent investigation, civil action, or proceeding to enforce this Assurance, for violations of this Assurance, or if the Assurance is voided pursuant to the terms below, and, accordingly, CSC and CCS agree and acknowledge that:

- a. Any statute of limitations or other time-related defenses are tolled from and after the Effective Date of this Assurance;
- b. The Attorney General may use statements, documents, or other materials produced or provided by CSC prior to or after the Effective Date of this Assurance, except for any settlement communications between the Parties that relate to this Assurance.

43. A violation of any of the terms of this Assurance shall constitute a prima

facie violation of the CCPA under C.R.S. § 6-1-110(2). If the Attorney General believes that CSC or CCS has violated any terms of this Assurance, the Attorney General shall be entitled to file a civil action under the CCPA and to seek an injunction or other appropriate order from such court to enforce the provisions of this Assurance. In any such action, upon a finding by the Court of a material violation of this Assurance by CSC or CCS, an order may be entered converting this Assurance into a permanent injunction against CSC or CCS. The Attorney General may seek, and the Court may enter, any additional remedies, including but not limited to additional monetary remedies, that are deemed proper. In any such action, CSC and CCS agree to waive any counterclaims that they may have had with respect to the subject matter of this Assurance and agree to waive any challenge to the enforceability of this agreement. CSC and CCS do not waive any defenses as to whether they violated the Assurance. The Attorney General shall notify CSC and CCS at least 30 days in advance of any such filing and the Parties agree to meet and confer and engage in good faith negotiations to attempt to address the Attorney General's concerns.

44. The Parties consent to venue and jurisdiction for any proceeding necessary to enforce the terms of this Assurance within the District Court, Denver County, Colorado.

VIII. RELEASE

45. The Attorney General acknowledges by its execution hereof that this Assurance constitutes a complete settlement and release of all claims under the CCPA on behalf of the Attorney General against CSC and CCS with respect to all

claims, causes of action, damages, fines, costs, and penalties which were asserted or could have been asserted under the CCPA for the conduct described in this Assurance, that arose prior to the date of execution of this Assurance and that relate to or are based upon the acts or practices which are the subject of this Assurance. The terms of this Assurance apply to any and all successors of CSC and CCS. The Attorney General agrees that, except as provided in this Assurance, it shall not proceed with or institute any civil action or proceeding under the CCPA against CSC or CCS for any conduct or practice prior to the date of execution of this Assurance which relates to the subject matter of this Assurance.

IX. MISCELLANEOUS PROVISIONS

46. The Attorney General has agreed to the terms of this Assurance based on, among other things, the representations made to the Attorney General by CSC and CCS, and the Attorney General's own factual investigation as set forth in the allegations above. CSC and CCS represent and warrant that they have not made any material representations to the Attorney General that are inaccurate or misleading. If any material representations by CSC or CCS are later found to be inaccurate or misleading, this Assurance is voidable by the Attorney General in its sole discretion.

47. All terms and conditions of this Assurance shall continue in full force and effect on any successor, assignee, or transferee of CSC and CCS. Any such successor, assignment or transfer agreement shall include a provision that binds the successor, assignee or transferee to the terms of the Assurance. No party may assign, delegate, or otherwise transfer any of its rights or obligations under this Assurance

without the prior written consent of the Attorney General.

48. This Assurance shall neither create nor waive any private rights or remedies for any third parties nor waive any rights, remedies, or defenses of the Parties with respect to any third parties. Conversely, because this Assurance is a compromise of disputed claims, this Assurance shall not be used as evidence of CSC's or CCS's liability in any private lawsuit against them brought by a third party. Under no circumstances shall this Assurance or the name of the Attorney General or any of the Attorney General's employees or representatives be used by CSC or CCS, or any person under its direction or control, to suggest the Attorney General's endorsement of CSC's or CCS's past, present, or future conduct.

49. Any failure by the Attorney General to insist upon the strict performance by CSC or CCS of any of the provisions of this Assurance shall not be deemed a waiver of any of the provisions hereof, and the Attorney General, notwithstanding that failure, shall have the right thereafter to insist upon the strict performance of any and all of the provisions of this Assurance.

50. This Assurance is the final, complete, and exclusive statement of the Parties' agreement on the matters contained herein, and it supersedes, terminates, and replaces any and all previous negotiations, agreements, and instruments as may exist between the Parties. Other than any representation expressly stated in this Assurance, the Parties have not made any representations or warranties to each other, and no Party's decision to enter into this Assurance is based upon any statements by any other Party outside of those in this Assurance. No change or

modification of this Assurance shall be valid unless in writing and signed by all Parties. If any provision(s) of this Assurance is held to be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

51. Nothing in this Assurance shall relieve CSC or CCS of other obligations imposed by any applicable state or federal law or regulation or other applicable law.

52. The terms and provisions of this Assurance may be enforced by the current Colorado Attorney General, and by any of his duly authorized agents or representatives, as well as by any of his successors in interest, and by any of his successors in interest's agents or representatives.

53. Pursuant to C.R.S. § 6-1-110(2), this Assurance shall be a matter of public record.

54. The Parties acknowledge that they had a full opportunity to review this Assurance and consult with legal counsel regarding it. The undersigned representatives of the Parties agree and represent that they have read and understood this Assurance, accept the legal consequences involved in signing it, and that there are no other representations, agreements, or understandings between the Parties that are not stated in writing herein.

55. This Assurance may be signed in one or more counterparts, each of which shall be deemed an original, but which together shall constitute the Assurance. Electronic copies of this Assurance and the signatures hereto may be used with the same force and effect as an original.

56. Nothing in this Assurance affects CSC's or CCS's right to take legal or factual positions in defense of litigation or other legal proceedings to which the Attorney General is not a party.

57. Nothing contained herein shall be construed to limit the remedies available to the Attorney General in the event that CSC or CCS violates their respective obligations under this Assurance after its Effective Date.

58. This Assurance shall be governed by the laws of Colorado without regard to any conflict of laws principles.

59. The Assurance and all its terms shall be construed as if mutually drafted with no presumption of any type against any party that may be found to have been the drafter.

60. CSC and CCS represent and warrant, through the signatures below, that the terms and conditions of this Assurance are duly approved.

61. The Effective Date of this Assurance shall be the date that all Parties have executed this Assurance.

X. NOTICE

62. All notices regarding this Assurance shall be sent by certified mail, return receipt requested or reputable overnight delivery service (e.g., FedEx, UPS) at the addresses set forth below or by email unless any Party notifies the other Parties in writing of another address to which notices should be provided.

If to CSC, to:

Compliance Services Colorado, Inc.

c/o Jonathan Stein
Partner
Robinson and Henry, P.C.
Office: (303) 338-2365
Direct: (720) 597-3668

If to CCS, to:

Colorado Compliance Services, LLC
c/o Jordan Porter
Principal Attorney
J.D. Porter, LLC
Phone: 720-295-9028
Email: JDPorter@jdporterlaw.com

If to the Attorney General, to:

Betsy Atkinson
Conor A. Kruger
Assistant Attorneys General
Consumer Fraud Unit
Consumer Protection Section
1300 Broadway, Denver, CO 80203
conor.kruger@coag.gov

STATE OF COLORADO
PHILIP J. WEISER
ATTORNEY GENERAL

By:



Betsy Atkinson
Assistant Attorney General
Attorney Reg. No. 42811*
Date: 4/14/2025



Conor A. Kruger
Assistant Attorney General
Attorney Reg. No. 54111*
Date: 4/14/2025

Compliance Services Colorado, Inc.



Singer ID: FBRXB5OW14
Name: Timothy Holt

Title: President

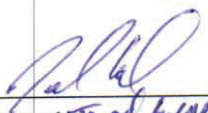
Address: 834 Darby Street

Phone number: 719-337-8593

Email: plear_y@yahoo.com

Date: 04/04/2025 PDT

Colorado Compliance Services, LLC


Name: David E. Mel
Title: President
Address: _____
Phone number: _____
Email: _____
Date: _____