



LARA Alerts Michigan Corporations and Limited Liability Companies to be on Lookout for Phony Letters

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PRACTICE AREAS

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On June 18, 2014, the Michigan Department of Licensing and Regulatory Affairs (LARA) released a warning regarding a scam from a non-governmental entity soliciting Michigan businesses to pay a \$59.99 fee for a certificate of good standing. The phony letters indicate such a certificate is necessary to comply with Michigan State requirements; however, LARA makes clear that **certificates of good standing are actually not required in Michigan.**

Michigan corporations and limited liability companies should be aware that although the letters requesting the \$59.99 payment may look official, they are phony. Director of LARA, Steve Arwood, emphasizes that "Michigan corporations and limited liability companies are not required by law to receive a certificate of good standing from LARA's Corporations, Securities & Commercial Licensing Bureau to comply with State requirements for entity formation."

LARA recommends the following for any Michigan corporation or limited liability company that receives a phony letter stating to comply with state laws it needs to pay \$59.99 to obtain a certificate of good standing:

1. Disregard it as untrue.
2. Keep the notice, mailing envelope, and return envelope.
3. Contact the United States Postal Inspections Service to report mail fraud at (877) 876-2455 or <http://postalinspectors.uspis.gov/forms/MailFraudComplaint.aspx>. (We have identified that the following link is no longer active, and it has been removed)
4. Or contact the Michigan Office of the Attorney General at P.O. Box 30212, Lansing, MI, 48909.

LARA also announced that no Michigan business has fallen victim to this scheme, reports indicate businesses in Arizona have.



Although LARA emphasizes certificates of good standing are not required to be in compliance with Michigan law, LARA provides certificates of good standing to Michigan corporations and limited liability companies for only \$10.00. Interested corporations or limited liability companies should contact us directly or call LARA Corporate Divisions at (517) 241-6470 to obtain a certificate of good standing.

For more information, please visit www.michigan.gov/lara