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Beware of Official Looking Letters from "Government Agencies"



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Most of us have learned to be on the lookout for many scams targeting individuals. However, new scams are targeting business owners including corporations and LLCs. Their aim is to get money from companies for services they don't need to pay for.

One company is sending forms to corporations and LLCs requesting them to complete a form and return it with a check in the amount of \$200 or more for the completion of the annual or semiannual Statement of Information. The form looks like a government form and could easily be mistaken for one. It has a seal in the upper left hand corner and tells the Company to avoid fines and suspension by completing the form immediately and returning it with a check. The forms look official, especially to someone who may not be familiar with forms from the Secretary of State's office.

Now here's the truth. Corporations and LLCs must file a Statement of Information with the Secretary of State within 90 days of incorporating. If SLG formed your Corpora-

tion or LLC, we completed the filing for you. Thereafter, Corporations and LLCs are required to file a Statement of Information on an annual or biennial basis. Here's the real catch....the filing fee to file a Statement of Information for a Corporation is \$25 and the filing fee for a Statement of Information for an LLC is only \$20. In addition to the exorbitant fee charged by these companies, the information submitted by these companies on the Statement of Information could be incorrect or incomplete which could result in problems in the future.

Another company has recently started sending out a form to LLCs telling them to pay \$125 to complete their annual minutes. Now here's the interesting part: LLCs are not required to keep annual minutes, nor must they have directors or officers, which this form specifically asks for. If you complete the information and send in a check, you would be paying for something that is not required under the California Corporations Code.

If you receive any "official" looking letters from what appear to be government agencies, please contact our office for a second opinion or clarification.

Success Story



One of SLG's clients was in serious discussions to form a partnership and sought SLG's assistance in structuring the partnership. In connection with doing so, SLG suggested the client run a background check on the potential partner. As a law firm, SLG has access to databases and tools that permit a more comprehensive and efficient background check. The background check uncovered some serious "red flag" issues that were previously unknown to the client despite direct dealings with the potential partner. The client was then able to raise the findings with the potential partner and when not satisfied with the response, decided against the partnership. For a relatively small price, the client was thus able to avoid a potentially costly mistake.

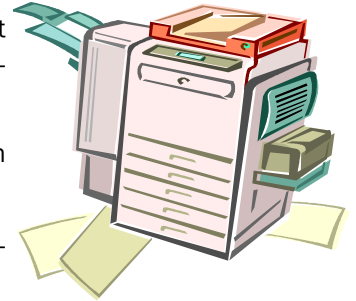
Is Your Copier Giving Out Information?

There is a little known privacy threat lurking in many offices that you may not be aware of. That security threat can be found in photocopiers and multifunction printers. In the past few years these devices have come with hard drives that allow us to scan and store documents. Unless security provisions are in place, the data is stored unencrypted until the drive is full and new data overwrites the old data. When companies get rid of their old copiers the data sits on the copier for the next person or company unless it is properly removed.

Multifunction printers and copiers are very exposed and hackers can compromise the data using modems. Since many of these machines are networked, hackers can also use them to access the entire network in an office, not just the one device. There are several actions that companies can take to limit their exposure:

- Create a procedure for wiping out or destroying old hard drives.
- Include a nondisclosure statement in any maintenance agreement.

- If your photocopier does not come with one, buy an overwriting or encryption kit.
- Change the password from the default.
- Disable all unnecessary services.
- Ensure that the data modem is separate from the fax modem.
- Use a firm that specializes in copier hard drive removal when you replace your copier.
- Ensure all information scanned into the machine is password protected.



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Tax Corner

- **Cal COBRA Subsidy**

Employees in California with 2-19 employees are now eligible for the same COBRA subsidy that was originally only available for employees who worked in companies with 20 or more employees. Workers who are involuntarily terminated from September 1, 2008 through December 31, 2009 may qualify for a 65% subsidy of their COBRA premiums. This means that employers are now subject to paying the 65% subsidy for their former employees.

- **Property Tax Reassessments in Santa Clara County**

The last day to file an appeal under Proposition 8 for a property tax reassessment in Santa Clara County is August 15, 2009. Taxpayers who believe that their assessed property value is incorrect, can apply for the exemption online at <http://www.sccassessor.org>.

Real Estate

- **Changes for Real Estate Agents**



Effective July 1, 2009, the Department of Real Estate implemented a new policy requiring real estate licensees to include their license number on all information that can be considered the "first point of contact" to consumers. This means that the license number must now be on items such as business cards, letterhead, brochures, mailings, or any other item that encourages a consumer to contact the licensee for services that require a real estate license. The materials that are excluded from this requirement include posted for sale signs, newspaper and other media advertisements. If there is more than one licensee listed on the materials, the license numbers for both licensees must be included. However, the license number for the employing broker does not need to be shown even if the logos or marketing materials for that employing broker are used.

The Latest News At  STRUCTURE
LAW GROUP, LLP

Mark Figueiredo Nominated as a Super Lawyer



Mark Figueiredo was nominated as one of Northern California's Super Lawyers for 2009. Mark is featured in the 2009 Super Lawyers Publication. Only 5% of all lawyers in Northern California are chosen as a Super Lawyer each year. Congratulations Mark!

Tamara Pow - Now a California Real Estate Broker

Tamara Pow recently passed the California real estate broker's exam and received her Broker's License (License No. 01860035). Congratulations Tamara!



Congratulations To Our Clients!!!

Club Sportiva

Club Sportiva, a *high end luxury rental car and time share car company* recently moved into San Jose's Club Auto Sport on Charcot Avenue in San Jose. Club Sportiva's cars include Porsches, Ferraris, Lamborghinis, and Lotuses, amongst others. For more information about renting a car from Club Sportiva, go to www.clubsportiva.com.



Espressi, Inc.

Our client Espressi, Inc. received the award for Best New Consumer Product 2010 from the Specialty Coffee Association of America for its mypressi TWIST, a *handheld espresso maker*. The TWIST will be available this September. If you are interested in learning more or in ordering online, go to www.mypressi.com.

Frecklebox

Frecklebox, a company specializing in personalized products for children was recently featured on The View From the Bay. Frecklebox *personalized products include books, placemats, coloring books, stickers, lunch boxes, notebooks and pocket folders*. For more information on their products, go to www.frecklebox.com.





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Limited Liability Companies • Partnerships • Tax Planning • Real Estate • Estate Planning

Dates To Remember

July 28 — Accountant's Day
August 15 — Relaxation Day
September 7 — Labor Day—courts and government offices closed
September 13 — National Grandparent's Day
September 17 — Constitution Day
September 22 — American Business Women's Day

Did You Know?

- The "save" icon in Microsoft Office programs is a floppy disk with the shutter on backwards.
- Our eyes are the same size from birth but our nose and ears never stop growing.
- The first CD pressed in the United States was Bruce Springsteen's "Born in the USA."
- You share your birthday with more than 9 million other people in the world.
- The electric chair was invented by a dentist.
- The average person falls asleep in about 7 minutes.

We appreciate your referrals!



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