

# FTC Shuts Down Websites that Sold Fake Documents

Heard any good lawyer jokes lately? Having been in practice for almost 25 years, I've heard quite a few from friends and clients. How about, "What's the difference between a vulture and a lawyer? . . . *The vulture doesn't get frequent flyer miles.*" Or, "What do you call 100 lawyers chained together at the bottom of the ocean? . . . *A good start.*"

In what can also be described as "a good start," the Federal Trade Commission is cracking down on operators of websites that sell fake documents that can be used to commit identity theft and other frauds, including frauds on dealers and auto creditors.

In three separate cases filed in three different jurisdictions, the FTC alleged that Katrina Moore, Steven Simmons, and George Jiri Strnad II and their affiliated companies violated the FTC Act's prohibition against unfair practices by operating websites that sold customers a variety of fake financial and other documents, such as pay stubs, income tax forms, and medical statements, that can be used to facilitate identity theft, tax fraud, and other crimes. The defendants agreed to pay fines and to permanently shut down their businesses as part of separate settlements with the FTC.

The complaint against Moore and her business, Innovative Paycheck Solutions, alleged that she promoted the sale of a variety of financial documents, including fake pay stubs, bank statements, and profit and loss statements, on the website she operated, FakePayStubOnline.com. The site stated that the documents look authentic and can be bought for as little as \$40 for a fake pay stub to more than \$150 for fake tax returns. The site even offered visitors the choice to customize their documents and to edit real bank statements.

In its complaint against Simmons and his business, Integrated Flight Solutions LLC, the FTC alleged that he operated the NoveltyExcuses.com website from 2013 until October 2017, where, for \$19.95, he sold a variety of financial, identity, and medical documents including pay stubs, auto insurance cards, utility and cable bills, doctor's excuses, and medical absence reports. The website also advertised that the documents the site offered were fake but looked authentic.

According to the FTC's complaint, Strnad allegedly operated similar websites, including PayStubDirect.com

and PaycheckStubOnline.com, that offered fake pay stubs, tax forms, and bank statements. His iVerifyMe website sold job verification services in which he allegedly claimed to verify employment and income for customers, as well as verify employment claims made using the fake pay stubs offered from his other websites. Strnad's websites also advertised that the documents were fake but looked authentic.

The FTC alleged that the defendants' websites claimed the fake documents were for "novelty" and "entertainment" purposes, but the defendants failed to clearly and prominently mark the documents as such and did not state on the documents that they were fake.

As part of her proposed settlement with the FTC, Moore is permanently prohibited from advertising, marketing, or selling any fake documents or services and providing any means to others to make misrepresentations about an individual's identity, finances, residency, taxes, or employment. She also agreed to pay \$169,000, all of which is suspended due to her inability to pay. In his proposed settlement, Simmons agreed to similar conduct prohibitions and to pay \$15,000, which also has been suspended due to his inability to pay. The full amount will become due if either defendant is later found to have misrepresented his or her finances. Strnad agreed to similar conduct restrictions and to pay \$133,777 in his proposed settlement.



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