

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF STATE  
BEFORE THE SECRETARY OF THE COMMONWEALTH

PROTHONOTARY  
2014 SEP 24 AM 11:02  
Department of State

Commonwealth of Pennsylvania,  
Bureau of Corporations and  
Charitable Organizations.

vs.

The Stockade Group,  
Respondent

Docket No. 0008 -98-14

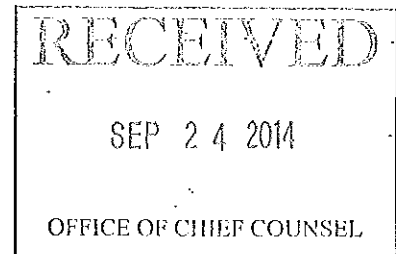
File No. 14-98-0811

CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, Bureau of Corporations and Charitable Organizations ("Bureau") and The Stockade Group ("Respondent") stipulate as follows in settlement of the above-captioned matter:

JURISDICTION

1. This matter is before the Secretary of the Commonwealth ("Secretary") pursuant to the Solicitation of Funds for Charitable Purposes Act, Act of December 19, 1990, P.L. 1200, No. 202, *as amended* ("Act"), 10 P.S. §§162.1 – 162.24.
2. Respondent, located at 650 Franklin Street, Suite 201, Schenectady, NY 12305, is engaged in providing telephone and web-based outreach services to institutions of higher education.
3. The telephone and web-based outreach services provided by Respondent to higher education institutions include, but are not limited to, assisting, advising, assessing, consulting, conducting, directing, managing, producing and running fundraising events to benefit the higher education institution.
4. In providing services to institutions of higher education in the Commonwealth of Pennsylvania, Respondent acted as a 'Professional Solicitor' as that term is defined in the Act.



5. On July 29, 2014, Respondent became registered with the Bureau as a professional solicitor, Certificate no. 102187.

6. Beginning October 2008 and until it became registered on July 29, 2014, Respondent provided services to institutions of higher education in the Commonwealth of Pennsylvania, as a professional solicitor, without having obtained approval by the Department of State of a registration statement as required by Section 162.9 of the Act.

7. During the period from October 2008 until it became registered on July 29, 2014, Respondent was not exempt from registration as required by Section 162.9 of the Act, nor was Respondent excluded from the requirements of the Act.

**STIPULATED FACTS**

8. Respondent admits that the following allegations are true for the period of time from October 2008 until it became registered on July 29, 2014:

a. Respondent provided services as a professional solicitor to eleven (11) separate institutions of higher education in the Commonwealth of Pennsylvania.

b. Each institution of higher education to which Respondent provided services is a 'Charitable Organization' as that term is defined in the Act.

c. In accordance with Section 162.6(a)(1) of the Act, each institution of higher education to which Respondent provided services is exempt from the registration requirements of the Act.

d. Respondent provided services to the eleven (11) institutions of higher education in the Commonwealth of Pennsylvania under 23 separate contracts for fundraising events.

e. The services Respondent provided as a professional solicitor to the eleven (11) separate institutions of higher education in the Commonwealth of

Pennsylvania occurred prior to Respondent being registered with the Bureau as required by Section 162.9(a) of the Act.

9. From October 2008 until it became registered on July 29, 2014, Respondent failed to pay an annual registration fee of \$250 as required by Section 162.9(b) of the Act.

10. From October 2008 until it became registered on July 29, 2014, Respondent failed to file with and have approved by the Department of State, a \$25,000 bond as required by Section 162.9(c) of the Act.

11. From October 2008 until it became registered on July 29, 2014, Respondent failed to file with the Department of State written contracts and written solicitation notices, together with the fee of \$25, as required by Section 162.9(e) of the Act.

#### AGREED VIOLATIONS

12. Respondent admits and agrees that by engaging in the foregoing activities:

a. Respondent repeatedly violated Section 162.9(a) of the Act by providing services as a professional solicitor in the Commonwealth of Pennsylvania while not being registered with the Bureau.

b. Respondent violated Section 162.9(b) of the Act by failing to pay the annual registration fee of \$250 for years 2008, 2009, 2010, 2011, 2012 and 2013;

c. Respondent repeatedly violated Section 162.9(c) of the Act by failing to file with, and have approved by, the Department of State a \$25,000 bond applicable to the years from October 2008 until Respondent became registered on July 29, 2014;

d. Respondent violated, on at least 23 occasions, Section 162.9(e) of the Act by failing to file with the Department of State, no less than ten (10) working days prior to the commencement of each solicitation campaign, event

or services, a written contract and a written solicitation notice, together with a \$25.00 fee.

**PROPOSED ORDER**

13. The participants, intending to be legally bound, consent to the issuance by the Secretary of the Commonwealth of the following Order in settlement of this matter:

- a. The Secretary finds that the Respondent violated the Act at:
  - 1. Section 162.9(a), by having provided services as a professional solicitor in the Commonwealth of Pennsylvania while not being registered with the Bureau for a period in excess of 5 years;
  - 2. Section 162.9(b), by failing to pay the annual registration fee of \$250 for years 2008, 2009, 2010, 2011, 2012 and 2013;
  - 3. Section 162.9(c), by failing to file with and have approved by the Department of State a \$25,000 bond applicable to the years 2008 through 2013;
  - 4. Section 162.9(e), by failing to file with the Department of State, no less than ten (10) working days prior to the commencement of each solicitation campaign, event or services, a written contract and a written solicitation notice, together with a \$25.00 fee for each of 23 solicitation campaigns, events or services provided.

**ADMINISTRATIVE FINE**

- b. An ADMINISTRATIVE FINE in the amount of FIVE-THOUSAND-SEVENTY-FIVE-DOLLARS (\$5,075.00) is levied upon Respondent. This fine represents:

1. An Administrative Penalty of Five-Hundred-Dollars (\$500) for each of the six (6) years Respondent failed to register as required by Section 162.9(a) of the Act, and failed to file with and have approved by the Department a \$25,000 bond as required by Section 162.9(c) of the Act; a subtotal of Three-Thousand-Dollars (\$3,000).

2. Payment of the Two-Hundred-Fifty-Dollar (\$250) registration fee that was required for each of the six (6) years that Respondent failed to register as required by Section 162.9(b) of the Act; a subtotal of One-Thousand-Five-Hundred-Dollars (\$1,500).

3. Payment of the Twenty-Five-Dollar (\$25.00) fee for each of the 23 solicitation campaigns undertaken by Respondent without having paid the fee required by Section 162.9(e) of the Act; a subtotal of Five-Hundred-Seventy-Five-Dollars (\$575.00).

c. Respondent shall remit the sum of Five-Thousand-Seventy-Five-Dollars (\$5,075.00) in the following manner - a payment in the amount of Three-Thousand-Dollars (\$3,000) shall accompany the return of this executed Consent Agreement; thereafter, a second payment in the amount of Two-Thousand-Seventy-Five-Dollars (\$2,075) shall be made on or before December 1, 2014. Each payment shall be made as follows:

1. Payment shall be made by certified check, cashier's check, attorney's check, or money order issued by a usual, customary, and reputable issuer (e.g. U.S. Postal Money Order, Western Union Money Order, etc.).

2. The instrument of payment shall be payable to the "Commonwealth of Pennsylvania" and shall be valid for a period of at least One-Hundred-Eighty (180) days.

3. The payment shall be accompanied by this executed Consent Agreement or a copy thereof and mailed to:

Robert B. Armour, Esquire  
Department of State, Legal Office  
2601 N. Third Street  
P.O. Box 2649  
Harrisburg, PA 17105-2649

**CASE SETTLED AND DISCONTINUED**

14. This matter shall be deemed settled and discontinued upon the Secretary issuing an Order approving this Consent Agreement, incorporating the terms of paragraph 13, above, and the Respondent's successful completion of any discipline set forth therein.

**ACKNOWLEDGEMENT OF NOTICE AND WAIVER OF HEARING**

15. Respondent waives the filing of an Order to Show Cause in this matter.

16. Respondent knowingly and voluntarily waives the right to an administrative hearing in this matter and knowingly and voluntarily waives the following rights related to that hearing: to be represented by counsel at the hearing; to present witnesses and testimony in defense or in mitigation of any sanction that may be imposed for a violation; to cross-examine witnesses and to challenge evidence presented by the Bureau; to present legal arguments by means of a brief; and, to take an appeal from any final adverse decision.

**AGREEMENT NOT BINDING ON OTHER PARTIES**

17. This Consent Agreement is between the Bureau and Respondent only. It does not bind any other governmental or administrative entity of the Commonwealth of Pennsylvania, including any other bureau within the Department of State.

### EFFECT OF SECRETARY'S REJECTION

18. The Office of General Counsel has approved this Consent Agreement as to both form and legality; however, this Consent Agreement shall have no legal effect unless and until the Secretary issues an Order approving the document and incorporating the terms of paragraph 13, above.

19. Should the Secretary not approve this Consent Agreement, presentation to and consideration of this Consent Agreement and other documents and matters by the Secretary shall not prejudice the Secretary from further participation in the adjudication of this matter. This paragraph is binding on the participants even if the Secretary does not approve this Consent Agreement.

### AGREEMENT DOES NOT PREVENT REFERRAL TO OTHER AGENCIES

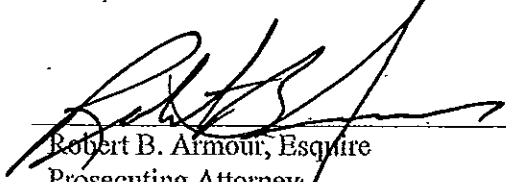
20. The parties acknowledge that other federal, state, and/or local agencies may have jurisdiction over the activities of, or representations made by, Respondent and its officers, directors, agents, employees or independent contractors. Nothing in this Consent Agreement or the Order based upon this Consent Agreement shall preclude representatives of the Bureau from referring any information or data obtained or produced as a result of this matter to any federal, state, or local agency or governmental unit having jurisdiction over the activities of Respondent or over any officer, director, agent, employee or independent contractor of the Respondent.

### ENTIRE AGREEMENT

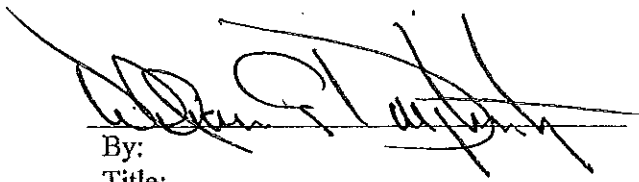
21. This Agreement contains the whole agreement between the parties; provided however, that the captions printed in the various provisions of this agreement are for ease of reading only and are not to be interpreted as forming any part of this agreement. There are no other terms, obligations, covenants, representations, statements or conditions, or otherwise, of any kind whatsoever, concerning this Agreement.

VERIFICATION OF FACTS AND STATEMENTS

22. Respondent verifies that the facts and statements set forth in this Agreement are true and correct to the best of Respondent's knowledge, information and belief. Respondent understands that statements in this Agreement are made subject to the criminal penalties of 18 Pa.C.S. § 4904 relating to unsworn falsification to authorities.

  
Robert B. Armour, Esquire  
Prosecuting Attorney  
Department of State

DATED: 09/10/14

  
By:  
Title:  
The Stockade Group  
Respondent

DATED: 8/28/14





IN THE MATTER OF:


**THE STOCKADE GROUP**

DOCKET NO. -98-14  
FILE NO. 14-98-05611

AND NOW, this 23<sup>rd</sup> day of September 2014 the foregoing Consent ORDER Agreement is hereby approved and the terms set forth in paragraph 13 are hereby adopted and incorporated herein as the Order of the Secretary of the Commonwealth, now issued in resolution of this matter.

THIS ORDER shall take effect immediately.

BY ORDER

  
\_\_\_\_\_  
Carol Aichele  
Secretary of the Commonwealth

For the Commonwealth:

Robert B. Armour, Esquire  
2601 North Third Street  
P. O. Box 2649  
Harrisburg, PA 17105-2649

For the Respondent:

Terry J. Griesmer, Esquire  
Rowlands & LeBrou, PLLC  
11 British American Blvd.  
Latham, NY 12110

09/24/14