

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

PROTHONOTARY
2008 JUL 31 PH 4: 19
Department of State

Commonwealth of Pennsylvania,
Bureau of Charitable Organizations,

vs.

Conneaut Lake Benevolent Association,
Respondent

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Docket No. 0009-9808
File No. 08-98-05541

CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, Bureau of Charitable Organizations ("Bureau") and the Conneaut Lake Benevolent Association ("Respondent") stipulate as follows in settlement of the above-captioned case.

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 initially registered for its fiscal year end December 31, 2006 on March 31, 2008.

STIPULATED FACTS

3. Respondent admits that the following allegations are true:

a. Respondents last known address is 11417 ½ State Highway 18,
Conneaut Lake, PA 16316.

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- b. According to records from the Pennsylvania Corporation Bureau, Respondent incorporated on August 5, 1996 as a non-profit corporation.
- c. According to Respondent, solicitation activities commenced on January 6, 1999, in the form of weekly bingo games.
- d. In addition, Respondent raises money through the use of small games of chance.
- e. On February 28, 2007, the Bureau mailed Respondent a due process registration letter and registration materials.
- f. From May 16, 2007 to March 31, 2008, Respondent submitted incomplete registration materials to the Bureau for review and approval.
- g. On March 31, 2008, Respondent's registration was approved for fiscal year end December 31, 2006. Respondent and Respondent's CPA were informed of the requirement to file audited financial statement for fiscal years ending December 31, 2006 and December 31, 2007 on or before November 11, 2008.
- h. Respondent was not registered with the Bureau for fiscal year ending December 31, 1999, through fiscal year ending December 31, 2005.

AGREED VIOLATIONS

4. Respondent agrees that by engaging in the foregoing activities it violated the Act at 10 P.S. §162.15(a)(1) by and through violations of 10 P.S. §162.12 in that Respondent solicited charitable contributions in the Commonwealth of Pennsylvania without first being properly registered to do so; and failed to keep true and accurate fiscal records of its solicitation activities.

PROPOSED ORDER

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

a. Respondent violated the Act at 10 P.S. § 162.15(a)(1) by and through §162.12.

b. An **ADMINISTRATIVE FINE** of one thousand five hundred dollars (\$1,500.00) is levied upon Respondent. Respondent shall tender the full sum of one thousand five hundred dollars (\$1,500.00) with this executed Consent Agreement which shall be paid by **certified check, cashier's check, attorney's check, or U.S. Postal money order made payable to the "Commonwealth of Pennsylvania."**

c. Respondent acknowledges its requirement to keep true and accurate fiscal records and understands that the Bureau may audit its records at anytime.

d. Respondent acknowledges its requirement to maintain registration with the Bureau according to 162.5 of the Act.

e. Pursuant to Section 162.5 (j), Respondent is required to file audited financial statements for fiscal years ending December 31, 2006 and December 31, 2007 on or before November 11, 2008.

VIOLATION OF THE SECRETARY'S ORDER

6. This case shall be deemed settled and discontinued upon the Secretary issuing an Order adopting this Consent Agreement and the Respondent's successful completion of

any ordered discipline.

ACKNOWLEDGEMENT OF NOTICE AND WAIVER OF HEARING

7. Respondent waives the filing of an Order to Show Cause in this matter. Respondent knowingly and voluntarily waives the right to an administrative hearing in this matter, and to 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

8. This Consent Agreement is between the Bureau and Respondent only. It does not bind any other administrative entity of the Commonwealth of Pennsylvania, including any other bureau within the Department of State. Except as otherwise noted, this Agreement is to have no legal effect if *a)* the Office of General Counsel expresses an objection to the Agreement's form or legality and/or *b)* unless and until the Secretary issues the stipulated Order.

EFFECT OF SECRETARY'S REJECTION

9. 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.

ENTIRE AGREEMENT

10. 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.

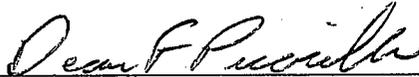
AGREEMENT DOES NOT PREVENT REFERRAL TO OTHER AGENCIES

11. 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 produced as a result of this matter to any federal, state, or local agency or governmental unit having jurisdiction over the activities of Respondents or any officer, director, agent, employee or independent contractor of the Respondents.

VERIFICATION OF FACTS AND STATEMENTS

12. 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.

Conneaut Lake Benevolent Association



Dean F. Picarella
Prosecuting Attorney
Department of State

DATED: 07/30/2008

By: 

Title: PRESIDENT
Respondent

DATED: 7-22-08

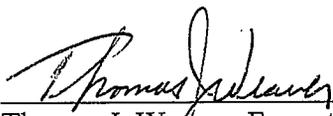


**IN THE MATTER OF
CONNEAUT LAKE BENEVOLENT ASSOCIATION
FILE NO. 08-98-05541**

ORDER

AND NOW, this 31 day of July, 2008, the terms of paragraph 5 of the foregoing Consent Agreement are hereby adopted and incorporated as the Order of the Secretary of the Commonwealth in resolution of this matter. This Order shall take effect immediately.

BY ORDER


Thomas J. Weaver, Executive Deputy
Secretary of the Commonwealth
on behalf of the
Secretary of the Commonwealth