

RECEIVED

2016 OCT 27 AM 9:18

DEPARTMENT OF STATE

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

Department of State

2016 OCT 26 PM 12:28

PROTHONOTARY

Commonwealth of Pennsylvania,  
Bureau of Corporations and  
Charitable Organizations

vs.

A&E Clothing Corporation,  
Respondent

:  
:  
:  
:  
:  
:  
:  
:  
:  
:

Docket No. *0010* -98-16

File No. 15-98-02873

**CONSENT AGREEMENT AND ORDER**

**PARTIES**

The Commonwealth of Pennsylvania, Department of State, Bureau of Corporations and Charitable Organizations (“Bureau”) and **A&E Clothing Corporation** (“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. 12000, No. 202, *as amended* (here and after referred to as ‘Act’), 10 P.S. §§ 162.1-162.24.

**REGISTRATION STATUS**

2. Respondent does not deny the truth of the following averments regarding registration as a charitable organization in the Commonwealth of Pennsylvania:

a. Respondent is registered with the Commonwealth of Pennsylvania, Department of State, Bureau of Corporations and Charitable Organizations (hereafter referred to as ‘Bureau’) as a professional solicitor having registration no. 41913, which registration is:

- (1) valid at the time of the filing of this Order to Show Cause; and
- (2) set to expire on May 10, 2017.

b. The Respondent first became registered with the Bureau as a professional solicitor on or about August 16, 2012; which registration expired on August 15, 2013, without being timely renewed.

c. The Respondent became registered with the Bureau as a professional solicitor, again, on May 12, 2015; which registration was renewed and is valid through May 10, 2017.

d. The last known business address for the Respondent on file with the Bureau is: 600 Federal Boulevard, Carteret, NJ 07008.

#### **STIPULATED FACTS**

3. Respondent admits that the following allegations are true:

a. During the period from August 16, 2012, through August 15, 2013, Respondent was registered in the Commonwealth as a professional solicitor.

b. On or about August 16, 2012, Respondent provided to the Department a copy of a contract it had with the Retired Peace Officers Charity Organization to provide solicitation services to the Retired Peace Officers Charity Organization through the use of that organization's name on clothing bins placed and maintained by the Respondent.

c. At the time that the contract was submitted by the Respondent to the Department, the Retired Peace Officers Charity Organization was not registered as a charitable organization in the Commonwealth of Pennsylvania and the contract was not approved by the Department.

d. During the period from August 16, 2012, through August 15, 2013, Respondent provided services in the Commonwealth as a professional solicitor to the Retired Peace Officers Charity Organization, without an approved contract.

e. During the period from August 15, 2013, through May 12, 2015, Respondent was not registered in the Commonwealth as a professional solicitor.

f. During the period from August 15, 2013, through May 12, 2015, Respondent provided services as a professional solicitor to a charitable organization in the Commonwealth of Pennsylvania.

g. On or about January 15, 2015, the Secretary of the Commonwealth issued an Order directing that the Respondent cease and desist from providing professional solicitor services in the Commonwealth until such time as it became duly registered or provided information that it was excluded or exempt from registration.

h. Subsequent to January 15, 2015, and prior to Respondent again becoming registered on May 12, 2015, Respondent provided services as a professional solicitor to a charitable organization soliciting contributions in the Commonwealth of Pennsylvania.

#### **AGREED VIOLATIONS**

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

a. Respondent violated Section 15(a)(1) of the Act, 10 P.S. § 162.15(a)(1), by and through the violation of Section 9(e) of the Act, 10 P.S. § 162.9(e), in that Respondent provided services as a professional solicitor to a charitable organization that was not registered with the Department and without an approved contract;

b. Respondent violated Section 15(a)(1) of the Act, 10 P.S. § 162.15(a)(1), by and through the violation of Section 9(a) of the Act, 10 P.S. § 162.9(a), in that

Respondent provided services as a professional solicitor to a charitable organization operating in the Commonwealth after the expiration of the registration held by the Respondent to provide such services.

c. Respondent violated Section 15(a)(1) of the Act, 10 P.S. § 162.15(a)(1), by having provided services as a professional solicitor to a charitable organization operating in the Commonwealth in violation of an Order issued by the Secretary of the Commonwealth on January 15, 2015.

#### **PROPOSED ORDER**

5. 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 Respondent acted in a manner prohibited under Section 15(a)(1) of the Act, 10 P.S. § 162.15(a)(1), and in violation of the Act, in that Respondent provided services as a professional solicitor to a charitable organization:

1) not registered with the Department and without an approved contract, in violation of Section 9(e) of the Act, 10 P.S. § 162.9(e);

2) after the expiration of the registration held by the Respondent to provide such services, in violation of Section 9(a) of the Act, 10 P.S. § 162.9(a); and,

3) in violation of an Order issued by the Secretary on January 15, 2015, directing Respondent to cease and desist from providing services in the Commonwealth as a professional solicitor.

**ADMINISTRATIVE FINE**

b. The Secretary finds that Respondent violated or operated in violation of the Act and of a lawful Order, and in accordance with Section 17(a) of the Act, 10 P.S. § 162.17(a), and in accordance with Section 17(b) of the Act, 10 P.S. § 162.17(b), levies upon Respondent an **ADMINISTRATIVE FINE** in the amount of **THREE-THOUSAND-DOLLARS (\$3,000)**.

c. Respondent shall tender the full sum of THREE-THOUSAND-DOLLARS (\$3,000), with the return of this executed Consent Agreement

d. 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.).

e. 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.

f. The executed Consent Agreement and payment shall be returned to:

Comm. of PA, Dept. of State, Legal Office  
Attn: Robert B. Armour, Esquire  
P.O. Box 69521  
Harrisburg, PA 17106-9521

**CASE SETTLED AND DISCONTINUED**

g. This case shall be deemed settled and discontinued upon the Secretary issuing an Order approving this Consent Agreement, adopting the terms of this paragraph and the Respondent's successful completion of any discipline imposed therein.

**ACKNOWLEDGEMENT OF NOTICE AND WAIVER OF HEARING**

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

7. 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:

- a. to be represented by counsel at the hearing;
- b. to present witnesses and testimony in defense or in mitigation of any sanction that may be imposed for a violation;
- c. to cross-examine witnesses and challenge evidence presented by the Bureau;
- d. to present legal arguments by means of a brief; and
- e. 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 or governmental entity of the Commonwealth of Pennsylvania, including any other bureau within the Department of State. The Office of General Counsel has approved this Agreement as to form, however, this Agreement will have no legal effect until the Secretary issues an Order approving this Consent Agreement.

**EFFECT OF SECRETARY'S REJECTION**

9. Should the Secretary not approve this Consent Agreement, presentation to and consideration of this Consent Agreement and any other documents and matters related hereto 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**

10. The parties acknowledge that other federal, state, and/or local agencies may have jurisdiction over the activities of, or representations made by, Respondent. Nothing in this Consent

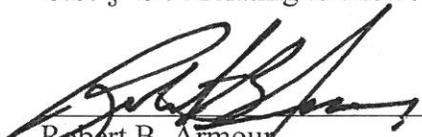
Agreement or the Order based upon this Consent Agreement shall preclude representatives of the Bureau from referring any information or data produced as a result of this matter to any federal, state or local agency or governmental unit having jurisdiction over the activities of Respondent.

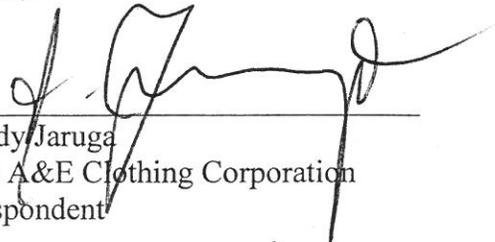
**ENTIRE AGREEMENT**

11. 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**

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.

  
\_\_\_\_\_  
Robert B. Armour  
Prosecuting Attorney  
Department of State

  
\_\_\_\_\_  
Andy Jaruga  
For A&E Clothing Corporation  
Respondent

DATED: 09/29/16

DATED: 09/20/2016



IN THE MATTER OF

**A&E CLOTHING CORPORATION**

**File No. 15-98-02873**  
**Docket No. -98-16**

**ORDER**

AND NOW, this 21<sup>st</sup> day of OCTOBER 2016, the foregoing Consent Agreement is hereby approved and the terms of paragraph 5 of the Agreement are herein incorporated as the Order of the Secretary of the Commonwealth in resolution of this matter. This Order shall take effect immediately.

**BY ORDER**

A handwritten signature in cursive script that reads "Pedro A. Cortés".

Pedro A. Cortés  
Secretary of the Commonwealth