

COPY

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

Department of State
2010 JUL 30 AM 10:49
REGISTRATION DIVISION

Commonwealth of Pennsylvania, :
Bureau of Charitable Organizations, :
 : Docket No. 0047 - 98-10
 :
 vs. : File No. 10-98-05141
 :
 St. Barnabas Charities, Inc. :
 Respondent :

CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, Bureau of Charitable Organizations ("Bureau") and St. Barnabas Charities, Inc., ("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, et seq.
2. At all relevant and material times, Respondent held a registration to solicit charitable contributions within the Commonwealth of Pennsylvania.
3. Respondent is currently registered with the Bureau through November 11, 2010, registration # 31635.

STIPULATED FACTS

4. Respondent admits that the following allegations are true:

- a. Respondent's last known business address is 5850 Meridian Road, Gibsonia, PA 15044.
- b. Respondent operates several nursing homes.
- c. Between on or about 1967 and on or about 2006, VK was a resident of Respondent's nursing home and assisted living facilities at The Arbors.
- d. On or about the fall of 2008, Respondent printed a solicitation in its newsletter.
- e. In the solicitation Respondent indicated that Respondent provided \$1.45 million in free medical care to VK paid out of Respondent's Free Care Fund.
- f. The \$1.45 million figure used by Respondent in its solicitation was an approximation of the present value of the actual amount expended by Respondent in providing free care to VK between 1967 and 2006.
- g. Between on or about 1967 and on or about 2006 Respondent actually provided \$232,885.34 in free care to VK.

AGREED VIOLATIONS

5. Respondent admits and agrees that by engaging in the foregoing activities:
 - a. Respondent violated the Act at 10 P.S. § 162.15 (a)(2), which prohibits utilizing an unfair or deceptive act or practice or engaging in any fraudulent conduct which created a likelihood of confusion or of misunderstanding.

PROPOSED ORDER

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

a. Respondent repeatedly violated the Act at 10 P.S. § 162.15 (a)(2), by sending a single publication to numerous recipients.

ADMINISTRATIVE FINE

b. An ADMINISTRATIVE FINE of five thousand dollars (\$5,000) is levied upon Respondent. Respondent shall tender the full sum of five thousand dollars (\$5,000), 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."

CASE SETTLED AND DISCONTINUED

7. 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

8. 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

9. 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

10. 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

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.

AGREEMENT DOES NOT PREVENT REFERRAL TO OTHER AGENCIES

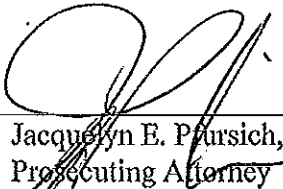
12. The parties acknowledge that other federal, state, and/or local agencies may have jurisdiction over the activities of, or representations made by, Respondent and its officers, directors, agents, employees or independent contractors. Nothing in this Consent Agreement or the Order based upon this Consent 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 Respondent or any officer, director, agent, employee or independent contractor of the Respondent.

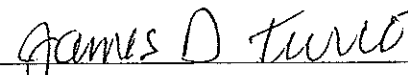
VERIFICATION OF FACTS AND STATEMENTS

13. 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.

St. Barnabas Charities, Inc.



Jacquelyn E. Pursich, Esquire
Prosecuting Attorney
Department of State



By: James D. Turco
Title: CFO
Respondent

DATED:

7/15/10

DATED:

7/13/2010



IN THE MATTER OF
ST. BARNABAS CHARITIES, INC.
FILE NO. 10-98-05141

ORDER

AND NOW, to wit, on this 29th day of July 2010, the terms of paragraph 6 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

Basil L. Merenda

Basil L. Merenda
Acting Secretary of the Commonwealth