

COPY

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

Commonwealth of Pennsylvania,
Bureau of Charitable Organizations

vs.

Childhelp, Inc.,
Respondent

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:
: Docket No. 0049 -98-10
: File No. 10-98-05890
:
:
:

RECEIVED
DEPARTMENT OF STATE
MAY 11 2011

CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, Bureau of Charitable Organizations ("Bureau") and Childhelp, 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 ("the Act"), Act of December 19, 1990, P.L. 1200, No. 202, as amended ("Act"), 10 P.S. §§ 162.1 et. seq.

1. Respondent is currently registered with the Bureau through May 11, 2011, registration number 11347.

2. At all relevant and material times, Respondent conducted business in Pennsylvania as a charitable organization, as defined by the Act.

3. At all relevant and material times, Respondent was not exempt from registration or excluded from the requirements of the Act.

STIPULATED FACTS

4. Respondent's last known mailing address is 15757 North 78th Street, Suite B, Scottsdale, AZ 85260.

5. On or about early 1999 Respondent mailed solicitations to Pennsylvania residents that did not include the disclosure statement required by the Act.

6. On or about May 18, 1999, the Bureau sent Respondent a letter indicating that failure to include the disclosure statement was a violation of the Act and that future violations would result in prosecution and/or the assessment of administrative fines.

7. Respondent's Summer 2009 Newsletter and solicitation mailed to Pennsylvania residents did not include the required disclosure statement.

8. Respondent's Winter 2009 Newsletter and solicitation mailed to Pennsylvania residents did not include the required disclosure statement.

AGREED VIOLATIONS

9. Respondent admits and agrees that by engaging in the foregoing activities it repeatedly violated the Act at, 10 P.S. §162.15(a)(1), by and through 10 P.S. §162.13(c), by failing to include the required disclosure on every printed solicitation or written confirmation, receipt and reminder of a contribution.

PROPOSED ORDER

10. The parties, intending to be legally bound, agree to the issuance of the following Order in settlement of this matter:

a. Respondent repeatedly violated the Act at 10 P.S. §162.15(a)(1), by and through 10 P.S. §162.13(c), by failing to include the required disclosure on every printed solicitation or written confirmation, receipt and reminder of a contribution.

ADMINISTRATIVE FINE

b. An ADMINISTRATIVE FINE of two thousand five hundred dollars (\$2,500.00) is levied upon Respondent. Respondent shall tender the full sum of two thousand five hundred dollars (\$2,500.00) 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."

DISCLOSURE STATEMENT

c. Respondent shall include the disclosure statement required by 10 P.S. §162.13(c) in all printed solicitations or written confirmations, receipts and reminders of a contribution mailed to Pennsylvania residents.

CASE SETTLED AND DISCONTINUED

11. 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 the requirements of this Order. However, nothing in this Consent Agreement and Order shall preclude the Prosecuting Attorney for the Bureau from filing charges or the Secretary from imposing disciplinary or corrective measures for violations or facts not contained in this Consent Agreement and Order.

ACKNOWLEDGEMENT OF NOTICE AND WAIVER OF HEARING

12. 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

13. 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. 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

14. 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

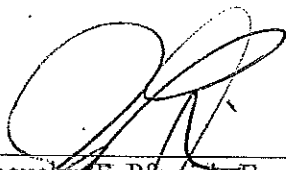
15. This Agreement contains the whole agreement between the parties; provided, however, that the captions printed in the various provisions of this agreement are for ease of reading only and are not to be interpreted as forming any part of this agreement. There are no other terms, obligations, covenants,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

AGREEMENT DOES NOT PREVENT REFERRAL TO OTHER AGENCIES

16. 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.

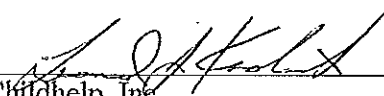
VERIFICATION OF FACTS AND STATEMENTS

17. 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.



Jacquelyn E. Pflipsich, Esquire
Prosecuting Attorney
Department of State

DATED: 7/20/10



Childhelp, Inc.
Title: CFO
Respondent

DATED: 7/20/10



IN THE MATTER OF
CHILDHELP, INC.
FILE NO. 10-98-05890

ORDER

AND NOW, this *29th* day of *July* 2010, the terms of Paragraph 10 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