

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

PROTHONOTARY

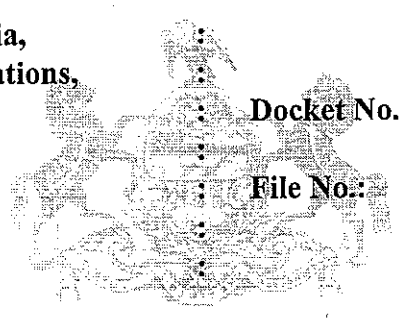
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Department of State

**Commonwealth of Pennsylvania,
Bureau of Charitable Organizations,**

VS.

**National Pro-Life Alliance,
Respondent.**



Docket No.: 0008 -98-00

File No.: 99-98-01294

COPY

CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, Bureau of Charitable Organizations ("Bureau") and National Pro-Life Alliance ("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* ("Solicitation Act"), 10 P.S. §§ 162.1-162.24.
2. Respondent has solicited charitable contributions from Pennsylvania residents.
3. Respondent has never been properly registered to solicit charitable contributions in Pennsylvania.

FACTUAL ALLEGATIONS

4. The Commonwealth alleges the following facts:
 - a. Respondent's last known business address, as on file with the Bureau is: 4521 Windsor Arms Court, Annandale, VA 22003.

b. The Bureau first became aware that Respondent was soliciting charitable contributions in Pennsylvania in July 1998.

c. On August 7, 1998 the Bureau sent Respondent a letter informing it of its registration obligation.

d. Respondent received the letter on August 12, 1998, but did not respond to the Bureau.

e. On January 12, 1999 the Bureau sent Respondent another letter informing it of its registration obligation.

f. Respondent received the letter on January 15, 1999 but did not respond to the Bureau.

g. On February 4, 1999 the Secretary of the Commonwealth issued a Cease and Desist Order directing Respondent to cease and desist from soliciting in Pennsylvania until it became registered or provided the Bureau proof that it was exempt from the registration requirements of the Solicitation Act. Respondent did not appeal the issuance of the Cease and Desist Order.

h. After February 4, 1999, Respondent continued to solicit charitable contributions in Pennsylvania without being properly registered to do so.

i. On May 17, 1999 Respondent attempted to register with the Bureau. Respondent's registration could not be approved because all the materials needed for registration were not furnished.

j. On June 9, 1999 Respondent again attempted to register with the Bureau. Respondent's registration could not be approved because the financial data

was incomplete.

k. Respondent continued to solicit charitable contributions after its registration was not approved.

l. On December 9, 1999 the Commonwealth served an investigative subpoena upon Respondent.

m. In response to the subpoena, Respondent represented that it had been soliciting contributions since January 1998 and had received contributions totaling approximately \$83,216 from approximately 4,450 Pennsylvania citizens.

ALLEGED VIOLATIONS

5. Without admitting or denying a violation of the Solicitation Act, Respondent agrees that based upon the factual allegations, the Secretary could find that Respondent committed numerous violations of the Solicitation Act at 10 P.S. § 162.15(a)(1) by failing to register with the Bureau before soliciting charitable contributions in Pennsylvania and continuing to solicit charitable contributions after a Cease and Desist Order had been issued and after its registration attempts had not been approved.

PROPOSED ORDER

6. The parties consent to the issuance of the following Order in settlement of this matter:

ADMINISTRATIVE FINE

a. An **ADMINISTRATIVE FINE** of seven thousand dollars (\$7,000) is levied upon Respondent. Respondent shall tender the full sum of seven thousand dollars (\$7,000) in two equal installments 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."

b. The first installment of three thousand five hundred dollars (\$3,500) shall be due with this Consent Agreement. The second installment shall be due ninety (90) days from the date of the Secretary's Order adopting the terms of this Consent Agreement.

c. Respondent shall submit its IRS Form 990 to complete the registration for fiscal year ending ("FYE") 12/31/98 within thirty (30) days of the date of the Secretary's Order adopting this Consent Agreement. Respondent shall also submit registration materials for FYE 12/31/99 within thirty (30) days of the date of the Secretary's Order adopting this Consent Agreement. If Respondent is unable to submit all materials for FYE 12/31/99 within thirty (30) days, it shall request an extension from the Bureau by filing Form BCO-2 within thirty (30) days of the date of the Secretary's Order adopting this Consent Agreement.

d. Upon receipt of the first installment of the administrative fine, the IRS Form 990 for FYE 12/31/98 and the signing of an Order adopting this Consent Agreement, the Bureau will approve Respondent's registration as a charitable organization in the Commonwealth of Pennsylvania.

e. Respondent shall only solicit charitable contributions in Pennsylvania in compliance with the requirements of the Solicitation Act.

f. Nothing in this 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 covered by this Consent Agreement.

g. Upon the Secretary's adoption of this Consent Agreement into an Order, this case shall be deemed settled with regard to the factual allegations outlined in paragraphs 4 a-m.

VIOLATION OF THE SECRETARY'S ORDER

h. Notification of a violation of the terms or conditions of this Consent Agreement and Order shall result in the imposition of additional penalties as follows:

(1) The prosecuting attorney for the Bureau shall file with the Secretary a Petition which indicates that Respondent has violated the terms or conditions of this Consent Agreement and Order;

(2) Upon a probable cause determination that Respondent has violated the terms and conditions of this Consent Agreement and Order, the Secretary, or her designee, shall, without holding a formal hearing, issue a Preliminary Order imposing a sixty (60) day period of suspension on Respondent's registration to solicit charitable contributions;

(3) Respondent shall be notified of the Preliminary Order within three (3) days of its issuance by certified mail and first class mail postage prepaid, sent to the last registered address on file with the Bureau, together with a copy to Respondent's attorneys at Webster, Chamberlain & Bean, 1747 Pennsylvania Ave., NW, Washington, DC 20006-4693 by facsimile or first class mail;

(4) Within fifteen (15) days of mailing of the notification

of the Preliminary Order, Respondent may answer the Commonwealth's petition, request that a formal hearing be convened concerning Respondent's alleged violation of the Consent Agreement and Order, and move that the period of suspension be stayed until the Secretary or her designee issues a final order. Respondent shall file all answers and subsequent filings with the Prothonotary for the Bureau of Charitable Organizations, 124 Pine Street, Suite 200, Harrisburg, PA 17101. Respondent shall serve the prosecuting attorney for the Bureau with a copy of the answer and all subsequent filings in this matter;

(5) If Respondent moves for a stay of the period of suspension, Respondent shall set forth properly verified facts and/or state concisely the matter of law which Respondent believes justifies a stay of the period of suspension. The Secretary or her designee shall issue a ruling on Respondent's motion within fifteen (15) days from the date of the mailing of the notification of the Preliminary Order. If the Secretary or her designee makes no ruling on Respondent's motion within the fifteen (15) days from mailing of the notification of the Preliminary Order, Respondent's motion shall be deemed denied;

(6) If a request for a formal hearing is received from Respondent, a formal hearing shall be convened within forty-five

(45) days from the date of filing of Respondent's request for a formal hearing;

(7) The facts and averments in this Consent Agreement and Order shall be deemed admitted and uncontested at this hearing;

(8) If the Secretary, or her designee, after such hearing makes a determination adverse to Respondent, the Secretary or her designee will issue a Final Order imposing any disciplinary measures she deems appropriate. The Secretary or her designee may, but is not required to, take into account any period of active suspension already served by the Respondent pursuant to the Preliminary Order;

(9) If a request for a formal hearing is not received from Respondent within the prescribed fifteen (15) day period, the Preliminary Order shall become a Final Order.

ACKNOWLEDGMENT 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; the right 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.

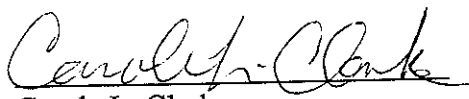
AGREEMENT DOES NOT PREVENT REFERRAL TO OTHER AGENCIES.

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 of governmental unit having jurisdiction over the activities of Respondent or any officer, director, agent, employee or independent contractor of the Respondent.

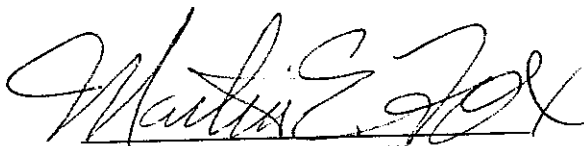
VERIFICATION OF FACTS AND STATEMENTS

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.A. §4904 relating to unsworn falsification to authorities.


Carole L. Clarke
Prosecuting Attorney
Bureau of Charitable Organizations

DATED: 7/19/00


for National Pro-Life Alliance
Respondent

DATED: July 17, 2000

Attorney for National Pro-Life Alliance

DATED:

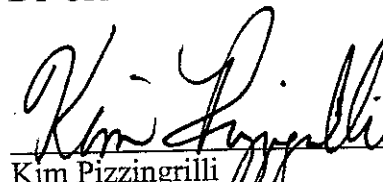


**IN THE MATTER OF THE SOLICITATION OF
FUNDS FOR CHARITABLE PURPOSES BY
NATIONAL PRO-LIFE ALLIANCE,
FILE NO.: 99-98-01294**

ORDER

AND NOW, to wit, on this 24th day of July 2000, 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



Kim Pizzigrilli
Secretary of the Commonwealth



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF STATE
BUREAU OF CHARITABLE ORGANIZATIONS

LEGAL OFFICE
PROSECUTION DIVISION
(717) 783-7200
FAX: (717) 787-0251

116 PINE STREET
P.O. BOX 2649
HARRISBURG, PA
17105-2649

July 27, 2000

Mr. Dave Goch, Esquire
Webster, Chamberlain & Bean
1747 Pennsylvania Ave., NW
Washington, DC 20006-4693

Re: National Pro-Life Alliance Consent Agreement
Tracking No. 99-98-01294

Dear Mr. Goch:

You will find enclosed a copy of the Consent Agreement and Order signed by the Secretary of the Commonwealth on July 24, 2000.

I received the fiscal year ending 12/31/98 Form 990 with the Consent Agreement and forwarded it today to the Bureau of Charitable Organizations, your client should receive its registration certificate shortly. The registration statement and supporting documents for fiscal year ending 12/31/99 are due on August 23, 2000 and can be submitted directly to the Charities Bureau at that time. The second installment of the \$7000 fine is due on October 22, 2000 and can also be submitted directly to the Charities Bureau.

Thank you for your cooperation in resolving this matter. If you have any questions, please do not hesitate to contact me. Any questions concerning registration can be directed to the Charities Bureau at (717)783-1720.

Very truly yours,

A handwritten signature in cursive script that reads "Carole L. Clarke".

Carole L. Clarke
Prosecuting Attorney
Commonwealth of Pennsylvania
Bureau of Charitable Organizations

Enclosure