

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

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Department of State

Commonwealth of Pennsylvania, :
Bureau of Charitable Organizations, :

vs. :

Nora Lam Chinese Ministries International, :
Respondent :

Docket No. 0012-9808
File No. 03-98-06740

CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, Bureau of Charitable Organizations ("Bureau") and **Nora Lam Chinese Ministries International** ("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 was registered from September 26, 1996 to November 11, 2002, registration number 13868. From November 12, 2002 to May 30, 2007, Respondent was not properly registered with the Bureau. As of May 30, 2007, Respondent became properly registered with the Bureau. Respondent's current registration is valid until February 9, 2009.

3. Between November 12, 2002 and May 30, 2007, **Nora Lam Chinese Ministries International** ("Respondent") did not hold a registration to solicit charitable contributions within the Commonwealth of Pennsylvania.

STIPULATED FACTS

4. Respondent admits that the following allegations are true:
- a. Respondent's last known business address, as on file with the Department of State, is 5442 Thornwood Drive, Suite 200, San Jose, CA 95123.
 - b. Respondent's registration with the Bureau expired on May 5, 2002.
 - c. The Bureau granted a final extension to Respondent until November 11, 2002 to complete its registration.
 - d. Respondent failed to complete the registration by the extended deadline, and was unregistered until May 30, 2007.
 - e. Respondent is currently registered to solicit contributions in Pennsylvania until February 9, 2009.

Unregistered Activity

- f. After Respondent's registration had expired in November 2002, Respondent continued to solicit contributions in Pennsylvania.
- g. A Cease and Desist Order was issued by the Secretary of the Commonwealth on January 15, 2003, directing that Respondent cease and desist soliciting contributions until such time as the Respondent becomes duly registered.
- h. An investigative subpoena was issued by the Bureau on January 15, 2003, directing Respondent to produce a list of all Pennsylvania residents it solicited since November 11, 2002; a list of all contributions received from Pennsylvania residents, businesses, corporations and foundations since November 11, 2002; and

copies of all contracts between the organization and any professional solicitor or fundraising counsel.

i. On or about January 29, 2003, Respondent provided a list of contributions it received after November 11, 2002.

j. The January 29, 2003 list indicated that after November 11, 2002, 614 Pennsylvanian residents made 819 donations to Respondent totaling \$33,888.41.

k. On May 16, 2003, the Bureau received sixteen (16) solicitations directed toward Pennsylvania residents, these solicitations were made after November 11, 2002, evidencing that Respondent continued to operate without being registered, and in violation of the Secretary's Cease and Desist Order.

l. On May 28, 2003, a second Investigative Subpoena was issued by the Bureau, directing Respondent to produce a list of all Pennsylvania residents it solicited since January 15, 2003; a list of all contributions received from Pennsylvania residents, businesses, corporations and foundations since January 15, 2003; and copies of all contracts between the organization and any professional solicitor or fundraising counsel.

m. In response to the May 28, 2003 Investigative Subpoena, Respondent provided a list of 29,259 names of individuals, businesses, corporations and foundations that were solicited during the period of January 15 through June 24, 2003.

n. Of those solicited during that time period, 1,087 individuals made contributions totaling \$43,311.73, and 24 business made contributions totaling \$1,770.00.

o. On or about July 31, 2003, the Bureau received a solicitation directed toward a Pennsylvania resident, evidencing that Respondent continued to operate without being registered, and in violation of the Secretary's Cease and Desist Order.

p. On September 17, 2003, the Bureau received fifteen (15) solicitations directed toward Pennsylvania residents, evidencing that Respondent continued to operate without being registered, and in violation of the Secretary's Cease and Desist Order.

Fundraising Counsel

q. In response to the Investigative Subpoena dated January 15, 2003, Respondent stated that it had an agreement with Tele-Data Services, Inc., to perform telemarketing services for Respondent.

r. The Bureau is in possession of sixteen (16) solicitations indicating that Respondent retained Berkly Brendal Sheline as a professional fundraiser.

s. On September 15, 2003, the Bureau received information from Respondent indicating that it used the fundraising counsel services of Direct Mail Services, Inc.

Misrepresentation

t. All of the direct mail solicitations sent to Pennsylvania residents during the period after Respondent's registration had expired included the disclosure statement set forth in 10 P.S. §162.13(c), indicating that Respondent was officially registered, when in fact it was not.

AGREED VIOLATIONS

5. Respondent agrees that by engaging in the foregoing activities, Respondent has committed multiple violations of the Act by:

a. Soliciting charitable contributions without being registered with the Bureau and/or after its registration with the Bureau had expired, in violation of 10 P.S. §162.15(a)(1), by and through §162.5(a);

b. Soliciting charitable contributions while under a Cease and Desist Order, in violation of 10 P.S. §162.15(a)(1), by and through §162.17(a)(1);

c. Employing a professional fundraising counsel and/or solicitor and entering into a professional fundraising counsel and/or solicitation contract when Respondent was not first registered with the Bureau, in violation of 10 P.S. §162.15(a)(1), by and through §162.13(g); and

d. Printing the disclosure statement on its solicitations, representing that Respondent was registered to solicit charitable contributions in Pennsylvania, when it was not, so as to create a likelihood of confusion, in violation of 10 P.S. §162.15(a)(2).

PROPOSED ORDER

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

a. Based on the above-referenced facts, the Secretary finds that Respondent committed multiple violations of the Solicitation of Funds for Charitable Purpose Act (Act) by:

i. Soliciting charitable contributions without being registered with the Bureau and/or after its registration with the Bureau had expired, in violation of 10 P.S. §162.15(a)(1), by and through §162.5(a);

ii. Soliciting charitable contributions while under a Cease and Desist Order, in violation of 10 P.S. §162.15(a)(1), by and through §162.17(a)(1);

iii. Employing a professional fundraising counsel and/or solicitor and entering into a professional fundraising counsel and/or solicitation contract when Respondent was not first registered with the Bureau, in violation of 10 P.S. §162.15(a)(1), by and through §162.13(g); and

v. Printing the disclosure statement on its solicitations, representing that Respondent was registered to solicit charitable contributions in Pennsylvania, when it was not, so as to create a likelihood of confusion, in violation of 10 P.S. §162.15(a)(2);

ADMINISTRATIVE FINE

b. An **ADMINISTRATIVE FINE** of ten thousand dollars (\$10,000) is levied upon Respondent. The sum of ten thousand dollars (\$10,000) 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,"** as follows:

- (1) Five thousand dollars (\$5,000) shall be tendered with this executed Consent Agreement; and
- (2) Five thousand dollars (\$5,000) forty-five (45) days after the execution of this Consent Agreement.

Failure to make any of the foregoing payments shall (1) render this Agreement null and void; (2) constitute a forfeiture by Respondents of any payments made pursuant to this Agreement.

ACKNOWLEDGEMENT OF NOTICE AND WAIVER OF HEARING

7. Respondent waives the filing and service 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 Respondent or any officer, director, agent, employee or independent contractor of the Respondent.

CASE DEEMED SETTLED AND DISCONTINUED

12. 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 or remedial measures and payment of any administrative fines. 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.

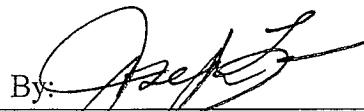
VERIFICATION FACTS AND STATEMENTS

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.

Nora Lam Chinese Ministries International



Dean F. Picarella
Prosecuting Attorney
Bureau of Charitable Organizations
DATED: 03/10/2008

By: 

Title: PRESIDENT
Respondent

DATED:



**IN THE MATTER OF
Nora Lam Chinese Ministries International
FILE NO. 03-98-06740**

ORDER

AND NOW, to wit, on this 7th day of October, 2008, 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

Pedro A. Cortés
Pedro A. Cortés
Secretary of the Commonwealth