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Department of State

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

Commonwealth of Pennsylvania,
Bureau of Charitable Organizations,
vs.
The Veterans Fund,
Respondent
Docket No. 6001 -98-10
File No. 09-98-12125

CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, Bureau of Charitable Organizations ("Bureau") and The Veterans Fund ("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. Respondent is currently registered with the Bureau as a charitable organization through November 11, 2010, registration # 26946

3. At all relevant and material times, Respondent has solicited charitable contributions in Pennsylvania.

STIPULATED FACTS

4. Respondent admits that the following allegations are true:

a. Respondent's last known business address is 4240 Portsmouth Boulevard, Suite 425, Chesapeake, VA 23321.

5. Respondent admits and agrees that by engaging in the foregoing activities, Respondent failed to establish and exercise control over fundraising activities conducted for its benefit, including the approval of all written contracts and agreements, in violation of 10

AGREED VIOLATIONS

Bureau.

March 3, 2008; neither of these documents had been previously filed with the dated November 13, 2007, as well as a Solicitation Notice – Form BCO-170 dated between Respondent and Center Stage Attractions regarding fundraising activities, Also attached to Respondent's letter of April 4, 2008 was a contract e.

\$209,993.01, of which \$113,663 was actually received.

Pennsylvania residents and business via telephone, obtaining pledges of 2008 to March 20, 2008, Center Stage Attractions spoke to approximately 35,000 d. Respondent's letter of April 4, 2008 also stated that from January 1,

a professional solicitor registered with the Bureau, registration #30429. 211, Fort Lauderdale, FL 33316, for fundraising activities; Center Stage Attractions is Respondent used the services of Center Stage Attractions, 1815 Cordova Road, Suite

c. On April 4, 2008, Respondent sent a letter confirming that

Respondent and the professional solicitor.

by the professional solicitor, and copies of all then current contracts between professional solicitor, the number of solicitations sent into Pennsylvania on its behalf

requesting, among other things, confirmation as to whom Respondent uses as a

b. On March 20, 2008, the Bureau sent a letter to Respondent

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

ACKNOWLEDGEMENT OF NOTICE AND WAIVER OF HEARING

7. This case shall be deemed settled and discontinued upon the Secretary issuing an Order adopting this Consent Agreement and the Respondents successful completion of any ordered discipline. 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.

CASE SETTLED AND DISCONTINUED

b. An ADMINISTRATIVE FINE of one thousand dollars (\$1,000) is levied upon Respondent. Respondent shall tender the full sum of one thousand (\$1,000), 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."

ADMINISTRATIVE FINE

6. The participants, intending to be legally bound, consent to issuance of the following Order in settlement of this matter:
a. Respondent violated the Act at 10 P.S. § 162.13(e)

PROPOSED ORDER

P.S. § 162.13(e).

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 or governmental 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.

DATED: 01/19/2010

Dean F. Picarella, Esquire
Prosecuting Attorney
Department of State

Dean F. Picarella

DATED: January 17, 2010

By: *John J. Gattuso*
Title: *Secretary/Treasurer*
Respondent

The Veterans Fund

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.

VERIFICATION OF FACTS AND STATEMENTS

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.

AGREEMENT DOES NOT PREVENT REFERRAL TO OTHER AGENCIES

Pedro A. Cortés
Secretary of the Commonwealth



BY ORDER

AND NOW, this 27th day of January, 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.

ORDER

**IN THE MATTER OF
The Veterans Fund
File No.: 09-98-12125**

