

The Office of Secretary of State Securities and Charities Division

IN THE MATTER OF

American Cancer Society of Georgia, Inc. and Ian R. Hosang

Respondents

Case Number: ENCH-180257

EMERGENCY ORDER TO CEASE AND DESIST

Pursuant to the authority of the Georgia Charitable Solicitations Act of 1988, as amended, O.C.G.A. § 43-17-1, et seq. ("Act"), and 590-9-1, et seq. of the Rules and Regulations of the State of Georgia ("Rules"), the Secretary of State of the State of Georgia ("Secretary"), has caused an investigation to be made into the acts and practices of the American Cancer Society of Georgia, Inc. ("ACSG") and Ian R. Hosang ("Hosang")(collectively "Respondents"). As a result of the investigation, the Secretary makes the following findings of fact and conclusions of law:

FINDINGS OF FACT

- 1. ACSG holds itself out as a domestic nonprofit corporation that claims that it is "organized exclusively for charitable, educational, and scientific purposes under section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code."
- 2. ACSG is registered with the Corporations Division of the Secretary as a domestic nonprofit corporation. ACSG's paperwork lists its principal office address and registered agent's address at 2801 Washington Road, Suite 253, Augusta, GA 30909-2111. ACSG is not registered with the Secretary as a charitable organization pursuant to O.C.G.A. § 43-17-5.
- 3. Hosang is listed at ACSG's incorporator, registered agent, and managing director. Hosang's provided addresses is also listed as 2801 Washington Road, Suite 253, Augusta, GA 30909.
 - 4. ACSG lists additional officers as Rhett McIntosh and Claudia Stephen, both of Brooklyn, New York.

- 5. American Cancer Society, Inc. ("ACS") is a well-known charitable organization that is registered with the Secretary as such. ACS is headquartered in Atlanta, Georgia. ACS has been in operation since 1913.
 - 6. ACSG is not associated with ACS in any capacity.

CONCLUSIONS OF LAW

- 7. Paragraphs 1 through 6 are incorporated by reference as though fully set forth herein.
- 8. The Secretary has jurisdiction over this matter pursuant to the Act. See O.G.C.A. §§ 43-17-10 and 43-17-11.
- 9. Pursuant to O.C.G.A. § 43-17-13(a)(1)(A)(i), "whenever it may appear to the Secretary of State, either upon complaint or otherwise, that any person has engaged in or is engaging in or is about to engage in any act, practice, or transaction which is prohibited by this chapter or by any rule, regulation, or order of the Secretary of State promulgated or issued pursuant to any Code section of this chapter or which is declared to be unlawful under this chapter, the Secretary of State may, at his discretion...issue a cease and desist order against any person."
- 10. Pursuant to O.C.G.A. § 43-17-2(2), a charitable organization is defined as "any benevolent, philanthropic, patriotic, or eleemosynary (of, relating to, or supported by charity or alms) person, as that term is defined in this Code section, who solicits or obtains contributions solicited from the general public, any part of which contributions is used for charitable purpose; and any person who or which falsely represents himself, herself, or itself to be a charitable organization as defined by this paragraph."
- 11. O.C.G.A. § 43-17-3(3) defines charitable purpose as "any charitable, benevolent, philanthropic, or eleemosynary purpose for religion, health, education, social welfare, arts and humanities, environment, civic, or public interest; and any purpose which is falsely represented to be a charitable purpose as defined by this paragraph."
- 12. Pursuant to O.C.G.A. § 43-17-12(c)(2), it is unlawful for any person "[t]o utilize a name, symbol, or statement so closely related or similar to that used by another charitable organization that the use thereof would tend to confuse or mislead a solicited person."
- 13. ACSG's name is closely related to that of ACS and would tend to confuse or mislead persons seeking to donate to ACS. As a result of this fact, ACSG is in violation of O.C.G.A. § 43-17-12(c)(2) and is subject to penalty under O.C.G.A. § 43-17-13(a)(1)(A)(i).

ORDER

WHEREFORE, by the authority vested in me as the Secretary of State for the State of Georgia, IT IS HEREBY ORDERED:

¹ O.C.G.A. § 43-17-2 (13) defines person as, "an individual, a corporation, a partnership, a limited liability company, an association, a joint-stock company, a trust, or any unincorporated organization."

- The American Cancer Society of Georgia, Inc. CEASE AND DESIST from all violations of the Georgia Charitable Solicitations Act of 1988, as amended.
- 2. That Ian R. Hosang CEASE AND DESIST from all violations of the Georgia Charitable Solicitations Act of 1988, as amended.

The entry of the Order is deemed to be in the public interest and shall not be deemed to constitute findings or conclusions relating to other persons unrelated to Respondents and shall not be deemed to be a waiver or estoppel on the part of the Commissioner from proceeding in individual actions against any person who may have violated the Act or any transactions not specifically referred to herein or not known to the Commissioner at the time this Order was issued.

SO ORDERED this 2018.

BRIAN P. KEMP SECRETARY OF STATE

By:

Noula Zaharis

Director

Securities and Charities Division

The Office of the Secretary of State, Brian P. Kemp



The Office of Secretary of State Securities and Charities Division

IN THE MATTER OF

American Cancer Society of Georgia, Inc. and Ian R. Hosang

Respondents

Case Number: ENCH-180257

NOTICE OF OPPORTUNITY FOR HEARING

TO: American Cancer Society of Georgia, Inc.

Attn: Ian R. Hosang

2801 Washington Road, Suite 253

Augusta, GA 30909

PLEASE TAKE NOTICE that the Secretary of State of the State of Georgia ("Secretary") has issued the Order to Cease and Desist ("Order") attached hereto which orders Atlanta Cancer Society of Georgia, Inc. ("ACSG") and Ian R. Hosang ("Hosang") (collectively "Respondents") to CEASE AND DESIST any and all violations of the Georgia Charitable Solicitations Act of 1988, O.C.G.A. 43-17-1, et seq. ("Act"). The Order is based on information known to the Secretary at the time this Notice of Opportunity for Hearing was issued, and may be amended or modified at any time prior to its entry.

Pursuant to O.C.G.A. § 43-17-16, Respondents are hereby notified that within ten (10) days after receipt of a request for a hearing in a record from Respondents, this matter will be scheduled for a hearing unless another date and time is otherwise agreed to by the parties. If Respondents do not request a hearing and none is ordered by the Secretary within ten (10) days after the date of service of this Order, this Order will become final as to Respondents by operation of law. If a hearing is requested or ordered, the Secretary, after notice of opportunity for hearing to Respondents, may modify or vacate this Order or extend it until final determination.

- 1. **GROUNDS.** The grounds for the issuance of this Order are that Respondents engaged in conduct in violation of O.C.G.A. § 43-17-5.
- **2. REQUEST FOR HEARING.** Pursuant to O.C.G.A. § 43-17-16(b)(3), this Order may be entered by the Secretary unless Respondents request a hearing within ten (10) days of receipt of this notice. A

request for hearing may be delivered to the attention of Noula Zaharis, Director, Office of the Secretary of State, Securities and Charities Division, 2 Martin Luther King Jr. Dr., SE, Suite 317 West Tower, Atlanta, GA 30334 or by electronic mail at nzaharis@sos.ga.gov.

- **3. PROCEDURE FOR REQUESTING A HEARING.** If the Respondents request a hearing, the request for hearing must be in writing and contain the following information as required by Rule 590-9-1-.05 of the Rules of Office of Secretary of State (hereinafter, the "Rule" or "Rules"):
 - a title which indicates the nature of the proceedings;
 - the complete name and address of the person or persons on whose behalf the request is filed;
 - the name and address of all other persons known to have a legal interest in the proceedings;
 - if the person or persons on whose behalf the request is filed are represented by counsel, the name and address of counsel;
 - a clear and concise statement of the facts upon which the contested case arises;
 - a prayer setting forth the relief sought; and,
 - a statement of the grounds upon which the person contends he is entitled to the relief sought.
- 4. SCHEDULING OF HEARING. If requested, a hearing will be scheduled before the Commissioner or Assistant Commissioner of Securities and Charities, the ultimate decision maker in this matter, in no less than thirty (30) days but not earlier than five (5) days after the request is made, unless otherwise agreed to by the parties.
- **5. ISSUES TO BE ADDRESSED.** If a hearing is requested, the issues to be addressed are set forth in the attached Order that is incorporated herein by reference and made a part of this Notice of Opportunity for Hearing.
- **6. CONTESTED CASES.** This is a contested case proceeding and pursuant to the Rules it shall be conducted as expeditiously as possible, with regard to the rights of the parties, and in a manner to enable the parties to obtain relevant information needed for preparation of the case to the extent that such disclosure is authorized or required by law.
- 7. **LEGAL AUTHORITY AND JURISDICTION.** This Notice of Opportunity for Hearing is issued pursuant to O.C.G.A. § 43-17-16, Rule 590-9-1-.05, and O.C.G.A.§ 50-13-1 *et seq.* (The Georgia Administrative Procedure Act).
- **8. INFORMAL CONFERENCE.** Respondents may request an informal conference with the Division Director pursuant to Rule 590-9-1-.05. The receipt of a written request for an informal conference will toll, until the date that such conference is scheduled, the running of the time for requesting and setting a hearing. A request for hearing that does not contain the required information as outlined above will be treated as a request for an informal conference. Further information regarding an informal conference may be obtained by contacting Noula Zaharis at nzaharis@sos.ga.gov.

- **9. RIGHTS OF PARTIES.** The parties to this matter shall have all of the rights provided for in the Act, the Rules and the Georgia Administrative Procedure Act, including but not limited to the following:
 - To subpoena witnesses and documentary evidence;
 - To secure testimony by deposition or interrogatories if authorized or directed by the Assistant Commissioner of Securities and Charities;
 - To be represented by legal counsel; and
 - To respond and present evidence on all issues involved.

SO ORDERED this day of Augusto

BRIAN P. KEMP

SECRETARY OF STATE

By:

Noula Zaharis

Director

Securities and Charities Division

The Office of the Secretary of State, Brian P. Kemp