

**SECRETARY OF STATE
STATE OF GEORGIA**

DEC 11 2012

DOCKET NUMBER

2012-CH2

IN THE MATTER OF:

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UNITED VETERANS ASSOCIATION

Case No. ENCH-120050

License No. CH000334

Respondent.

CEASE AND DESIST ORDER

Pursuant to the authority of the Georgia Charitable Solicitations Act of 1988, as amended, O.C.G.A. § 43-17-1 *et seq.* (hereinafter “the Act”), and 590-9-1 *et seq.* of the Rules and Regulations of the State of Georgia (hereinafter “the Rule” or “the Rules”), the Secretary of State of the State of Georgia (hereinafter “the Secretary”), has caused an investigation to be made into the acts and practices of United Veterans Association (hereinafter “Respondent”). As a result of that investigation, the Secretary makes the following findings of fact and conclusions of law:

FINDINGS OF FACT

1.

On or about July 13, 2009, Respondent was issued a registration to operate as a charitable organization as defined in O.C.G.A. § 43-17-2(2). On or about July 13, 2011, Respondent’s registration lapsed and it failed to have it renewed.

2.

Respondent maintains its principal business mailing address at 973 Forestdale Blvd., Birmingham, AL 35214.

3.

Respondent solicits donations for clothing items by providing a collection receptacle for such items, located at the corner of Medlock Bridge Road and Spaulding Drive in Norcross, Georgia.

4.

O.C.G.A. § 43-17-8.1, states the following:

- (a) When any person makes a solicitation to the public by encouraging donations into a collection receptacle, the provisions of this Code section shall apply to such solicitations.
- (b) If the collection receptacle is owned or operated entirely by a charitable organization exempt from taxation pursuant to Section 501(c)(3) of the United States Internal Revenue Code of 1986 or by a religious organization, the receptacle shall contain the following information in boldface letters at least two inches high on the front of the collection receptacle and directly underneath the deposit door stating:
 - (1) The name, address, website, if any, and telephone number of the charitable organization or religious organization that owns or operates the collection receptacle, from which persons may obtain additional information about the religious or charitable organization, including the address of its principal office and its telephone number; and
 - (2) Whether or not the charitable organization or religious organization is registered with the Secretary of State and, if it is registered, a statement that additional informational may be obtained from the Secretary of State, including the charitable or religious purpose for which the charitable organization or religious organization exists.
- (c) If the collection receptacle is owned or operated entirely or in part by any entity other than a charitable organization exempt from taxation pursuant to Section 501(c)(3) of the United States Internal Revenue Code of 1986 or by a religious organization, then the following shall apply:
 - (1) In the case where any of the items collected are to be sold and none of the proceeds of such sale are to be paid over or otherwise given to a charitable organization exempt from taxation pursuant to Section 501(c)(3) of the United States Internal Revenue Code of 1986 or to a religious organization, it shall be unlawful for any person to collect

donations of goods or tangible items in such collection receptacle unless the collection receptacle displays the following statement: **“DONATIONS ARE NOT FOR THE BENEFIT OF ANY CHARITABLE OR RELIGIOUS ORGANIZATION.”** The name, address, website, if any, and telephone number of the operator of the collection receptacle shall also be provided; and

- (2) In the case where any of the items collected are to be sold and some or all of the proceeds from such sale are to be paid over or otherwise given to one or more charitable organizations exempt from taxation pursuant to Section 501(c)(3) of the United States Internal Revenue Code of 1986 or to a religious organization, it shall be unlawful for any person to collect donations of goods or tangible items in a collection receptacle unless the collection receptacle displays the following statement: **“THIS COLLECTION BOX IS OPERATED BY [NAME OF OPERATOR]. THE ITEMS DEPOSITED IN THIS BOX WILL BE SOLD, AND A PORTION OF THE PROCEEDS WILL BE PAID TO [NAME OF CHARITABLE ORGANIZATION OR RELIGIOUS ORGANIZATION]. FURTHER INFORMATION ABOUT THESE PAYMENTS CAN BE OBTAINED FROM [NAME OF OPERATOR] AT [ADDRESS, WEBSITE, IF ANY, AND TELEPHONE NUMBER OF THE OPERATOR] AND [ADDRESS, WEBSITE, IF ANY, AND TELEPHONE NUMBER OF THE CHARITABLE ORGANIZATION OR RELIGIOUS ORGANIZATION]. IN ADDITION, FURTHER INFORMATION ABOUT THE CHARITABLE ORGANIZATION MAY BE OBTAINED FROM THE SECRETARY OF STATE.”**

The statements and all information required by paragraphs (1) and (2) of this subsection shall be prominently displayed in boldface letters at least two inches high located on the front of the collection receptacle and directly underneath the deposit door.

5.

Respondent's collection receptacle is not in compliance with the aforementioned law.

6.

On or about August 2, 2012, a Consent Order was sent to Respondent via certified mail for soliciting charitable contributions from persons in Georgia through a collection receptacle which lacks the appropriate language required by the Act and for violating O.C.G.A. §§ 43-17-5(a) and 43-17-12(a) by soliciting or accepting charitable contributions, from persons in Georgia, while Respondent was unregistered and nonexempt from registration. Respondent received said Consent Order as evidenced by a signed certified receipt card returned to the Secretary's Office. Respondent was given 30 days to respond, but failed to do so.

7.

Respondent admits to the above-styled Findings of Fact and waives any further findings of fact not already contained in this Order.

CONCLUSIONS OF LAW

7.

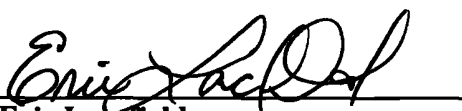
Respondent willfully violated O.C.G.A. § 43-17-8.1 by soliciting charitable contributions from persons in Georgia through a collection receptacle which lacks the appropriate language required by the Act. Respondent also violated O.C.G.A. §§ 43-17-5(a) and 43-17-12(a) by soliciting or accepting charitable contributions, from persons in Georgia, while Respondent was unregistered and nonexempt from registration. Said violation forms a sufficient basis for the Secretary of State to impose sanctions against Respondent pursuant to O.C.G.A. § 43-17-13.

WHEREFORE, by the authority vested in me as the Secretary of State of the State of Georgia, **IT IS HEREBY ORDERED** that United Veterans Association **CEASE AND DESIST** from violating the Georgia Charitable Solicitations Act of 1988, as amended;

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

SO ORDERED, this 7th day of December, 2012.

**BRIAN KEMP
SECRETARY OF STATE**

By: 
Eric Lacey
Director, Securities and Business Regulation Division