

**OFFICE OF THE MISSISSIPPI SECRETARY OF STATE
BUSINESS REGULATION AND ENFORCEMENT DIVISION**

IN THE MATTER OF:)	
)	
)	
)	
AMERICAN MEDICAL RESEARCH ORGANIZATION)	Administrative Proceeding
300 East Lombard Street)	Number: <u>C-06-0297</u>
Baltimore, Maryland 21202)	
)	
<i>Respondent</i>)	
)	

**FINAL ORDER DENYING REGISTRATION AND
IMPOSING ADMINISTRATIVE PENALTY**

COMES NOW, James O. Nelson, II, Assistant Secretary of State for the Business Regulation and Enforcement Division of the Mississippi Secretary of State’s Office (hereinafter “Division”), on behalf of Eric Clark, Secretary of State for the State of Mississippi, after having served a Notice of Intent to Deny Registration and Impose Administrative Penalty on AMERICAN MEDICAL RESEARCH ORGANIZATION (“Respondent”) by certified mail, return receipt requested, who has wholly failed to respond within the time allowed by the applicable rules, hereby issues this Final Order Denying Registration and Imposing Administrative Penalty on Respondent pursuant to Miss. Code Ann. § 79-11-509.

I. JURISDICTION

The Mississippi Charitable Solicitations Act, codified at Miss. Code Ann. § 79-11-501, *et. seq.* (2001) (“Act”), gives the authority to the Secretary of State to regulate “charitable organizations” that solicit donations in the State of Mississippi.

Section 79-11-501(a)(i)(B) of the Act provides the following:

(a)(i) “Charitable organization” means either of the following:

(B) Any person actually or purporting to be established for any voluntary health and welfare, benevolent, philanthropic, patriotic, educational, humane, scientific, public health, environmental conservation, civic, or other eleemosynary purpose or for the benefit of law enforcement personnel, fire fighters, or other public safety organizations, or any person employing in any manner a charitable appeal as the basis of any solicitation or an appeal that suggests that there is a charitable purpose to any solicitation and includes each local, county or area division within this state of such charitable organization, provided such local, county or area division has authority and discretion to disburse funds or property otherwise than by transfer to any parent organization.

Respondent is a scientific and educational organization whose mission is “to find a cause and cure for various diseases through research, [and] to educate the general public and medical practitioners on how to detect early warning signs of such afflictions” For this reason, the entity falls within the Act’s definition of “charitable organization.” Thus, Respondent is subject to the Secretary of State’s regulatory authority.

II. FINDINGS OF FACT

1. Mr. Lawrence S. Hoffheimer is the listed contact agent for Respondent. He may be served with notice at the following address: 420 Beach Road, Suite 701, Sarasota, Florida 34242.
2. Prior to November 30, 2005, Respondent was a registered charity with the Division.
3. Respondent’s registration lapsed on November 30, 2005, due to Respondent’s failure to file the necessary renewal information prior to the expiration date.
4. On July 6, 2006, the Division received an incomplete Charitable Organization Registration Statement from Respondent. The registration packet did not include a notarized statement of solicitations as required by Mississippi Charities Act Rule 205(E).

5. Pursuant to Miss. Code Ann. § 79-11-503(6), solicitations made by a charitable organization during a period of non-registration are illegal; therefore, the Division requires certain information about solicitation activity during any period of non-registration.

6. On July 10, 2006, the Division sent a letter, via facsimile, to Respondent explaining that the Charitable Organization Registration Statement sent to our office on July 6, 2006, was incomplete; the Division also notified Respondent of the information required before the Division could renew the registration. A copy of the July 10, 2006, letter from Ms. Kendra Murray is attached hereto as Exhibit "A."

7. On July 24, 2006, the Division received an affidavit from Mr. Miguel Alicea, Treasurer for Respondent, swearing that "no solicitations were made in the State of Mississippi during the year 2005 or any prior years." This affidavit did not address the period of non-registration spanning from January 1, 2006, to the present. As such, the affidavit was insufficient to satisfy the requirements of Mississippi Charities Act Rule 205(E). A copy of the affidavit, received July 24, 2006, by the Division, is attached hereto as Exhibit "B."

8. On August 8, 2006, the Division issued a Notice of Intent to Deny Registration and Impose Administrative Penalty ("Notice") against Respondent. The Division sent the Notice, via certified mail, to Respondent on September 1, 2006. A copy of the Notice is attached hereto as Exhibit "C."

9. On October 2, 2006, the Division received the Notice back from the Post Office marked "UNCLAIMED."

10. On October 5, 2006, the Division attempted to send the Notice to Respondent, via e-mail, but the Respondent's e-mail system rejected the Division's e-mail.

11. In November 2006, Respondent contacted the Division, via telephone, to inquire about the status of its registration. The Division explained the previously listed events and

instructed the Respondent of what it needed to send to the Division to complete registration. Respondent agreed to send in the missing materials.

12. Respondent did not send in the required documentation.

13. On December 15, 2006, Respondent contacted the Division, via telephone, to again inquire about its registration status. The Division informed Respondent of the previously listed events and informed respondent that the required materials were still missing. Once more, Respondent promised to send in the information needed to complete its renewal application.

14. To date, Respondent has not submitted the required documentation to complete its registration with the Division.

III. APPLICABLE LAW

15. Section 79-11-503(1) of the Act requires that the registration statement contain the information alphanumerically enumerated in this statute and such other information that the Secretary of State may require by rule.

16. Miss. Code Ann. § 79-11-503(4) states:

(4) Such registration shall remain in effect for one (1) year, unless renewed by the filing of forms as prescribed by the Secretary of State and upon payment of the Fifty Dollars (\$50.00) renewal fee.

17. Section 79-11-504 of the Act gives the Secretary of State the authority to promulgate rules of procedure and regulations necessary for the administration of the Act.

18. Miss. Code Ann. § 79-11-509(1)(e) states:

(1) The Secretary of State shall deny, suspend or revoke a registration or an exemption for the following reasons:

(e) The applicant or registrant has violated or failed to Comply with any provisions of this chapter or any rule or order thereunder.

19. Section 79-11-518 of the Act states the following:

Every charitable organization, professional fund-raiser, professional solicitor, or fund-raising counsel, whether or not required to register

pursuant to Sections 79-11-501 through 79-11-529, Mississippi Code of 1972, shall keep true and correct books and records of solicitation activities that are covered by Sections 79-11-501 through 79-11-529, Mississippi Code of 1972, or any rule or order adopted under Sections 79-11-501 through 79-11-529, Mississippi Code of 1972. All such books and records shall be open to inspection at all reasonable times by the Secretary of State or the Attorney General, or their duly authorized representatives. The records shall be retained for a period of at least three (3) years.

20. According to Mississippi Charities Act Rule 205(E), a charity must submit a notarized statement of solicitations when its renewal is late. It states as follows:

(e) A notarized statement of solicitations must be submitted with the Registration Statement (Form URS) if the renewal is late. When the renewal is received after the expiration of the Certificate of Registration, a statement detailing the solicitations made during the period of non-registration must be submitted. The statement must contain the donations pledged and donations received from Mississippi residents. . . . A renewal is not considered complete and will not be further processed until the Division has received all the required documentation, including the statement of solicitations.

IV. CONCLUSIONS OF LAW

21. In violation of Miss. Code Ann. § 79-11-518, Respondent failed to keep “[a]ll such books and records . . . open to inspection at all reasonable times by the Secretary of State . . . or [its] duly authorized representatives.”

22. In violation of Rule 205(E) of the Mississippi Charities Act Rules, Respondent failed to submit an accurate statement of solicitations at the time, or any time after, Respondent submitted its registration materials.

VII. PUBLIC INTEREST

23. The actions taken and proposed to be taken herein by the Secretary of State are in the public interest and are consistent with the purposes set out in Miss. Code. Ann. § 79-11-501, *et seq.* (2001).

V. ORDER

IT IS THEREFORE ORDERED, pursuant to the authority set out in the Act, that the registration of Respondent is hereby denied.

IT IS FURTHER ORDERED, pursuant to authority set out in the Act, that an administrative penalty in the amount of One Thousand Dollars (\$1,000.00) is imposed. Respondent shall pay such Administrative Penalty within fifteen (15) days of receipt of this Final Order.

ISSUED, this, the 23rd day of FEBRUARY, 2007.

ERIC CLARK
Secretary of State

BY: 

JAMES Q. NELSON, II
Assistant Secretary of State
Business Regulation and Enforcement

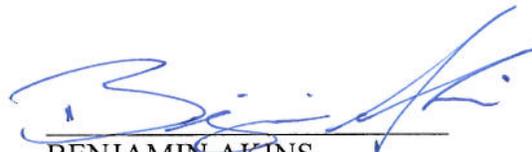
Benjamin Akins
Mississippi Secretary of State's Office
Post Office Box 136
700 North Street
Jackson, Mississippi 39205
(601) 359-6364
bakins@sos.state.ms.us

CERTIFICATE OF SERVICE

I, Benjamin Akins, do hereby certify that I have, this day, mailed, via Certified Mail, postage pre-paid, a true and correct copy of the Final Order Denying Registration and Imposing Administrative Penalty to the following:

Mr. Lawrence S. Hoffheimer
AMERICAN MEDICAL RESEARCH ORGANIZATION
420 Beach Road, Suite 701
Sarasota, FL 34242

This, the 22nd day of FEBRUARY, 2007.


BENJAMIN AKINS
Regulation and Enforcement

Benjamin Akins
Mississippi Secretary of State's Office
Post Office Box 136
700 North Street
Jackson, Mississippi 39205
(601) 359-6364
ben.akins@sos.state.ms.us



STATE OF MISSISSIPPI
SECRETARY OF STATE
ERIC CLARK

700 NORTH STREET
POST OFFICE BOX 136
JACKSON, MISSISSIPPI 39205-0136

TELEPHONE (601) 359-1350
FACSIMILE (601) 359-1499

July 10, 2006

Via Facsimile

Mr. Lawrence S. Hoffheimer
American Medical Research Organization
420 Beach Road, Suite 701
Sarasota, FL 34242

Dear Mr. Hoffheimer:

Our office has received a Charitable Organization Registration Statement for American Medical Research Organization. This organization was previously registered with the Mississippi Secretary of State's Office. However, registration renewal information was not received prior to the expiration date. Therefore, the registration expired on 11/30/2005.

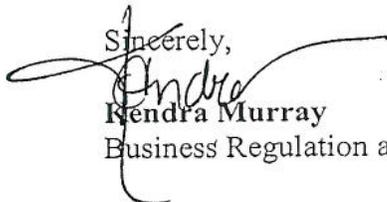
Pursuant to Miss. Code Ann. § 79-11-503, solicitations made by a charitable organization during a period of non-registration are illegal. Further, Miss. Code Ann. § 79-11-509(4) provides that a charitable organization that solicits during a period of non-registration may be subject to an administrative penalty up to a maximum of Twenty-five Thousand Dollars (\$25,000) for each solicitation made during a period of non-registration.

Before your registration renewal can be processed, we must receive the following information:

- the number of solicitations made to Mississippi residents during the period of non-registration,
- the number of donations and pledges received from Mississippi residents during the period of non-registration, and
- the total amount of the donations and pledges received from Mississippi residents during the period of non-registration, or
- submit a notarized statement or affidavit of non-solicitation if solicitations were not made in Mississippi during the period of non-registration (11/30/2005 through present).

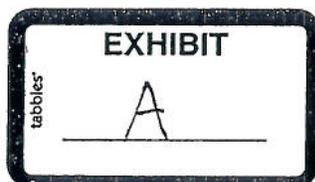
This information is due in our office by 5:00 p.m. on Monday July 24, 2006. If you have questions, please contact me at (601) 359-6371 or by email at knurray@sos.state.ms.us.

Sincerely,



Kendra Murray

Business Regulation and Enforcement

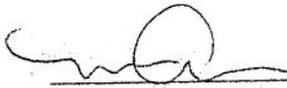


AFFIDAVIT OF MIGUEL ALICEA

BEFORE ME this day personally appeared MIGUEL ALICEA, who upon oath, deposes on personal knowledge and says:

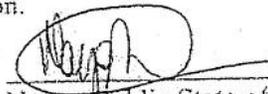
1. My name is Miguel Alicea and I am the Treasurer of American Medical Research Organization.
2. That I have personal knowledge of the facts contained in this Affidavit.
3. That no solicitations were made in the State of Mississippi during the year 2005 or any prior years.
4. That no donations or pledges were received by the Organization during the year 2005 or any prior years.

FURTHER AFFIANT SAYETH NAUGHT.



 AFFIANT

The foregoing instrument was sworn to and subscribed before me this 20th day of July, 2006, by MIGUEL ALICEA, who is personally known to me or has produced _____, as identification.

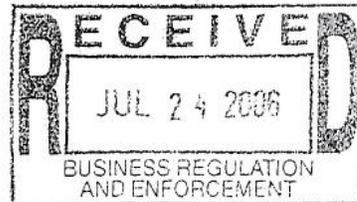


 Notary Public State of Florida

My Commission Expires:



MAYRA TOBAR
 MY COMMISSION # DC 022000
 EXPIRES: March 3, 2009
 Soletex Tax Budget Notary Services



**OFFICE OF THE MISSISSIPPI SECRETARY OF STATE
BUSINESS REGULATION AND ENFORCEMENT DIVISION**

IN THE MATTER OF:)

AMERICAN MEDICAL RESEARCH)
ORGANIZATION)
300 East Lombard Street)
Baltimore, Maryland 21202)

Respondent)

) **Administrative Proceeding**
) **Number: C-06-0297**
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**NOTICE OF INTENT TO DENY REGISTRATION
AND IMPOSE ADMINISTRATIVE PENALTY**

The SECRETARY OF STATE OF MISSISSIPPI, by and through James O. Nelson, II, Assistant Secretary of State for the Business Regulation and Enforcement Division (“Division”), hereby issues this NOTICE OF INTENT TO DENY REGISTRATION AND IMPOSE ADMINISTRATIVE PENALTY to AMERICAN MEDICAL RESEARCH ORGANIZATION (“Respondent”) and, in support hereof, states the following:

I. JURISDICTION

The Mississippi Charitable Solicitations Act, codified at Miss. Code Ann. § 79-11-501, *et. seq.* (2001) (“Act”), gives the authority to the Secretary of State to regulate “charitable organizations” that solicit donations in the State of Mississippi.

Section 79-11-501(a)(i)(B) of the Act provides the following:

(a)(i) “Charitable organization” means either of the following:

(B) Any person actually or purporting to be established for any voluntary health and welfare, benevolent, philanthropic, patriotic, educational, humane, scientific, public health, environmental conservation, civic, or other eleemosynary purpose or for the benefit of law enforcement personnel, fire



fighters, or other public safety organizations, or any person employing in any manner a charitable appeal as the basis of any solicitation or an appeal that suggests that there is a charitable purpose to any solicitation and includes each local, county or area division within this state of such charitable organization, provided such local, county or area division has authority and discretion to disburse funds or property otherwise than by transfer to any parent organization.

Respondent is a scientific and educational organization whose mission is “to find a cause and cure for various diseases through research, [and] to educate the general public and medical practitioners on how to detect early warning signs of such afflictions”

For this reason, the entity falls within the Act’s definition of “charitable organization.”

Thus, Respondent is subject to the Secretary of State’s regulatory authority.

II. FINDINGS OF FACT

1. Mr. Lawrence S. Hoffheimer is the listed contact agent for Respondent. He may be served with notice at the following address: 420 Beach Road, Suite 701, Sarasota, Florida 34242.

2. Prior to November 30, 2005, Respondent was a registered charity with the Division.

3. Respondent’s registration lapsed on April 30, 2005, due to Respondent’s failure to file the necessary renewal information prior to the expiration date.

4. On July 6, 2006, the Division received an incomplete Charitable Organization Registration Statement from Respondent. The registration packet did not include a notarized statement of solicitations as required by Mississippi Charities Act Rule 205(E).

5. Pursuant to Miss. Code Ann. § 79-11-503(6), solicitations made by a charitable organization during a period of non-registration are illegal; therefore, the

Division requires certain information about solicitation activity during any period of non-registration.

6. On July 10, 2006, the Division sent a letter, via facsimile, to Respondent explaining that the Charitable Organization Registration Statement sent to our office on July 6, 2006, was incomplete; the Division also notified Respondent of the information required before the Division could renew the registration. A copy of the July 10, 2006, letter from Ms. Kendra Murray is attached hereto as Exhibit "A."

7. On July 24, 2006, the Division received an affidavit from Mr. Miguel Alicea, Treasurer for Respondent, swearing than "no solicitations were made in the State of Mississippi during the year 2005 or any prior years." This affidavit did not address the period of non-registration spanning from January 1, 2006, to the present. As such, the affidavit was insufficient to satisfy the requirements of Mississippi Charities Act Rule 205(E). A copy of the affidavit, received July 24, 2006, by the Division, is attached hereto as Exhibit "B."

8. To date, Respondent has not submitted the requested information to the Division, nor has Respondent contacted the Division regarding its intentions.

III. APPLICABLE LAW

9. Section 79-11-503(1) of the Act requires that the registration statement contain the information alphanumerically enumerated in this statute and such other information that the Secretary of State may require by rule.

10. Pursuant to Miss. Code Ann. §§ 79-11-503(4) and 79-11-503(6), solicitations made during a period of non-registration are illegal. They states as follows:

(4) Such registration shall remain in effect for one (1) year, unless renewed by the filing of forms as prescribed by the Secretary of State and upon payment of the Fifty Dollars (\$50.00) renewal fee.

(6) In no event shall a registered charitable organization continue to solicit contributions in or from this state after the date such organization should have filed, but failed to file, a renewal and the financial report in accordance with the requirements of Section 79-11-501 through 79-11-529.

10. Section 79-11-504 of the Act gives the Secretary of State the authority to promulgate rules of procedure and regulations necessary for the administration of the Act.

12. Miss. Code Ann. § 79-11-509(1)(e) states:

(1) The Secretary of State shall deny, suspend or revoke a registration or an exemption for the following reasons:

(e) The applicant or registrant has violated or failed to Comply with any provisions of this chapter or any rule or order thereunder.

13. Miss. Code Ann. § 79-11-509(4) provides that a charitable organization that solicits during a period of non-registration may be subject to an administrative penalty of up to a maximum of Twenty-Five Thousand Dollars (\$25,000.00) for each violation of the Act.

14. Section 79-11-518 of the Act states the following:

Every charitable organization, professional fund-raiser, professional solicitor, or fund-raising counsel, whether or not required to register pursuant to Sections 79-11-501 through 79-11-529, Mississippi Code of 1972, shall keep true and correct books and records of solicitation activities that are covered by Sections 79-11-501 through 79-11-529, Mississippi Code of 1972, or any rule or order adopted under Sections 79-11-501 through 79-11-529, Mississippi Code of 1972. All such books and records shall be open to inspection at all reasonable times by the Secretary of State or the Attorney General, or their duly authorized representatives. The records shall be retained for a period of at least three (3) years.

15. According to Mississippi Charities Act Rule 205(E), a charity must submit a notarized statement of solicitations when its renewal is late. It states as follows:

(e) A notarized statement of solicitations must be submitted with the Registration Statement (Form URS) if the renewal is late. When the renewal is received after the expiration of the Certificate of Registration, a statement detailing the solicitations made during the period of non-registration must be submitted. The statement must contain the donations pledged and donations received from Mississippi residents. . . . A renewal is not considered complete and will not be further processed until the Division has received all the required documentation, including the statement of solicitations.

IV. CONCLUSIONS OF LAW

16. In violation of Miss. Code Ann. § 79-11-518, Respondent failed to keep “[a]ll such books and records . . . open to inspection at all reasonable times by the Secretary of State . . . or [its] duly authorized representatives.”

17. In violation of Rule 205(E) of the Mississippi Charities Act Rules, Respondent failed to submit the statement of solicitations when Respondent submitted its renewal registration statement.

V. NOTICE OF INTENDED ACTION

18. Because Respondent violated section 79-11-18 of the Act and Rule 205(E) of the Mississippi Charities Act Rules, the Division must deny Respondent’s renewal application pursuant to Section 79-11-509(1)(e). Furthermore, the Division intends to impose an administrative penalty of up to Twenty Five Thousand Dollars (\$25,000) per violation of the Act pursuant to Miss. Code Ann. § 79-11-509(4)(b).

VI. RIGHT TO ADMINISTRATIVE HEARING

19. Respondent, AMERICAN MEDICAL RESEARCH ORGANIZATION, may request an administrative hearing in this matter. Any such request shall be made in

writing to James O. Nelson, II, Assistant Secretary of State, Office of the Secretary of State, Post Office Box 136, Jackson, Mississippi 39205, within thirty (30) days from the date of receipt of this Notice of Intent to Deny Registration. If Respondent requests an administrative hearing, the Division will give written notice of the date, time, and place to all parties by certified mail, return receipt requested. Said notice will also designate a Hearing Officer.

VII. PUBLIC INTEREST

19. The actions taken and proposed to be taken herein by the Secretary of State are in the public interest and are consistent with the purposes set out in Miss. Code. Ann. § 79-11-501, *et seq.* (2001).

VIII. RIGHT TO AMEND

19. The Secretary of State hereby reserves the right to amend this Notice of Intent to Deny Registration and Impose Administrative Penalty.

ISSUED, this, the 31st day of AUGUST, 2006.

ERIC CLARK
Secretary of State

BY:



JAMES O. NELSON, II
Assistant Secretary of State
Business Regulation and Enforcement

Benjamin Akins
Mississippi Secretary of State's Office
Post Office Box 136
700 North Street
Jackson, Mississippi 39205

CERTIFICATE OF SERVICE

I, Benjamin Akins, do hereby certify that I have, this day, mailed, via Certified Mail, postage pre-paid, a true and correct copy of the Notice of Intent to Deny Registration and Impose Administrative Penalty to the following:

Mr. Lawrence S. Hoffheimer
AMERICAN MEDICAL RESEARCH ORGANIZATION
420 Beach Road, Suite 701
Sarasota, FL 34242

This, the 1ST day of SEPTEMBER, 2006.


BENJAMIN AKINS
Regulation and Enforcement

Benjamin Akins
Mississippi Secretary of State's Office
Post Office Box 136
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Jackson, Mississippi 39205
(601) 359-6364
ben.akers@sos.state.ms.us