

Press Releases

January 28, 2016

## MADIGAN SUES FRAUDULENT CHARITABLE TELEMARKETERS AGAIN

**Chicago** — Attorney General Lisa Madigan today announced a three-count complaint against professional fundraiser (PFR) and for-profit telemarketer Safety Publications, Inc., of Elk Grove Village, Ill., and its owners, Adam Herdman and Arthur Olivera, alleging violations of the charitable Solicitation Act and prior consent decrees with Madigan's office. The Solicitation Act sets forth the laws governing charitable solicitation and fundraising activities by PFRs in Illinois.

The three counts in Madigan's lawsuit include: 1) misleading the donating public as to who was making the solicitation and how the donations would be used; 2) acting on behalf of a charity without maintaining the required registration and failing to disclose or account for fundraising activities; and 3) violating the consent decrees Safety Publications and its owners had previously entered into with Madigan's office.

"These fundraisers are brazen con artists who refuse to follow the law and continue to fundraise illegally in spite of a previous court order," said Madigan. "I am filing this lawsuit to put an end to their serial fraud. When people donate their money to a worthy cause, their money should be used to further the mission of the charity."

The allegations stem from Safety Publication's work soliciting donations for VietNow National Headquarters (VietNow), a Rockford, III.-based charity that pledges to help veterans overcome joblessness and post-traumatic stress disorder. VietNow hires Safety Publications to raise money, but records show only a fraction of the contributions Safety Publications collected actually went to pay for charitable programs. When making solicitation calls to the public, Safety Publications failed to disclose that it was a paid fundraiser. Safety Publications also failed to disclose or account for its paid fundraising activities on behalf of VNH in annual financial reports filed with Madigan's office. Records also show that Safety Publications was not registered with Madigan's office for a portion of the time that is was soliciting donations. In addition, Olivera did not disclose a previous felony conviction on registration documents filed with Madigan's office.

Madigan has pursued Herdman and Olivera multiple times for violations of the Solicitation Act. As a result, as part of today's lawsuit, Madigan is also seeking to enforce a 2007 consent decree that her office obtained against Herdman and Olivera, banning them from soliciting contributions in Illinois without complying with all requirements of the Solicitation Act. All three counts seek a permanent injunction prohibiting Herdman and Olivera from soliciting for charities in Illinois, an accounting of all funds raised and the forfeiture of any compensation paid to them.

Assistant Bureau Chief Barry Goldberg and Assistant Attorney General Pasquale Esposito are handling the case for Madigan's Charitable Trust Bureau.

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