SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF SUFFOLK

ANDREW M. CUOMO, Attorney General of the State of New York, on behalf of the People of the State of New York, Plaintiff, - against - SUFFOLK PRODUCTIONS, INC., DEBORAH CROMARTY-HALLAHAN, ROSEMARY NATOLI, ROBERT W. FINAN, MELVIN WATNICK, JOHN CLANCY, JOHN DOE NO. 1 a/k/a "NICK RUSSO" or "JOE MARINO," JOHN DOE NO. 2 a/k/a "JIM O'LAHERTY," JOHN DOE NO. 3 a/k/a "JOE RYAN," JOHN DOE NO. 4 a/k/a "BILL LOMBARDI," and JOHN DOES 5–11, Defendants.	Index No. 02529-2010 **COMPLAINT**

Andrew M. Cuomo, Attorney General of the State of New York, on behalf of the People of the State of New York, alleges the following against the above-captioned defendants.

NATURE OF THE CASE

1. Suffolk Productions, Inc. ("Suffolk"), a for-profit entity that runs telemarketing and fundraising campaigns for a host of charities, is engaged in a scheme to defraud, whereby it systematically preys on the good will of New York donors by misrepresenting who it is and where the money donated will go. Suffolk has abused the privileges granted to it as a professional fundraising company, registered in New York State. Suffolk employs all manner of manipulative techniques, half-truths, and outright lies to maximize the funds it collects and hence its own fees, which amount to an average of over 70 cents of every dollar it brings in. In the years 2006–08 Suffolk secured over $3 million in public donations.

2. To accomplish its fraud, Suffolk acts in utter disregard of the law whose centerpiece is transparency and disclosure. Suffolk encourages its solicitors to adopt aliases, pass themselves off as law enforcement officers or members of law enforcement organizations, use misnomers for charities, and lie to potential donors about charitable programs that do not exist. Suffolk disregards its disclosure obligations under the law—disclosures that would make donors aware that a paid professional fundraiser is soliciting them, and not the client charity itself. Deception is the key to Suffolk's business model. As one Suffolk solicitor cynically advised: "It's fundraising . . . if you get them to empty their wallets, that's the idea."

3. This case is not about a few rogue solicitors. This case goes to the very heart of Suffolk's business model, as directed and executed by Suffolk's president, Deborah Cromarty-Hallahan, its principal trainer and supervisor, Rosemary Natoli, and carried out by the remaining defendants, solicitors for Suffolk.

4. The laws governing charitable solicitation in New York State spell out specific point-of-contact disclosures that solicitors must make on all calls. Mandated disclosures are not to be left to the discretion of the individual solicitors, who work on commission. By routinely flouting these legal requirements, all of Suffolk's solicitations bear the taint of deception. In an attempt to cover up its deceptive business practices, Suffolk filed phony, unused scripts with the Office of the Attorney General ("OAG"). These material false filings are further evidence that Suffolk operates outside the bounds of the law, and should be stripped of its privilege to operate in New York.

5. Moreover, professional fundraisers, such as Suffolk, that solicit in New York State on behalf of charitable organizations, as well as the individual professional solicitors who actually make the calls, are required to register with the OAG. Contrary to the law, Suffolk

regularly uses solicitors who are not registered in New York—yet another example of its flagrant violation of the law and attempt to avoid exposure of its unlawful conduct.

6. Suffolk is a promotions and fundraising company with call centers throughout the U.S., including one in Copiague, New York. To conduct telephone solicitations in New York, it contracts with about nine charities, mostly law enforcement support organizations, but also healthcare-related organizations. In its solicitation calls, Suffolk targets New York businesses, as opposed to residences. Suffolk has reported to the OAG that during 2006–08 (2009 figures are not yet available), it raised about $3 million in donations from New Yorkers, but the true figure may be in excess of that sum because a portion of cash donations are pocketed by solicitors. Charities pay Suffolk up to 75 percent of the gross funds it raises.

7. New York has a comprehensive statutory framework to address unscrupulous fundraising practices, rendering all devices, schemes, artifices to defraud, false pretense, representations or promises in connection with charitable fundraising unlawful. To prevent abuses, New York also has strict rules of registration and disclosure.

8. Professional fundraising companies such as Suffolk that solicit on behalf of charitable organizations, as well as the individual professional solicitors who actually make the calls, are required to register with the OAG. Suffolk does not require all of its professional solicitors to register with OAG before soliciting in New York, and regularly uses solicitors that are not registered.

9. Solicitors must clearly and unambiguously disclose: (a) the name of the professional fundraiser as on file with the OAG, (b) that the solicitation is being conducted by a professional fundraiser, as well as (c) the name of the individual professional solicitor as on file with the OAG, and that (d) the individual is receiving compensation for conducting the solicitation.

10. These laws are designed to protect empower and educate the public, and prevent donors from being misled or deceived. Charitable donors are particularly vulnerable to fraudulent misrepresentations because, in contrast to a purchase of a product, donors generally do not receive anything in exchange for their donations, and thus it is harder for a donor to verify the truthfulness of a solicitation based upon what is said over the phone or in a direct mail appeal. Moreover, by disclosing their professional status to potential donors, the fundraiser is thereby giving notice that at least a portion of the money contributed will be retained.

11. Indeed, the proper disclosures are likely to prompt the person being solicited to ask questions, for example, "What percentage of the funds donated will actually go to the charity versus its fundraiser?" Or, "Tell me more about the specific programs my donation would be used for?" A fourth required disclosure mandates that all solicitations include a statement advising donors that, upon request, they may obtain from the organization or from the Attorney General, a copy of the last financial report filed by the organization with the Attorney General. This disclosure requirement promotes more informed decision making by the public.

12. New York's Executive Law singles out as a separate violation the practice of holding oneself out as a police officer or law enforcement agent or representing that contributors will receive special benefits from police.

13. Defendants exhibit a consistent pattern of obtaining charitable donations for law enforcement support organizations under the guise that Suffolk solicitors are actual law enforcement personnel. They omit that they are paid professional solicitors and instead claim to be "with" or "from" the law enforcement, to get a better response. The omission of the solicitor's paid, professional status as a fundraiser compounded with the statement that he is "with" a law enforcement organization, leads potential donors to reasonably assume that they are speaking with a police officer or similar uniformed officer.

14. Suffolk's entire endeavor with regard to soliciting on behalf of law enforcement organizations is precisely the behavior that the relevant law was written to prohibit. First, Suffolk solicitors falsely tell potential donors that they are detectives, law enforcement officials, or members of a law enforcement organization. Next, Suffolk solicitors let the business owners they are calling know that they, Suffolk solicitors posing as police officers, are in possession of the donors address and are eager to pay a visit. Finally Suffolk solicitors, *in fact,* show up at the donor's place of business to collect the donations while pretending to be detectives.

15. Suffolk solicitors also falsely imply that law enforcement paraphernalia, provided as "sweeteners" for donating, will confer special benefits: "I'm giving you two police badges . . . you can give these to people who work for you. They put this in their wallet . . . where their license is . . . and [if stopped] when you open it they'll see that you contribute."

16. Defendant Deborah Cromarty-Hallahan, Suffolk's President, attempted to cover up its deceptive business practices and violations of the charitable solicitation laws by filing bogus solicitation scripts with the Office of the Attorney General. The scripts bear no relationship to the actual fundraising pitches Suffolk makes. Suffolk gives its solicitors different scripts to use. Suffolk also encourages new solicitors to make up their own pitch, without regard for the disclosure requirements mandated by law.

17. Moreover, Suffolk created or distributed unauthorized promotional materials on behalf of law enforcement client charities. For example, the OAG confirmed that Suffolk does not have permission to create police paraphernalia with the inscription "Suffolk County Detectives Association," and yet Defendant Suffolk did just that. The OAG also confirmed that Suffolk created and distributed unapproved promotional letters on behalf of the New York State Park Police Benevolent Association. The letter bears a striking resemblance to a promotional letter Suffolk distributed on the letterhead of the Police Athletic Team of Suffolk County, Inc.

18. As if all that were not enough, Suffolk solicitors also purposefully alter the true names of charities they call on behalf of to sound broader, and thereby net more donations—thus, for example, New York State *Park* Police Benevolent Association becomes the "New York State Police Benevolent Association." They also use misnomers, or example, stating that they are calling from the "Police League," which is not a registered charity, or misstating a charity's name as one of its projects—The Traditional Chinese Medicine World Foundation, Inc. becomes "The Breast Cancer Prevention Project."

19. In sum, Defendants routinely flout the laws enacted to protect the public from fraudulent fundraising on behalf of charities, including both those that require specific disclosures to donors, the public, and the Attorney General, and bar the use of false pretenses and misleading and deceptive acts to secure donations. Defendants operate in total disregard of New York law in the following ways, among others:

(a) To secure donations, Suffolk solicitors, under the direction and control of Cromarty-Hallahan, and consistent with training conducted by Natoli, systematically fail to disclose information mandated by law: (i) Suffolk's name, (ii) that the solicitation is being conducted by a professional fundraiser, (iii) the solicitor's full name, (iv) that the solicitor is being compensated for conducting the solicitation, and (v) that, upon request, a person may obtain from the charitable organization, or from the Attorney General, a copy of the last financial report filed by the organization with the Attorney General;

(b) Suffolk solicitors pray on the charitably-inclined public by engaging in false pretenses, including impersonating police officers and detectives and promising special benefits from police officers;

(c) Suffolk solicitors are encouraged to, and routinely do, use aliases when soliciting donations, thus preventing the public from clearly identifying to the OAG and

law enforcement all perpetrators of this fraud;

(d) Suffolk and its solicitors mislead the public by using misnomers or eliding portions of the names of their client charities to make the charities more attractive to donors, and thereby induce more donations;

(e) Suffolk and its solicitors in this way, and others, thus misrepresent how donated funds will be used in order to make them sound more compelling to the public, and thereby enhance donations;

(f) Suffolk makes untruthful and unauthorized statements on charity letterhead;

(g) Suffolk makes unauthorized law enforcement paraphernalia;

(h) Suffolk and its solicitors keep a greater portion of cash donations, than their commissions, thus depriving charities of income due them.

(i) Suffolk has made materially false statements in its submissions to the OAG;

(j) Suffolk employs professional solicitors who are not registered with the OAG; and

(k) Such Defendant unregistered solicitors are engaged in professional fundraising, which is a separate violation of the law.

20. The Attorney General seeks to protect the public from Suffolk's fraudulent solicitation of money. Accordingly, the Attorney General brings this action in his capacity as the primary regulator of New York not-for-profits, including charitable solicitation activity, under Article 7-A of the Executive Law ("Exec. L."), and Section 349 of the General Business Law ("Gen. Bus. L.").

21. The Attorney General seeks judgment (a) enjoining Defendants, and all other persons acting or claiming to act on Suffolk and Cromarty-Hallahan's behalf or in concert or participation with them, from soliciting charitable contributions or memberships from within the State of New York, or, from any location, soliciting charitable contributions or memberships from any persons, real or corporate, who are residents of the State of New York; (b) canceling Suffolk's New York registration as a professional fundraiser; (c) canceling Defendants Finan, Watnick, and Clancy's professional solicitor registrations; (d) awarding restitution, damages, and costs under Executive Law Article 7-A and GBL § 349; (e) imposing upon Defendants civil penalties in the amount of $5,000 for each violation of GBL § 349; and (e) granting such other and further relief as the Court deems just and proper.

PARTIES

22. The Attorney General is responsible for regulating the activities of professional fundraisers on behalf of New York not-for-profit corporations. Any person who plans to enter into a contract to raise money in New York on behalf of a charity is required to first register with the Attorney General by filing a Professional Fund Raiser Registration Statement, annual bond and registration fee. Exec. L. §§ 172-d(12) & 173(1).

23. The Attorney General maintains offices throughout New York State.

24. Suffolk is a for-profit New York business corporation. Suffolk's activities in New York have, at all relevant times, constituted those of a professional fundraiser as defined in Executive Law § 171-a(4), that is, Suffolk planned, managed, or conducted solicitations of New York businesses for charitable purposes or for the purposes of a law enforcement support organizations in exchange for compensation. Registration as a professional fundraiser with the Attorney General is required under Executive Law §173 before any action as a professional

fundraiser. Suffolk has been registered with the Attorney General's Office as a professional fundraiser since December 1978.

25. Suffolk's principal office is located at 1732 Great Neck Road, Suite 2, Copiague, New York 11726-2713. Based on submissions to the OAG, Suffolk also maintains offices at 1776 Union Street, Niskayuna, New York; 150 Lifestyle Boulevard, Palm Harbor, Florida; 16141 St. Anthony's Road, Emmitsburg, Maryland; 175 Piccadilly Drive, Kyle, Texas; and 2821 L Street, San Diego, California. In submissions to the OAG (Form CHAR013), Suffolk avers that it conducts charitable contributions in New York State from its call center in Copiague, New York.

26. Deborah Cromarty-Hallahan, a/k/a "Deborah Cromarty Hallahan" without a hyphen, has been the president, officer, and a shareholder of Suffolk Productions at all relevant times, and has executed and submitted on Suffolk's behalf charities and related tax filings with the OAG.

27. Cromarty-Hallahan resides at 200 East 32nd Street, New York, NY 10016. Upon information and belief, Cromarty-Hallahan also owns real property in Suffolk County.

28. Upon information and belief, Cromarty-Hallahan was and is responsible for overseeing all aspects of Suffolk's solicitations, including the hiring, training, and supervision of the individuals making solicitations on behalf of Suffolk's client charities.

29. Defendant Rosemary Natoli hires, trains, and supervises Suffolk solicitors. Upon information and belief, she resides at 15 Dante Avenue, Copiague, NY 11726.

30. Defendant Robert W. Finan is a professional solicitor, as defined by Executive Law § 171-a(5), for Suffolk, and is registered as such with the OAG. He resides at 1087 Manor Lane, Bay Shore, NY 11706.

31. Defendant Melvin Watnick is a professional solicitor, as defined by Executive Law § 171-a(5), for Suffolk, and is registered as such with the OAG. He resides at 335 Catskill Avenue, Copiague, NY 11272.

32. Defendant John Clancy is a professional solicitor, as defined by Executive Law § 171-a(5), for Suffolk, and is registered as such with the OAG. Upon information and belief, he resides at 27 Village Lane, Hauppauge, NY 11788.

33. Defendant John Doe No.,1 a/k/a "Nick Russo" or "Joe Marino," is a professional solicitor, as defined by Executive Law § 171-a(5), for Suffolk. He may or may not be registered.

34. Defendant John Doe No. 2, a/k/a "Jim O'Laherty," is a professional solicitor, as defined by Executive Law § 171-a(5), for Suffolk. He may or may not be registered.

35. Defendant John Doe No. 3, a/k/a "Joe Ryan," is a professional solicitor, as defined by Executive Law § 171-a(5), for Suffolk.

36. Defendant John Doe No. 4, a/k/a "Bill Lombardi," is a professional solicitor, as defined by Executive Law § 171-a(5), for Suffolk.

37. Defendants John Doe Nos. 5–11 are professional solicitors, as defined by Executive Law § 171-a(5).

JURISDICTION AND VENUE

38. The Attorney General brings this action on behalf of the People of the State of New York under Executive Law Article 7-A and General Business Law § 349.

39. Executive Law Article 7-A (Sections 171-a *et seq*), governs the solicitation activities of charitable organizations and their professional fundraisers.

40. Under Executive Law § 175, the Attorney General is authorized to seek injunctive relief, restitution, and costs against any person or organization acting on behalf of a charitable organization when that person has violated any provisions of Exec. L. Article 7-A.

41. Executive Law § 175(2) authorizes the Attorney General to bring an action against and persons acting for or on behalf of charitable organizations, including fundraising professionals, to address any violation of Executive Law Article 7-A. In such an action, the Attorney General may seek to restrain the solicitation and collection of funds, cancel any registration statements filed with the Attorney General, seek restitution, and request any other relief the Court may deem proper.

42. This court has jurisdiction pursuant to Exec. L. Article 7-A, under which the Attorney General is empowered to commence an action seeking injunctive and other relief against fundraising professionals who violate the charitable solicitation laws and Gen. Bus. L. § 349, which afford similar relief to the Attorney General to remedy fraud and illegality in the conduct of business.

43. Suffolk and Hallahan transact business in New York and are sufficiently present in the State of New York to be subject to suit in New York on any cause of action.

44. Venue is properly laid in this court under CPLR § 503 because the claims asserted are based on events occurring in Suffolk County and Suffolk maintains offices and conducts business within Suffolk County, which Hallahan manages and directs, and the Attorney General maintains offices in Suffolk County.

FACTS UNDERLYING ALL CAUSES OF ACTION

Background: Suffolk's Operations

45. Suffolk, which has been in operation since 1961, is engaged in fundraising activities in the State of New York under the terms of contracts it has entered into on behalf of various charitable organizations, primarily law enforcement organizations, but also health-care related charities.

46. Suffolk has represented in its filings with the OAG that its solicitations of New York-based donors are conducted solely from its operations at 1732 Great Neck Road, Suite #2, Copiague, New York.

47. The OAG's investigation found that there are approximately 11 calling stations at the site. Professional solicitors working for Suffolk place telephone calls to businesses to request donations for Suffolk's charitable organization clients. Upon information and belief, Suffolk also mails promotional solicitation letters on behalf of its client organizations. Suffolk's regular business hours are 8:30 a.m. – 6:30 p.m., Monday through Friday.

48. According to Suffolk's registration statement filed with the OAG, for the period September 1, 2008 through August 31, 2009 (CHAR013), Suffolk reported nine contracts with charitable organizations to conduct solicitations in New York State: The nine organizations are: (a) Suffolk County Detectives Association, Inc.; (b) New York State Park Police Benevolent Association, Inc.; (c) Police Athletic Team of Suffolk County, Inc.; (d) New York State Association of Chiefs of Police, Inc.; (e) Visiting Nurse Association of Long Island, Inc.; (f) Traditional Chinese Medicine World Foundation, Inc.; (g) Patrolmen's Benevolent Association of Long Beach; (h) Crime Stoppers of Suffolk County; and (i) Vietnam Veterans of America, Chapter 82.

49. Suffolk's registration statement (CHAR013) covering the period September 1, 2009 through August 31, 2010 identifies the same charities as those in Suffolk's 2008–09 filing, with the addition of the Fraternal Order of Police–Empire State Lodge.

50. When soliciting on behalf of law enforcement support organizations, Suffolk solicitors tell contributors that they will receive a decal or badge or card with the name and logo of the law enforcement association, to display on their vehicle or keep in their wallet.

51. Suffolk's contracts with its client charities typically provide that Suffolk is to retain between 65 and 75 percent of the gross proceeds of the fundraising campaigns. Suffolk solicitors receive a commission of 30 percent. Once a donor makes a pledge, Suffolk's preferred practice is to retrieve the donation in person.

52. As set forth below, upon information and belief, not all of Suffolk's professional solicitors have registered with OAG, as required by Article 7-A. Since June 2009, Suffolk has had nine solicitors registered with the OAG. Because of Suffolk's use of aliases, it is impossible at the time of filing to determine the true identities of all of its solicitors, and whether they are registered. The OAG does not have registrations on file for the names "Nick Russo," "Joe Marino," "Jim O'Laherty," "Joe Ryan," or "Bill Lombardi."

Suffolk's Scheme to Defraud

Suffolk Solicitors are Trained to Ignore Mandatory Disclosures and Engage in Other Means of Fraudulent and Deceptive Fundraising

53. Cromarty-Hallahan and Natoli direct and/or conduct the training and supervision of solicitors at Suffolk.

54. Suffolk does not require applicants, as a condition of commencing charitable solicitations on behalf of Suffolk's clients, to register with the OAG. Suffolk does not even mention OAG registration requirements to new solicitors.

55. Suffolk permits solicitors to conduct solicitations on behalf of its clients' charities without being registered with the OAG.

56. Suffolk fails to train its new or prospective solicitors/trainees, or to direct its solicitors, either orally or in writing, to clearly and unambiguously disclose: (a) Suffolk's name as on file with the OAG, (b) that the solicitation is being conducted by a professional fundraiser, (c) the solicitor's name as on file with the OAG, and (d) that he or she is being compensated for conducting the solicitation as required by law.

57. Further, Suffolk fails to train its new or prospective solicitors/trainees, or to direct its established solicitors, either orally or in writing that, in form or substance, they must state during solicitations that, upon request, a person may obtain from the charitable organization, or from the Attorney General, a copy of the last financial report filed by the organization with the Attorney General.

58. Instead, the training provided to new solicitors starting at Suffolk call centers encourages them to use fraudulent tactics in order to entice contributions, and to disregard mandated disclosures.

59. Neither Cromarty-Hallahan, nor Natoli, nor anyone else at Suffolk instructs solicitors to use their true, full name in conducting solicitations.

60. Indeed, Natoli tells new solicitors that they can make up names to use during solicitations, and that this is the established practice at Suffolk.

61. Natoli further instructs solicitors to conceal the fact that they are paid solicitors working for a paid, professional fundraiser. Natoli instructs new solicitors that, rather than identifying themselves as paid solicitors calling from Suffolk, they should give the name of the "organization you're representing as calling from." Thus, Suffolk directs the solicitors to mislead potential donors into believing they are speaking with law enforcement personnel. Indeed, scripts distributed at Suffolk contain language which executes this deception.

62. Natoli tells new solicitors to use scripts provided by Suffolk, but to improvise in order to make "a sale." Although Suffolk has filed solicitation scripts with the Attorney General that comply with some, but not all, of the disclosure requirements, it does not supply copies of those scripts to its solicitors. New solicitors are also encouraged to develop their own ad hoc sales pitches that omit the disclosures required by the Executive Law.

63. To perpetuate this fraud, Suffolk maintains multiple sets of scripts for solicitation calls: (a) one version that is included in its contracts with charities and filed with the OAG and complies with some of the disclosure requirements of the law, but is not given to solicitors during training—or later for conducting solicitations; and (b) other versions that it gives solicitors on site to actually use during solicitations. The latter versions are riddled with elisions or embellishments and contain none of the disclosure requirements, while including the false and misleading statement that the solicitor is calling "from" or is "with" the charity. Suffolk's specific false filings, a separate violation of the Executive Law, are alleged in greater detail below.

Suffolk Solicitors Fail to Disclose their Paid, Professional Status, Use Aliases, and Solicit Under the Guise of Being Members of Law Enforcement

64. In practice, Suffolk solicitors do not make the mandatory disclosures set forth above.

65. Solicitors working for Suffolk conceal the fact that they are paid solicitors working for a Suffolk, a paid professional fundraiser.

66. Suffolk solicitors do not even use their real names when making solicitation calls. Rather, they routinely use multiple fake names or aliases when identifying themselves. In the course of its undercover investigation, the OAG determined that Suffolk solicitors used the following aliases:

Suffolk Solicitor	Aliases (used interchangeably)
Defendant Robert W. Finan	"Detective Caruso" "Bob David," "Bob Davis," "Tom Davis," "Bob Hager" "Jim O'Laherty"
Defendant Melvin Watnick	"Steve Cole" "Joe Marino"
Defendant John Clancy	"Kevin O'Shea"
Defendant John Doe No. 1	"Nick Russo" "Joe Marino"
Defendant John Doe No. 2	"Jim O'Laherty"
Defendant John Doe No. 3	"Joe Ryan"
Defendant John Doe No. 4	"Bill Lombardi"

67 Although Defendants Finan, Watnick, and Clancy are registered with the OAG as professional solicitors, the OAG's undercover investigation produced no instance in which any of them used their actual names during fundraising calls. Upon information and belief, none of Suffolk's solicitors provide their real names to potential donors.

68. On no occasion did the OAG's confidential clerk working undercover as an "employee" of Suffolk hear any Suffolk solicitor state to a potential donor that the solicitor was calling from "Suffolk Productions," much less that Suffolk was a professional fundraiser or that the solicitor was being paid for the call.

69. Suffolk Productions solicitors also mislead potential donors by posing as detectives. Defendant Finan told donors his name was "Detective Caruso." Finan made a trip to pick up money and checks from a shop in West Islip and stated: "I am the detective that spoke to you on the phone. I am Detective Caruso."

70. Upon information and belief, Finan is not a detective or a police officer, and, therefore, intentionally mislead targets to believe that they were speaking with a police official.

71. Suffolk Productions solicitors routinely introduce themselves in a manner that suggests they work directly for charities and law enforcement support organizations; typically, they state that they are "with" the organization, rather than that they are an outside, paid professional. By concealing Suffolk's role in the fundraising campaign, its solicitors magnify the deception of the "with" phrase to mislead the public that they are members of law enforcement. By concealing for whom they work and how they are paid, Suffolk solicitors squelch legitimate questions about how they will be paid and how much money actually goes to the charity.

72. The OAG recorded an array of such fraudulent and deceptive calls, including but not limited to the following introductions to potential donors :

(a) "It's Nick Russo, *with* the Suffolk County Detectives . . . Now if you help *us* out, Al, *we* stop by your place of business. *We'll* show you the detectives I.D."

(b) "I'm *with* the Suffolk County Detectives."

(c) "I'm *with* the New York State Police Benevolent Association . . . . *We're* trying to do a fund drive this year to help out the children this year, the terminally ill."

(d) "This is Joe Marino. I'm *with* the New York State Police Benevolent Association."

(e) "It's Kevin, *with* the Police Chiefs. How are you?"

(f) "Kevin O'Shea *with* the Police League."

(g) "Bill Lombardi *with* the Breast Cancer Prevention Project."

73. It is thus the modus operandi of Suffolk solicitors not to identify themselves accurately, not to disclose that they are calling from Suffolk Productions, a professional fundraiser, and not to disclose that they are being compensated for the solicitation.

74. Further, Suffolk solicitors routinely state to potential donors that they will gp to the donor's place of business to "show" their "detective's shields" For example, statements to donors included:

(a) "This is Nick Russo. I'm *with* the Suffolk County Detectives...If you help us out, [name], we stop by your place of business, we'll show you the detective's I.D."

(b) "Nick Russo. I'm *with* the Suffolk County Detectives . . . . This is the PBA, right here in Suffolk County . . . . If you help us out, Bill, we stop by your place of business, they'll show you the detectives I.D and you'll get a tax receipt—It's tax deductible."

75. Suffolk's entire endeavor with regard to soliciting on behalf of law enforcement organizations is precisely the behavior that the law was written to prohibit. First, Suffolk solicitors falsely tell potential donors that they are detectives, law enforcement officials or members of a law enforcement organization. Next, Suffolk solicitors let the business owners they are calling know that they, Suffolk solicitors posing as police officers, are in possession of the donors address and are eager to pay a visit. Finally, Suffolk solicitors, *in fact,* show up at the donor's place of business to collect the donations while pretending to be detectives. OAG confidential clerk accompanied one Suffolk solicitor on a pick up for a law enforcement donation and observed the fundraiser introduce himself as "Detective Caruso."

Suffolk Uses Misnomers for Charities to Increase Donations

76. Suffolk solicitors frequently do not state the full or actual name of the charity they are soliciting funds on behalf of, often abbreviating the name or omitting words. The ploy is used most often by Suffolk during fundraising for law enforcement support organizations, to both deceive the public that the pitch is being made by an actual police officer, and that the group was an actual law enforcement office as opposed to a support organization. For example, solicitors used the following charity names in their calls, among others, as recorded by the OAG:

(a) "I'm with the Suffolk County Detectives," omitting the word "Association."

(b) "I'm with the New York State Police Benevolent Association," omitting the word "Park."

(a) "It's Kevin O'Shea with the Police Chiefs," abbreviating the name from "New York State Association of Chiefs of Police." Suffolk also solicited donations on behalf of the "New York State Chiefs of Police," again, omitting "Association."

77. Suffolk even solicits in the name of charities that do not actually exist. For example:

(a) Solicitors made calls for the "New York Police League," which is not a charitable organization registered with the OAG.

(b) Solicitors also made calls on behalf of the "Breast Cancer Prevention Project," implying that it was the name of a charity when it is in fact just a project of the Traditional Chinese Medicine World Foundation, Inc.

(c) Suffolk also published promotional letters for the "Suffolk Detectives Association, Inc.," which is not a charitable organization registered with the OAG.

Soliciting Under Pretense that Donations will Confer Special Benefits from Law Enforcement

78. Among Suffolk's pressure tactics to convince targets to donate, is to suggest to potential donors that they will receive special benefits from police. Suffolk routinely plies donors with badges and cards made to resemble official police products.

79. In the course of training, Defendant Natoli gave the OAG's investigator a script for the New York State Association of Chiefs of Police, which reads: "NYSACOP SCRIPT I'm calling about our membership drive—you know the bronze plaques on the cars—you've seen them—*looks like the medallions the judges have.*" By directing Suffolk solicitor to comment that judges have similar medallions, the script implies that the possessor of a shield may obtain special benefits.

80. During the investigation of Suffolk, an OAG Confidential Clerk, working undercover named Martinez posed as a representative of "Franscisco Construction," and the cousin of another OAG Confidential Clerk Garcia, who had secured employment as a solicitor at Suffolk. As part of the investigation, in response to a phone solicitation by Defendant Melvin Watnick that Garcia arranged, another OAG investigator posing as Garcia's "cousin" represented that he was prepared to pay $390 for a police plaque and related paraphernalia.

81. Defendant Rosemary Natoli showed a plaque in the shape of a shield to Martinez.

82. The OAG recorded Natoli state to Martinez: "Now, you can mount it onto your truck or you can make something so that if you want to switch from truck to truck . . . . Whoever drives that has to have a card, okay, in their wallet. And I'm giving you two police badges. And I'm gonna be giving you—you can give these to the people who work for you. They put this in their wallet. They put their name on the back and put it in their wallet where their license is.

Don't ever flash this at a police officer. They don't like it if you flash it. *But you put it in the wallet and when you open it up they'll see that you contribute."*

83. Natoli then gestured to a form with lines for his name, address, phone number, and business name: "You wanna fill this out now? . . . . We have to register this up in Albany, so this is the form that you would fill out . . . . Just put your name, the address of the company, this is CP-1454." The Number "CP-1454" is the number of the plaque Natoli produced. The entire "register with Albany" routine was a rouse. Natoli's words and actions were designed to impress Martinez and lend an air of importance and officialdom to the plaque—that Martinez was going to be entered into an official registry of donors, and obtain some special benefit.

84. As alleged in Paragraph 85 below, Suffolk even resorts to printing unauthorized police paraphernalia to entice donors.

Suffolk's Use of Unauthorized Promotional Materials, and Misrepresentations Regarding Charities and Charitable Programs

Suffolk County Detectives Association, Inc.

85. On November 6 and November 9, 2009, the OAG contacted the Suffolk County Detectives Association, Inc. The organization confirmed that no entity, including Defendant Suffolk, is authorized to order shields with the organization's name. The Suffolk County Detectives Association explained it used an exclusive supplier to produce shields for promotional use and all ordering of shield production had to originate with the organization. Shields so ordered by the Association from its own supplier bore the groups official logo and "SDA" and not the words "Suffolk County Detectives Association." Yet, "Jay," a representative of Defendant Suffolk went to a printing and copy store in an industrial area of Long Island, about 25 minutes from the Copiague call center and put in an order for a shield with the title "Suffolk County Detectives Association." The salesperson was entering this information onto a blank

computer-generated image of a shield. The shield was thus created by Defendant Suffolk without permission.

New York State Park Police Benevolent Association, Inc.

86. Suffolk's solicitations contain misleading and false statements regarding the charitable programs purportedly carried out by its clients.

87. The OAG's confidential clerk, working undercover, obtained an undated promotional letter on New York State Park Police Benevolent Association, Inc. letterhead. The letter lists Defendant Suffolk's phone number, (631)789-8305, as the New York State Park Police Benevolent Association's phone number. (Top of page and signature block.)

88. The letter concerns a "membership drive," and states that "We are proud to be able to look back *over the past year* at many of our accomplishments. Through your generosity we were able to provide PBA programs that have benefited underprivileged and physically challenged children.... ." (Emphasis added.)

89. On November 6, 2009, the OAG contacted the New York State Park Police Benevolent Association to inquire about the letter. The OAG confirmed that the New York State Park Police Benevolent Association had not written, reviewed, or authorized the promotional letter. The organization plainly stated that it engages in fundraising for scholarships for its members and nothing else. This statement is in accordance with the group's filings to the OAG (OAG CHAR500 and IRS Form 990; most recently executed on August 7, 2009) which state that New York State Park Police Benevolent Association's "primary exempt purpose" is "welfare of members."

90. The promotional letter, having not been authored, reviewed or approved by the charity was a fabrication designed to further Suffolk's scheme. Finally, the organization stated

it had asked Defendant Suffolk several times for any scripts Suffolk was using to solicit on behalf of the New York State Park Police Benevolent Association but was unable to obtain one.

91. As the promotional letter is undated, its claim of the accomplishments "over the past year" is further evidence of deception.

92. The use of "false or materially misleading advertising or promotional material in connection with any solicitation" is prohibited by Exec. L. § 172-d(3).

Police Athletic Team of Suffolk County, Inc.

93. The OAG's confidential clerk, working undercover, obtained two undated promotional letters on Police Athletic Team of Suffolk County, Inc. letterhead (with shield designs at the top bearing the words "Suffolk County Police Olympic Team"). These letters list Defendant Suffolk's telephone number, (631) 789-8902, as the Police Athletic Team's phone number. These letters use startlingly similar language to that appearing in the promotional letter on New York State Park Police Benevolent Association, Inc. letterhead, stating: "We are proud to be able to look back over the past year at many of our additional accomplishments throughout the community. Through your generosity we were able to support programs that have benefited terminally ill and underprivileged children. Our charitable contributions include support of Little Flower Home, Make-A-Wish Foundation and Hope House."

94. However, the Police Athletic Team's filings with the OAG, list the organization's purpose as: "Provides for the mutual assistance, enjoyment & entertainment of its members socially and physically by encouraging participation in athletic and physical recreation activities." And its program service accomplishments are listed as "Winter, Summer & National Olympics. Members are encouraged to participate in athletics and physical recreation." No grants to the types of causes listed in the promotional letter are listed.

New York State Association of Chiefs of Police, Inc.

95. The OAG's confidential clerk, working undercover obtained four undated promotional letters and an advertising size sheet on New York State Association of Chiefs of Police, Inc. letterhead. The first two letters state that the phone number of NYSACOP is (631) 789-8901, but this, too, is a phone number of Defendant Suffolk. Thus, if a potential donor were to check up on the claims made in the letter, and call the number listed on the letter, he would be calling Defendant Suffolk, not the New York State Association of Chiefs of Police, Inc. It is one thing for Suffolk to facilitate the preparation and distribution of promotional letters on its clients' behalf, but quite another to be passing itself off as the clients themselves.

Suffolk's Material False Filings with the OAG of Scripts that Bear No Resemblance to Suffolk's Actual Solicitations

96. Suffolk has filed false documents—bogus fundraising scripts—with the OAG's office in an attempt to appear compliant with the law. When compared with the scripts Suffolk actually uses, the fake scripts reveal just how brazen Suffolk's violations of Article 7-A of the Executive Law are.

97. For example, Suffolk uses a script that states, "my name is ___, and I'm calling you in reference to the Suffolk County Detectives Association and our annual drive." The script fails to clearly and unambiguously disclose that the solicitation is being conducted by Suffolk, a professional fundraiser, and that the individual solicitor is being compensated. The script also states "Program St. Charles Hospital Hospice, Clearly School for the Deaf, United Cerebral Palsy, A Mother's Kiss (families of childhood cancer victims)."

98. In contrast, the bogus script filed with the OAG in Suffolk's Professional Fund Raiser/Fund Raising Counsel Contract Certification, certified by Cromarty-Hallahan under penalties of perjury, *does* state "I am calling from Suffolk Productions, which is a registered

professional fundraiser and am compensated for my efforts on behalf of the Suffolk County Detectives Association." At no time during the course of the investigation did the OAG's investigator hear or record any Suffolk solicitor making such a disclosure in a solicitation.

99. As to the NYSPPBA, a script Suffolk uses states, "Hi, good _____ my name is _____, and I'm calling FOR THE New York State Park Police PBA . . . ." (emphasis in original) and fails to clearly and unambiguously disclose that the solicitation is being conducted by a professional fundraiser and that the individual is being compensated.

100. Yet another bogus script prepared and submitted to the OAG in Suffolk's Professional Fund Raiser/Fund Raising Counsel Contract Certification, certified by Cromarty-Hallahan under penalties of perjury, *does* state "I am calling from Suffolk Productions, which is a registered professional fundraiser and am compensated for my efforts on behalf of the New York State Park Police Benevolent Association." At no time during the course of the investigation did the OAG's confidential clerk, working undercover hear or record any Suffolk solicitor making such a disclosure in a solicitation for the NYSPPBA.

101. As to NYSACOP, Suffolk provided the OAG's confidential clerk, working undercover with scripts for use in phone solicitations on behalf of the charity. The scripts do not disclose the name of Suffolk or that the individual solicitor is being paid to make the phone call, nor did any one at Suffolk instruct the undercover "employee," who was hired to make solicitations, to make such disclosures.

102. Two other scripts, soliciting for NYSACOP, were provided in response to the OAG's subpoena. One NYSACOP script titled "Cop Pitch" fails to clearly and unambiguously disclose that the solicitation is being conducted by Suffolk, a professional fundraiser, and that the individual solicitor is being compensated.

103. Yet the NYSACOP script filed with the OAG with Suffolk's Professional Fund Raiser/Fund Raising Counsel Contract Certification, certified by Cromarty-Hallahan under penalties of perjury, *does* state "I am calling from Suffolk Productions, which is a registered fundraiser and am compensated for my efforts on behalf of the New York State Association of Chief of Police." At no time during the course of the investigation did the OAG's confidential clerk, working undercover, hear or record any Suffolk solicitor making such a disclosure in a solicitation.

104. As to Traditional Chinese Medicine, the script Suffolk filed with the OAG as with the other bogus scripts, states "I am calling from Suffolk Productions, which is a registered professional fundraiser and am compensated for my efforts on behalf of Traditional Chinese Medicine World Foundation, Inc." Yet calls made by Suffolk on behalf of Traditional Chinese Medicine failed to make any of the required disclosures as to the caller's status as a professional fundraiser or compensation.

105. Moreover, in response to the OAG's subpoena, Suffolk produced a script entitled "Breast Cancer Prevention Project," which offers tickets to Riverhead Raceway—a business owned by the family of Suffolk's president, Deborah Cromarty-Hallahan. The script states, "Hi, This is _____ calling on behalf of the Breast Cancer Prevention Project." (Emphasis in original.) The script advises donors to make checks payable to "Breast Cancer Prevention Project, c/o Riverhead Raceway, P.O. Box 148, Lindenhurst, NY 11757." The script does not cue Suffolk's solicitors to disclose the name of Suffolk or that the solicitor is being paid to make the phone call.

106. Suffolk provided the OAG's Confidential Clerk with a script to use for phone calls on behalf of "Visiting Nurse Association of Long Island." The script does not advise Suffolk's solicitors to disclose the name of Suffolk or that the solicitor is being paid to make the

phone call; nor did any one at Suffolk instruct the confidential clerk , who was hired to make solicitations, to make such disclosures. Instead, the script instructs the solicitor to commence his or her "pitch" with "Hi. This is ____ calling on behalf of the Visiting Nurse Association of Long Island."

107. In contrast, the script provided filed with Suffolk's Professional Fund Raiser/Fund Raising Counsel Contract Certification for the Visiting Nurse Association, and certified by Cromarty-Hallahan under the penalties of perjury, has language disclosing that the solicitation is being made by a professional fundraiser who is being compensated. Yet Defendant Natoli trained the OAG's confidential clerk, working undercover, to make solicitations on behalf of the Visiting Nurses and at no time did she instruct him to make such a disclosure.

Suffolk Solicitors Pocket Cash Donations

108. Both Cromarty-Hallahan and Natoli advised the OAG's confidential clerk Garcia that solicitors receive a commission of 30 percent of the donations they secure. But in practice, Garcia was told by a solicitor that Suffolk solicitors who receive cash donations keep in excess of 30 percent, up to 50 percent.

Failure to Register with the Attorney General

109. Professional solicitors are required to register with the Attorney General under Executive Law § 173-b.

110. The OAG has reviewed Suffolk's professional solicitor registrations, and has not found any of these names or aliases in Suffolk's filings: "Caruso," "Bob David," "Bob Davis," "Tom Davis," "Bob Hager," "Jim O'Laherty," "Steve Cole," "Joe Marino," "Kevin O'Shea," "Nick Russo," "Joe Marino." Upon information and belief, additional persons, John Doe Nos. 5–11 act as Suffolk professional solicitors, as defined by Executive Law § 171-a(5), but are not registered with the Attorney General.

The Fraudulent Scheme Proceeds Under the Direction and Control of Defendants Hallahan and Natoli

111. Upon information and belief, Cromarty-Hallahan and Natoli were personal participants in the fraudulent and unlawful solicitations described herein, although neither is registered with the OAG as a professional solicitor.

112. As a shareholder and as a compensated officer and director of Suffolk, Cromarty-Hallahan had a direct financial interest in the charitable contributions solicited by Suffolk on behalf of the Order.

113. Upon information and belief, Cromarty-Hallahan controls Suffolk and was responsible for overseeing all aspects of its solicitation activities.

114. Upon information and belief, Cromarty-Hallahan and Natoli were, at all relevant times, responsible for the hiring, training, and supervision of the persons conducting fraudulent and unlawful solicitations as described herein.

115. Upon information and belief, Cromarty-Hallahan and Natoli supervised the hiring of unregistered professional solicitors by Suffolk.

116. Upon information and belief, Cromarty-Hallahan and Natoli created and/or supervised the creation of the fraudulent telemarketing sales scripts and written materials used by Suffolk.

FIRST CAUSE OF ACTION

Scheme to Defraud – Exec. L. § 172-d(2)
(Against All Defendants)

117. The Attorney General repeats and re-alleges, as though fully set forth herein, all of the preceding paragraphs.

118. Defendants, and those acting in concert or participation with them or under their direction or control, have violated Executive Law § 172-d in that they have engaged in a

fraudulent scheme in connection with charitable solicitations, including but not limited to: (a) obtaining money by false pretenses and representations; (b) soliciting charitable contributions using false and materially misleading statements about the intended uses of donated funds; (c) misidentifying or modifying the names of charitable organizations for which they are calling; (d) falsely holding themselves out to the public as being employees or members of law enforcement groups, and engaging in related deceptive practices to entice donations to law enforcement support organizations; and (e) failing to disclose their status as paid solicitors, or Suffolk Productions status as a professional fundraising company.

119. Accordingly, as authorized by Executive Law § 175(2), Defendants should be enjoined from the solicitation and collection of charitable funds and Suffolk's registration as professional fundraiser should be cancelled.

SECOND CAUSE OF ACTION

Failure to Disclose Professional Fundraiser Name and Professional Status – Exec. L. § 174-b(3)(a) (Against Suffolk, Finan, Watnick, Clancy, and John Doe Nos. 1–11)

120. The Attorney General repeats and re-alleges, as though fully set forth herein, all of the preceding paragraphs.

121. Suffolk, Finan, Watnick, Clancy, and John Doe Nos. 1–11 have violated Executive Law § 174-b(3)(a) in that, in telephone solicitation calls, they fail to clearly and unambiguously disclose Suffolk's name and the fact that the solicitation is being conducted by a professional fundraiser.

122. Suffolk is vicariously liable for the actions of its solicitors and Cromarty-Hallahan or Natoli directed or supervised the unlawful conduct.

123. Accordingly, as authorized by Executive Law § 175(2), Suffolk, Finan, Watnick, Clancy, and John Doe Nos. 1–11 should be enjoined from the solicitation and collection of

charitable funds and Suffolk's registration as professional fundraiser should be cancelled. Because Cromarty-Hallahan and Natoli directed the unlawful conduct, they too should be barred from acting as professional fundraisers.

THIRD CAUSE OF ACTION

Failure to Disclose Professional Solicitor Name and Paid Status – Exec. L. § 174-b(3)(b) (Against Suffolk, Finan, Watnick, Clancy, and John Doe Nos. 1–11)

124. The Attorney General repeats and re-alleges, as though fully set forth herein, all of the preceding paragraphs.

125. Suffolk, Finan, Watnick, Clancy, and John Doe Nos. 1–11 have violated Executive Law § 174-b(3)(b) in that Suffolk's solicitors fail to clearly and unambiguously disclose their names as on file with the Attorney General and the fact that they are receiving compensation for conducting solicitations.

126. Suffolk is vicariously liable for the actions of its solicitors and Cromarty-Hallahan and Natoli directed or supervised the unlawful conduct.

127. Accordingly, as authorized by Executive Law § 175(2), Suffolk, Finan, Watnick, Clancy, and John Doe Nos. 1–11 should be enjoined from the solicitation and collection of charitable funds and Suffolk's registration as professional fundraiser should be cancelled.

FOURTH CAUSE OF ACTION

Solicitors Holding Themselves Out as Members of Law Enforcement – Exec. L. §§ 173-b(2) & 175(2)(h) (Against all Defendants)

128. The Attorney General repeats and re-alleges, as though fully set forth herein, all of the preceding paragraphs.

129. Defendants, and those acting in concert or participation with them or under their direction or control, have violated Executive Law § 173-b(2), which incorporates § 175(2)(h), in that Suffolk solicitors are encouraged to and do in fact misrepresent themselves as police officers

or employees of a law enforcement agency in their solicitation calls as well as when they go to retrieve donations.

130. Suffolk is vicariously liable for the actions of its solicitors, and Cromarty-Hallahan and Natoli directed or supervised the unlawful conduct.

131. Accordingly, as authorized by Executive Law § 175(2), Suffolk and the individual Defendants should be enjoined from the solicitation and collection of charitable funds and Suffolk's registration as professional fundraiser should be cancelled.

FIFTH CAUSE OF ACTION

Promise of Special Benefits from Police Officers – Exec. L. §§ 175(h) & 173-b (Against All Defendants)

132. The Attorney General repeats and re-alleges, as though fully set forth herein, all of the preceding paragraphs.

133. Defendants, and those acting in concert or participation with them, have violated Executive Law § 175(2)(h)(iii), as incorporated by Executive Law § 173-b, in that solicitors, to entice donations imply that donors will receive special benefits from police officers.

134. Suffolk is vicariously liable for the actions of its solicitors, and Cromarty-Hallahan and Natoli directed or supervised the unlawful conduct.

135. Accordingly, as authorized by Executive Law § 175(2), Defendants should be enjoined from the solicitation and collection of charitable funds and Suffolk's registration as professional fundraiser should be cancelled.

SIXTH CAUSE OF ACTION

Mislead or Confuse Through Use of Similar Name, Symbol or Mark – Exec. L. § 172-d(16) (Against All Defendants)

136. The Attorney General repeats and re-alleges, as though fully set forth herein, all of the preceding paragraphs.

137. Defendants, and those acting in concert or participation with them, have violated Executive Law § 172-d(16) in that its solicitations, oral and written, involve alterations and abbreviations of the names of organizations it is soliciting on behalf of to make them sound broader, more appealing, or like the names of other organizations, thus tending to mislead or confuse the public.

138. Suffolk is vicariously liable for the actions of its solicitors, and Cromarty-Hallahan and Natoli directed the unlawful conduct.

139. Accordingly, as authorized by Executive Law § 175(2), Suffolk and Hallahan should be enjoined from the solicitation and collection of charitable funds and Suffolk's registration as professional fundraiser should be cancelled.

SEVENTH CAUSE OF ACTION

Failure to Clearly Describe Programs and Activities – Exec. L. § 174-b(2) (Against All Defendants)

140. The Attorney General repeats and re-alleges, as though fully set forth herein, all of the preceding paragraphs.

141. Defendants, and those acting in concert or participation with it, have violated Executive Law § 174-b(2) in that in telephone solicitations, they fail to provide a clear description of the programs and activities for which donations have been requested and for which the charity has expended or will expend contributions, and fails to include a statement that a person may obtain such a description from the charity. Instead, they provide program descriptions that are vague and misleading.

142. Suffolk is vicariously liable for the actions of its solicitors, and Cromarty-Hallahan and Natoli directed or supervised the unlawful conduct.

143. Accordingly, as authorized by Executive Law § 175(2), Defendants should be enjoined from the solicitation and collection of charitable funds and Suffolk's registration as professional fundraiser should be cancelled.

EIGHTH CAUSE OF ACTION

False or Materially Misleading Promotional Material – Exec. L. § 172-d(3) (Against Suffolk, Cromarty-Hallahan, Natoli, and Finan)

144. The Attorney General repeats and re-alleges, as though fully set forth herein, all of the preceding paragraphs.

145. Suffolk, Cromarty-Hallahan, Natoli, and, upon information and belief, Finan, and those acting in concert or participation with them, have violated Executive Law § 172-d(3) in that they have prepared, used or intend to use false or materially misleading promotional material in connection with charitable solicitations, including but not limited to on behalf of the New York State Park Police Benevolent Association.

146. Accordingly, as authorized by Executive Law § 175(2), Suffolk, Cromarty-Hallahan, Natoli, and Finan should be enjoined from the solicitation and collection of charitable funds and Suffolk's registration as professional fundraiser should be cancelled.

NINTH CAUSE OF ACTION

Failure to Refer to Financial Reports – Exec. L. § 174-b(1) (Against All Defendants)

147. The Attorney General repeats and re-alleges, as though fully set forth herein, all of the preceding paragraphs.

148. In its telephone solicitations on behalf of charitable organizations, Suffolk solicitors fail to include a statement that a person may obtain a copy of the organization's last financial report from either the organization or from the Attorney General, in violation of Executive Law § 174-b(1).

149. Suffolk is vicariously liable for the actions of its solicitors, and Cromarty-Hallahan and Natoli directed or supervised the unlawful conduct.

150. Accordingly, as authorized by Executive Law § 175(2), Defendants should be enjoined from the solicitation and collection of charitable funds and Suffolk's registration as professional fundraiser should be cancelled.

TENTH CAUSE OF ACTION

Material False Statement in Professional Fundraiser Registration – Exec. L. § 175(2)(d) (Against Suffolk and Cromarty-Hallahan)

151. The Attorney General repeats and re-alleges, as though fully set forth herein, all of the preceding paragraphs.

152. Suffolk and Cromarty-Hallahan willfully filed bogus solicitation scripts with the Attorney General that bear no relationship to the solicitations actually made.

153. Consequently, Suffolk made false filings, in violation of Executive Law §172(d)(1).

154. Accordingly, as authorized by Executive Law § 175(2), Suffolk and Cromarty-Hallahan should be enjoined from the solicitation and collection of charitable funds and Suffolk's registration as professional fundraiser should be cancelled.

ELEVENTH CAUSE OF ACTION

Retention of Unregistered Professional Solicitors – Exec. L. § 174(3) (Against Suffolk and Cromarty-Hallahan)

155. The Attorney General repeats and re-alleges, as though fully set forth herein, all of the preceding paragraphs.

156. Defendant employs professional solicitors who are not registered with the Attorney General, in violation of Executive Law § 174(3).

157. Accordingly, as authorized by Executive Law § 175(2), Suffolk and Cromarty-Hallahan should be enjoined from the solicitation and collection of charitable funds and Suffolk's registration as professional fundraiser should be cancelled.

TWELFTH CAUSE OF ACTION

Deceptive Acts or Practices – Gen. Bus. L. § 349 (Against All Defendants)

158. The Attorney General repeats and re-alleges, as though fully set forth herein, all of the preceding paragraphs.

159. Defendants' conduct described herein constitutes deceptive acts and practices that are declared unlawful under General Business Law § 349.

160. As authorized by General Business Law § 349(b), Defendants should be enjoined from the solicitation and collection of charitable funds, and Suffolk's registration as professional fundraiser should be cancelled.

161. As authorized by General Business Law § 350-d, Defendants should be ordered to pay civil penalties of $5,000 for each of their deceptive practices, in a total amount to be determined at trial.

PRAYER FOR RELIEF

Plaintiff demands judgment against Defendants as follows:

A. Enjoining Defendants, and all other persons acting or claiming to act on Suffolk or Cromarty-Hallahan's behalf, or in concert or participation with them, from soliciting charitable contributions or memberships from within the State of New York, or, from any location, soliciting charitable contributions or memberships from any persons, real or corporate, who are residents of the State of New York;

B. Canceling Defendant Suffolk's New York registration as a professional fundraiser;

C. Canceling Defendants Watnick, Finan, and Clancy's professional solicitor registrations;

D. Canceling the professional solicitor registrations of any of the John Does, if their identities are determined and they are registered;

E. Awarding restitution, damages, and costs under Executive Law Article 7-A and GBL § 349, in an amount to be determined at trial;

F. Imposing upon Defendant civil penalties in the amount of $5,000 for each violation of GBL § 349; and

G. Granting such other and further relief as is just and proper.

Dated: January 19, 2010
New York, New York

ANDREW M. CUOMO
Attorney General of the State of New York

By: _____

KATHRYN E. DIAZ
Senior Trial Counsel
Office of the New York Attorney General
Social Justice Division
120 Broadway
New York, New York 10271
(212) 416-8006

Of Counsel:

JASON R. LILIEN
Bureau Chief
Charities Bureau

ALAN BERKOWITZ
Assistant Attorney General-in-Charge
Suffolk Regional Office