

STATE OF MINNESOTA

DISTRICT COURT

COUNTY OF RAMSEY

SECOND JUDICIAL DISTRICT

Case Type: Other Civil
(Charitable/Nonprofit Violations)

Court File No. _____

In the Matter of Healing Heroes Network, Inc.,
Hero Giveaways, LLC, Stacy Jill Spiegel, Neal
Aaron Spiegel, and Allan Mark Spiegel**PETITION FOR ORDER
APPROVING ASSURANCE OF
DISCONTINUANCE**

The State of Minnesota, by its Attorney General, Keith Ellison, hereby petitions the Court, pursuant to Minn. Stat. §§ 8.31, subd. 2b, for an Order approving the attached, fully-executed Assurance of Discontinuance between the State of Minnesota, through its Attorney General, Keith Ellison, and Healing Heroes Network, Inc., Hero Giveaways, LLC, Stacy Jill Spiegel, Neal Aaron Spiegel, and Allan Mark Spiegel.

Dated: January 11, 2021

Respectfully submitted,

KEITH ELLISON
Attorney General
State of Minnesota/s/ Collin R. BallouCOLLIN R. BALLOU
Assistant Attorney General
Atty. Reg. No. 0395256445 Minnesota Street, Suite 1200
St. Paul, Minnesota 55101-2130
(651) 757-1474 (Voice)
(651) 296-1410 (TTY)
collin.ballou@ag.state.mn.us

ATTORNEYS FOR STATE OF MINNESOTA

STATE OF MINNESOTA

DISTRICT COURT

COUNTY OF RAMSEY

SECOND JUDICIAL DISTRICT

Case Type: Other Civil
(Consumer Protection)

Court File No. _____

In the Matter of Healing Heroes Network, Inc.,
Hero Giveaways, LLC, Stacy Jill Spiegel, Neal
Aaron Spiegel, and Allan Mark Spiegel**ASSURANCE OF
DISCONTINUANCE**

WHEREAS, this Assurance of Discontinuance ("Assurance") is entered into pursuant to Minnesota Statutes section 8.31, subdivision 2b, between the State of Minnesota, through its Attorney General, Keith Ellison ("AGO") and Respondents Healing Heroes Network, Inc., Hero Giveaways, LLC, Stacey Jill Spiegel, Neal Aaron Spiegel, and Allan Mark Spiegel (collectively, "Respondents");

WHEREAS, the AGO has authority to enforce Minnesota's laws relating to charitable organizations under state statutes and common law, including as *parens patriae*. See, e.g., Minn. Stat. §§ 8.31 and 309.57;

WHEREAS, Respondents are Healing Heroes Network, Inc., a corporation organized under the laws of the State of Florida, with its principal place of business in Palm Harbor, Florida; Hero Giveaways LLC, a limited liability company organized under the laws of the State of Florida, with its principal place of business in Palm Harbor, Florida; and Stacey Jill Spiegel, Neal Aaron Spiegel, and Allan Mark Spiegel, individuals;

WHEREAS, Healing Heroes Network, Inc. was the subject of multiple state enforcement actions and investigations including an investigation by the AGO into allegations of deceptive

and misleading charitable solicitations and potential misuse of charitable contributions intended to provide medical care and other benefits to veterans injured in Iraq and Afghanistan after 9/11.

WHEREAS, the States of Washington, Florida, Ohio, Maryland, Oregon, Illinois, Missouri, New Mexico, Virginia, and California are entering into substantially similar agreements, assurances of voluntary compliance, assurances of discontinuance, consent decrees, consent judgments, or stipulated judgments, as appropriate, as part of a multistate settlement with Respondents.

NOW, THEREFORE, the Parties hereby agree to entry of an Assurance of Discontinuance with the following terms and conditions:

SETTLEMENT TERMS

1. **Payment.** Respondents, upon the Effective Date as defined in Paragraph 7.c. below, shall pay \$95,000 collectively to the States of Washington, Florida, Ohio, Maryland, Oregon, Illinois, Virginia, Missouri, New Mexico, and California by transmitting the \$95,000 to the State of Washington. All money received by the State of Washington under this paragraph shall be paid by the State of Washington to a tax-exempt charitable organization that provides services to veterans of the United States military or to persons presently serving in the United States military. The charitable organization shall be selected jointly by the states of Washington, Florida, Ohio, Maryland, Oregon, Illinois, Virginia, Missouri, New Mexico, and California. Pursuant to applicable state law, the Attorney General of the State of Minnesota is not a participant in or with respect to, and has no control over, the relief reflected in this paragraph 1.

2. **Injunctions.** Healing Heroes Network, Inc., a Florida nonprofit corporation, Hero Giveaways, LLC, a Florida limited liability company, together with their officers, agents, servants, and employees, Stacey Jill Spiegel, Neal Aaron Spiegel, and Allan Mark Spiegel, and

all those who are in active concert or participation with them and over whom the Court has jurisdiction who shall receive actual notice of this Assurance by personal service or otherwise, are HEREBY ENJOINED AND RESTRAINED as follows:

- a. Healing Heroes Network, Inc., and Hero Giveaways, LLC, are permanently restrained and enjoined from engaging, participating, or assisting in the solicitation of charitable contributions or receiving any payment or other financial benefit from solicitations for charitable contributions;
- b. Healing Heroes Network, Inc., Hero Giveaways, LLC, Stacey Jill Spiegel, Neal Aaron Spiegel, and Allan Mark Spiegel, are permanently restrained and enjoined from violating any statute or rule of any of the States of Washington, Florida, Ohio, Maryland, Minnesota, Oregon, Illinois, Virginia, Missouri, New Mexico, and California ("Settling States") relating to: (1) operating a charitable organization, (2) soliciting charitable contributions, or (3) managing or controlling charitable assets; and
- c. For a period of five (5) years from the Effective Date, Stacey Jill Spiegel, Neal Aaron Spiegel, and Allan Mark Spiegel, are restrained and enjoined from establishing, operating, controlling, or managing any nonprofit organization that solicits charitable contributions or holds charitable assets, or serving as a fiduciary, or managing, controlling, directing, distributing, or accounting for the use or application of any charitable asset. The terms of this subparagraph 2.c. do not prevent Allan Mark Spiegel from serving on the board of a non-profit hospital or medical association.

3. **Donor Information.** The Respondents will exercise reasonable efforts to obtain and forward to the Settling States complete lists of all donors to Healing Heroes Network, including names, addresses, telephone numbers, and email addresses. If other information is contained within those donor lists it shall be provided to the Settling States unredacted. The Settling States understand that the Respondents are not currently in possession of this information and may not be able to obtain it but further understand that the Respondents will exercise reasonable efforts to obtain the information from commercial fundraisers and other parties that may have the information in their possession ("Organization in Possession"). The Respondents and Settling States, for the limited purpose of this Agreement, agree that sending

one letter, plus sending one follow-up letter or making one follow-up call to each such Organization in Possession shall be deemed reasonable efforts. The Respondents agree to provide the Settling States with copies of letters sent pursuant to this paragraph and documents that reflect any follow-up communications. In the event the Respondents are unable to obtain donor lists, they consent to and waive any objection they may have to the provision of Healing Heroes Network, Inc.'s donor lists or donor information to the Settling States by any fundraiser or other party that may be in possession of such information.

4. **Waiver of Privilege.** Healing Heroes Network, Inc., and Hero Giveaways, LLC, hereby waive all attorney-client privilege that may apply to their past communications with the Kansas City, Missouri law firm of Copilevitz & Canter, and with its successor, Copilevitz, Lam & Raney, and any of those firm's attorneys, paralegals, legal assistants, or other employees. This waiver is made knowingly and purposely, and includes all communications including without limitation legal advice, and advice and information about commercial fundraisers, direct mail firms, caging operations, and the like.

5. **Liquidated Monetary Relief.** Upon a showing by a Settling State that one or more Respondents have violated any term of this Assurance, that party will be liable to the Settling States for liquidated monetary relief in the total amount of \$400,000 (four hundred thousand dollars),¹ a sum whose disposition would then be determined by agreement of the Settling States.

- a. Before liquidated relief may be sought in any court, the state that claims that a violation has occurred in its state must first send a notice to the party and the party's counsel, Zinzow Law, LLC, requiring the conduct cease

¹ In the event such liquidated monetary relief is sought, only one of the Settling States, either individually or together with one or more of the other Settling States, may pursue that relief for all the Settling States.

and desist and, if applicable, refund of any and all charitable contributions received by the party in violation of this Assurance, and only if the conduct has not ceased and, if applicable, all such charitable contributions are not refunded by the deadline stated in the notice, which in no event shall be sooner than twenty (20) days after the notice is received, may the liquidated relief be triggered.

- b. Notice shall be sent via certified mail, return receipt requested, and shall be deemed received on the date the return receipt card is signed by the party, or if not signed, five (5) business days after the notice's postmark. Notice to Healing Heroes Network, Inc., and Hero Giveaways, LLC, shall be sent care of Stacey Spiegel, 3533 Shoreline Circle, Palm Harbor, FL 34684. Notice to Zinzow Law shall be sent to the mailing address reflected in the most recent Florida Division of Corporations filing for that entity. Notice to Stacey Jill Spiegel or Allan Mark Spiegel shall be sent to 3533 Shoreline Circle, Palm Harbor, FL 34684, and for Neal Aaron Spiegel shall be sent to 2585 Grand Lakeside Drive, Palm Harbor, Florida 34684.
- c. Notwithstanding the relief described herein, this paragraph shall not foreclose the Settling States from seeking any other lawful remedies for future violations of law, which are not Released Claims.

6. **No Admission.** The Respondents and the Settling States agree that nothing in the Settlement Agreement(s) or this Assurance is intended to be and shall not be deemed or construed to be an admission of any liability or wrongdoing by the Respondents. This Assurance is made without adjudication of any alleged issue of fact or law and without a finding of liability of any kind.

7. **Release.**

- a. Released Claims. Upon court approval of this Assurance, the AGO, on behalf of the State of Minnesota, releases and forever discharges Stacey Jill Spiegel, Neal Aaron Spiegel, Allan Mark Spiegel, Healing Heroes Network, Inc., a Florida corporation, and Hero Giveaways, LLC, a Florida limited liability company, and their past and present principals, officers, directors, employees, representatives, agents, affiliates, parents, subsidiaries, operating companies, predecessors, assigns and successors, except for any contractors or consultants that served as commercial fundraisers, professional fundraisers, professional solicitors, or fundraising counsel, (collectively, the "Releasees") from the following: all civil causes of action, claims, restitution, disgorgement, fines, costs, attorney's fees, or

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penalties that the AGO has asserted or could have asserted against the Releasees under the Charitable Solicitation Act, Minn. Stat. §§ 309.50-.61, or any other applicable state or federal law, resulting from the Covered Conduct up to and including the Effective Date. The AGO through this Assurance does not settle, release, or resolve any claim against Respondents or any other person or entity involving any private causes of action, claims, and remedies including but not limited to private causes of action, claims, or remedies provided for under Minnesota Statutes section 8.31. This release does not apply in any way to claims of any other State of Minnesota agency, department, official, or division.

- b. "Covered Conduct" means:
- i. conduct alleged in this Assurance and the Settling State's lawsuit, if one was filed;
 - ii. making, approving, or authorizing any charitable solicitation, including but not limited to any request that a person either donate money outright or purchase a good or service when it is represented that the purchase or donation will benefit any charitable purpose, including but not limited to assistance for military veterans or members of the armed forces;
 - iii. conduct relating to the hiring and supervision of commercial fundraisers, professional fundraisers, professional solicitors, fundraising counsel or the like;
 - iv. conduct relating to the registration and reporting of charitable solicitations and activities to regulatory agencies to the extent any party to this Assurance has the authority to enforce such registration and reporting violations;²
 - v. communicating to or with or collecting or seeking to collect money from any person who was asked to or did pay money to any of the Respondents in response to a charitable solicitation; and
 - vi. any act or omission alleged in Washington's Second Amended Complaint to have been in violation of law.
- c. Effective Date of this Settlement Agreement shall be the date the last agreement from Washington, Florida, Ohio, Oregon, Illinois, Virginia, Maryland, Minnesota, Missouri, New Mexico, and California is fully

² "Covered Conduct" does not include the conduct that is the subject of California's cease-and-desist order No. 2018-CT0154513 issued to Healing Heroes Network, Inc., on July 13, 2018.

executed by both parties and for state specific settlement agreements that are filed in court, the effective date is the date of entry by the court.

- d. Scope. This Assurance does not affect the rights of persons not party to this Assurance.
- e. Other Orders or Agreements and Compliance with Federal and State Laws. Nothing contained in this Assurance and any related Order or Consent Decree shall relieve any Releasee of the obligations it maintains under any other Consent Decree, judgment, agreement, assurance, or administrative order relating to charitable solicitation, nor shall it relieve them of their obligations to comply with any state or federal law.

8. The waiver or failure of any party to exercise any rights under this Assurance shall not be deemed a waiver of any right or any future rights. If any part of this Assurance shall for any reason be found or held invalid or unenforceable by any court of competent jurisdiction, such invalidity or unenforceability shall not affect the remainder of this Assurance, which shall survive and be construed as if such invalid or unenforceable part had not been contained herein.

9. This Assurance is governed by, and interpreted according to, the laws of the State of Minnesota without regard to conflict of laws principles.

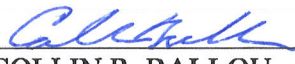
10. The AGO may file this Assurance with the Court without further notice to Respondents, and the Court may approve of and enter this Assurance *ex parte* and without further proceedings.

11. The Court shall retain jurisdiction of this matter for purposes of enforcing this Assurance, and all signatories hereto consent to the jurisdiction of the Court for the purposes of enforcing this Assurance.



Dated: Jan. 4, 2021

KEITH ELLISON
Attorney General
State of Minnesota



COLLIN R. BALLOU
Assistant Attorney General
Atty. Reg. No. 0395256

445 Minnesota Street, Suite 1200
St. Paul, Minnesota 55101-2130
(651) 757-1474 (Voice)
(651) 297-7206 (TTY)
collin.ballou@ag.state.mn.us

ATTORNEYS FOR STATE OF MINNESOTA

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**FOR HEALING HEROES NETWORK, INC.
AND HERO GIVEAWAYS, LLC, STACEY
JILL SPIEGEL, NEAL AARON SPIEGEL,
AND ALLAN MARK SPIEGEL**

Dated: 11/19/2020

By: Stacey Spiegel
Stacey Jill Spiegel

Dated: 11/19/2020

By: Neal Spiegel
Neal Aaron Spiegel

Dated: 11/19/2020

By: Allan Spiegel
Allan Mark Spiegel

ZINZOW LAW LLC

Dated: 11/23/2020

St. A. Nisbet
Justin R. Zinzow
Florida Bar No. 686451
Steven A. Nisbet
Florida Bar No. 969000
8750 Hawbuck Street
Trinity, FL 34655
Counsel for Respondents Healing Heroes
Network, Inc., Hero Giveaways, LLC, Stacey
Jill Spiegel, Neal Aaron Spiegel, and Allan
Mark Spiegel

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ORDER

Having reviewed the terms of the foregoing Assurance of Discontinuance, which is incorporated herein by reference, and which the Court finds reasonable and appropriate, it is SO ORDERED.

Date: _____

Judge of District Court**LET JUDGMENT BE ENTERED ACCORDINGLY.**