

FILED by Arlington County Circuit Court
04/13/2020

VIRGINIA:

IN THE CIRCUIT COURT OF THE CITY OF FALLS CHURCH

COMMONWEALTH OF VIRGINIA,
EX REL. MARK R. HERRING,
ATTORNEY GENERAL,

Plaintiff,

v.

**CENTER FOR AMERICAN HOMELESS
VETERANS, INC.,**
**a Virginia corporation, d/b/a Association for
Homeless and Disabled Veterans, and d/b/a
American Veterans Associations,**

**CIRCLE OF FRIENDS FOR AMERICAN
VETERANS,**
**a Virginia corporation, d/b/a American
Homeless Veterans, and d/b/a Homeless
Veterans of America,**

and

BRIAN ARTHUR HAMPTON,
**an individual, and doing business as
Put Vets First! PAC a/k/a Association for
American Veterans,**

Defendants.



CL20001114-00
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03/05/2020

CONSENT JUDGMENT

This Consent Judgment is entered between the Plaintiff, Commonwealth of Virginia, by, through, and at the relation of Mark R. Herring, Attorney General of Virginia (the "Commonwealth"), and the Defendants, Center for American Homeless Veterans, Inc. d/b/a Association for Homeless and Disabled Veterans and d/b/a American Veterans Associations

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("CAHV"), Circle of Friends for American Veterans d/b/a American Homeless Veterans and d/b/a Homeless Veterans of America ("COFAV"), and Brian Arthur Hampton ("Hampton"), individually and doing business as Put Vets First! PAC a/k/a Association for American Veterans ("PVF"). The parties hereby represent to the Court that they have resolved the matters between them and have agreed to the terms of this Consent Judgment, as follows:

RECITALS

A. The Plaintiff is the Commonwealth of Virginia, by, through, and at the relation of Mark R. Herring, Attorney General of Virginia.

B. CAHV and COFAV are or were corporations organized under the laws of the Commonwealth of Virginia. CAHV and COFAV maintained their principal offices and registered offices at 210 East Broad Street, #202, Falls Church, Virginia 22046. CAHV and COFAV are or were registered as charitable organizations with the Virginia Department of Agriculture and Consumer Services' Office of Charitable and Regulatory Programs. CAHV is the successor to a now defunct entity called Center for Homeless Veterans, Inc. d/b/a Veteran's Vision.

C. Brian Arthur Hampton is an individual who served continuously as a member of the boards of directors of CAHV and COFAV since incorporation, and has also served as President of each organization for the duration of the organization's existence. Hampton also conducted business as a sole proprietorship under the names Put Vets First! PAC a/k/a Association for American Veterans. Hampton's principal place of employment was 210 East Broad Street, #202, Falls Church, Virginia 22046. Put Vets First! PAC filed a Statement of Organization as a Political Action Committee with the Federal Election Commission in 2010. Put Vets First! PAC and Association for American Veterans are not incorporated or otherwise

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registered with the Virginia State Corporation Commission.

D. Concurrently with this Consent Judgment, CAHV, COFAV, and Hampton are entering into a substantially similar settlement in the form of an Assurance of Discontinuance with the Attorney General of the State of New York (together with the Attorney General of the Commonwealth of Virginia, the “States”).

NOW, THEREFORE, IT IS ADJUDGED, ORDERED AND DECREED THAT:

1. CAHV, COFAV, and PVF have ceased all charitable solicitations in the Commonwealth of Virginia as of April 30, 2018, and CAHV, COFAV, and PVF agree that they will not make any further charitable solicitations in any jurisdiction.

2. CAHV, COFAV, and Hampton are permanently enjoined from violating charitable solicitation laws nationwide, including the Virginia Solicitation of Contributions law, Virginia Code §§ 57-48 through 57-69.

3. Hampton is permanently enjoined from:

- a. Being employed by any charitable organization (in any jurisdiction) in any fiduciary capacity with respect to any charitable asset(s) and/or otherwise having any direct or indirect custody or control with respect to any charitable asset(s);
- b. Holding any fiduciary position or office in any charitable organization (in any jurisdiction) with respect to any charitable asset(s) and/or otherwise having any direct or indirect custody or control with respect to any charitable asset(s);
- c. Acting as a professional solicitor or professional fundraiser as those terms are defined under the laws of the States;
- d. Serving as a co-owner, co-partner, officer, director, or agent of a

professional solicitor or fundraiser; and

e. Directly or indirectly soliciting, receiving or holding assets for any charitable or ostensibly charitable purpose (in any jurisdiction), or receiving any payments from, including any form of compensation, any charitable organization (in any jurisdiction), and from acting in any fiduciary capacity with respect to charitable assets.

4. CAHV, COFAV, and PVF are permanently enjoined from continuing to operate in any form except as necessary to wind up their affairs and dissolve, shall not resume business in any form or through any successor entity(ies), and shall be dissolved and cease operations.

5. CAHV and COFAV shall, no later than 30 days after entry of this Consent Judgment, begin the process of dissolving or terminating their corporate registrations.

6. The Commonwealth's investigation of other third-party entities with whom CAHV and COFAV may have previously done business continues. CAHV, COFAV, and Hampton agree that, until the date when the Commonwealth's investigation is concluded, they will agree to act reasonably to provide full, complete, and prompt cooperation with the Commonwealth's investigation and any related proceedings and actions against any other person, corporation, or entity. The requirements in this Paragraph shall not be construed to require travel on the part of Hampton.

7. Monetary Relief

a. Judgment is hereby entered against CAHV, COFAV, and Hampton, jointly and severally, in the amount of \$10,000.00 as a civil penalty to the Commonwealth, pursuant to Virginia Code § 57-59(E).

b. Judgment is hereby entered against CAHV, COFAV, and Hampton,

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jointly and severally, in the amount of \$10,000.00 to reimburse the Commonwealth for its attorneys' fees, expenses in investigating this matter, and costs, pursuant to Virginia Code § 57-59(E).

c. Judgment is hereby entered against CAHV, COFAV, and Hampton, jointly and severally, in the amount of \$3,711,965.17 in favor of the Commonwealth, as trustee, for the use and benefit of charities assisting homeless veterans, and as disgorgement of funds solicited nationwide from December 22, 2015 to July 14, 2017 by the professional solicitor Outreach Calling for CAHV, pursuant to Virginia Code § 57-59(D).

d. The judgments in Paragraph Nos. 7.a., b., and c. shall be suspended, unless and until CAHV, COFAV, or Hampton fail to fully comply with the injunctive or other terms of this Consent Judgment. The Commonwealth's agreement to the suspension of the judgments owed is expressly premised upon and subject to the truthfulness, accuracy, and completeness of any financial statements submitted and other financial disclosures made by CAHV, COFAV, and Hampton to the Offices of the Virginia and New York Attorneys General, including, but not limited to, the financial statements and other disclosures provided on February 8, 2019.

e. The suspension of the judgments in Paragraph Nos. 7.a., b., and c. will be lifted if, upon motion by the Commonwealth, the Court finds that CAHV, COFAV, or Hampton failed to disclose any material asset, materially misstated the value of any asset, or made any other material misstatement or omission in the financial representations submitted to the Offices of the Virginia and New York

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Attorneys General, including, but not limited to, the financial statements and other disclosures provided on February 8, 2019. In addition, the suspension of the judgments will be lifted if, upon motion by the Commonwealth, the Court finds that CAHV, COFAV, or Hampton have violated any provision of this Consent Judgment including Paragraph Nos. 1 through 5 above. If the suspension of the judgments is lifted pursuant to this provision, the judgments become immediately due in the amount specified in Paragraph Nos. 7.a., b., and c. of the Consent Judgment, less any payment previously made pursuant to Paragraph 7.f., plus interest computed from the date of entry of this Consent Judgment at the judgment rate of six percent (6%) per annum.

- f. Notwithstanding the foregoing provisions, monetary payment in the amount of \$100,000.00 shall be made by or on behalf of CAHV, COFAV, or Hampton upon execution of the Consent Judgment. Payment shall be made simultaneously with the execution of the Consent Judgment by attorney check, corporate or certified check, or bank draft, which shall be made payable to the "State of New York", and shall reference Assurance No. 20-006; payments shall be addressed to the attention of Assistant Attorney General William Wang, State of New York, Office of the Attorney General, Charities Bureau, 28 Liberty, New York, New York 10005. Pursuant to the *cy pres* judgment awarded to the Commonwealth in Paragraph No. 7.c. as trustee for the use and benefit of charities assisting homeless veterans, the payment described in this subparagraph will be distributed in the following amounts to the following charities to be used to assist homeless veterans in accordance with the charitable purposes for which the funds were

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intended: Virginia Supportive Housing in the amount of \$33,333.33; Bob Woodruff Family Foundation, Inc. in the amount of \$33,333.33; and Homes For Our Troops, Inc. in the amount of \$33,333.34.

8. Violations of this Consent Judgment are enforceable by the Commonwealth in the Circuit Court of the City of Falls Church under Virginia law.

9. All terms and conditions of this Consent Judgment shall continue in full force and effect on any successor, assignee, or transferee of CAHV, COFAV, or PVF.

10. Nothing contained herein shall be construed as to deprive any donor or other third party of any private right of action.

11. The parties represent and warrant that each has the full legal right and authority to execute this Consent Judgment and that no party has made an assignment or transfer of any claim or any right arising out of the transactions and/or occurrences relating to the claims of the States.

12. Any modification or revision to this Consent Judgment must be in writing, signed by all parties, and approved by the Court to be enforceable.

13. This Consent Judgment contains the entire agreement regarding the matters set forth herein and it supersedes all oral agreements, promises, warranties, representations, or understandings, if any, between the parties relating to the subject matter of this Consent Judgment.

14. This Consent Judgment shall be construed and enforced in accordance with the laws of Virginia, and a violation of any provision of this Consent Judgment shall be punishable as contempt and may subject the person or entity in violation to all penalties or sanctions allowed by law.

15. The waiver or failure of any party to exercise any rights under this Consent



Judgment shall not be deemed a waiver of any right or any future rights. If any part of this Consent Judgment 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 Consent Judgment, which shall survive and be construed as if such invalid or unenforceable part had not been contained herein.

16. The parties shall, upon request, promptly execute any additional documents necessary to effectuate the intent of the parties as set forth herein.

17. The parties acknowledge that they have read the Consent Judgment carefully and understand all of its terms.

18. The parties understand and acknowledge that they should consult with an attorney before executing this Consent Judgment.

19. In agreeing to sign this Consent Judgment, the parties are doing so voluntarily and have not relied on any oral statements or explanations.

20. This effective date of this Consent Judgment shall be the date of entry by the Court.

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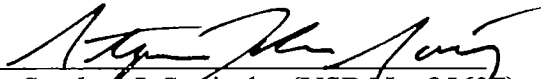
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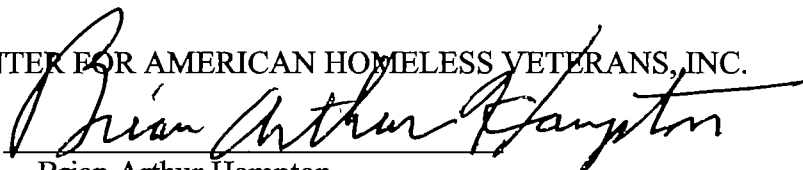
WILLIAM T. NEWMAN, JR.
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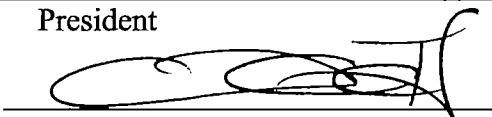
WE ASK FOR THIS:

COMMONWEALTH OF VIRGINIA,
EX REL. MARK R. HERRING,
ATTORNEY GENERAL

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CENTER FOR AMERICAN HOMELESS VETERANS, INC.
By: 
Brian Arthur Hampton

Its: _____
President

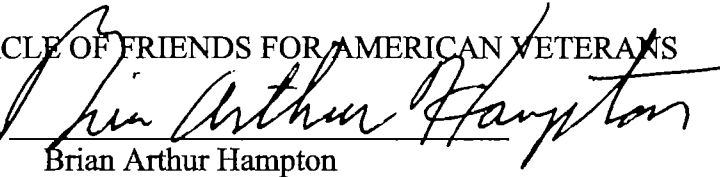
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CIRCLE OF FRIENDS FOR AMERICAN VETERANS


By:


Brian Arthur Hampton

Its:

President

By:

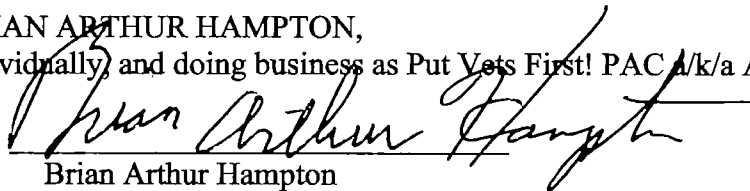


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BRIAN ARTHUR HAMPTON,
individually, and doing business as Put Vets First! PAC A/k/a Association for American Veterans

By:



Brian Arthur Hampton

