

STATE OF MINNESOTA  
COUNTY OF RAMSEY

DISTRICT COURT  
SECOND JUDICIAL DISTRICT  
Case Type: OTHER CIVIL  
Court File No. \_\_\_\_\_

In the Matter of National Association of Chiefs  
of Police, Inc.

**ASSURANCE OF  
DISCONTINUANCE**

### **RECITALS**

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 (“State” or “AGO”) and National Association of Chiefs of Police, Inc. (“NACOP”);

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, 309.57;

WHEREAS, NACOP is a Florida nonprofit corporation with its registered address with the Minnesota Attorney General’s Office at 6350 Horizon Drive, Titusville, Florida, 32780. NACOP first registered in or around 1990 with the AGO as a soliciting charitable organization pursuant to the Minnesota Charitable Solicitation Act, Minn. Stat. §§ 309.50-.61, and filed its most recent Annual Report in or around January 2019 (“Act”);

WHEREAS, in or around January 2017, the AGO initiated an investigation into NACOP for potential violations of the Act arising out of its solicitation of charitable contributions in Minnesota, and registration and reporting thereof;

WHEREAS, the AGO's investigation of NACOP was held in abeyance while the AGO pursued litigation against a similar Florida-based charitable organization that was operated by several of the same persons who operated NACOP. *See State of Minnesota, by its Attorney General, Keith Ellison v. American Federation of Police and Concerned Citizens, Inc.*, Court File No. 62-CV-18-6812 (2d. Jud. Dist. Oct. 10, 2018);

WHEREAS, the AGO is resolving its litigation against American Federation of Police and Concerned Citizens, Inc. through a separate Consent Judgment to be concurrently filed in that matter; and

NOW, THEREFORE, the AGO and NACOP hereby agree to entry of an Order with the following terms and conditions:

#### **INJUNCTIVE RELIEF**

1. NACOP, whether directly, indirectly, individually, representatively, or in combination with or through a professional fundraiser or any other person or entity, is hereby permanently enjoined from soliciting contributions from Minnesota donors, from accepting or receiving contributions from Minnesota donors as a result of any new or prior solicitation, and from otherwise operating or doing business in Minnesota, provided that it shall not be a violation of this Assurance if a third-party over which NACOP has no control inadvertently solicits a de minimus number of Minnesota donors on behalf of NACOP, or if a third-party improperly accesses NACOP's donor database and sends solicitations acting as if the third party were NACOP. If NACOP receives a donation from a Minnesota donor inadvertently solicited by such a third party on behalf of NACOP, NACOP shall return the donation and promptly notify the AGO in writing about the matter. "Minnesota donor" means any person or donor with a Minnesota address or a telephone number with one of the following area codes: 218, 320, 507,

612, 651, 763, or 952. Nothing herein shall preclude NACOP from continuing to provide program services that benefit Minnesota residents.

2. For purposes of this Assurance, “contribution,” “solicit,” “charitable organization,” and “professional fundraiser” have the meanings given them by Minnesota Statutes section 309.50.

3. For the time period commencing from the date the Court enters this Order and ending six years thereafter, NACOP shall use its best efforts and in good faith fully, completely, truthfully, and promptly cooperate with any investigation into third parties arising from or related to the subject matter of the investigation, as well as any future proceeding related to or arising out of said allegations. The cooperation required by this paragraph includes but is not limited to responding to any request by the AGO with accurate, truthful, and complete information, documents, data, and testimony, as applicable, and by causing and ensuring, upon reasonable written notice by the AGO, that NACOP appear via video conference for interviews, depositions, hearings, trials, and any other proceedings, without service of a subpoena or other form of compulsory process. For the time period commencing from the date the Court enters this Order and ending six years thereafter, upon the written request of the AGO, NACOP shall promptly provide accurate and complete information, documents, and data that the AGO, in its sole discretion, deems reasonably necessary to verify its compliance with this Assurance, including but not limited to donor records, financial records, bank registers and statements, financial accounts and statements, accounting data, and minutes of meetings of NACOP’s board of directors.

4. Notwithstanding any other language in this Assurance, NACOP is not precluded by this Assurance from dissolving. In all other respects, NACOP is hereby enjoined from

effecting any change in NACOP's or any other entity's form of doing business, organizational identity, organizational structure, affiliations, or management composition as a method of avoiding the terms of this Assurance.

#### **STAYED RELIEF**

5. NACOP shall be liable for a civil penalty of \$200,000 if the Court finds, after a motion by the AGO, and pursuant to a hearing as determined by the Court, that NACOP violated Paragraph 1 of this Assurance.

6. The release provided for in Paragraph 8 of this Assurance does not prevent, restrict, or otherwise limit in any way the AGO from moving for, using any information and materials in its possession, and, should a violation be found, collecting the stayed civil penalties referenced in Paragraph 5.

#### **GENERAL TERMS**

7. This is a compromise settlement of a disputed claim. NACOP neither admits nor denies the allegations in this Assurance.

8. In consideration of the stipulated relief, the sufficiency of which is acknowledged, the AGO, upon approval of this Assurance by the Court, hereby fully and completely releases NACOP from any and all claims by the AGO for violations of Minnesota Statutes sections 309.53, 309.55, and 309.556, arising out its solicitation of charitable contributions in Minnesota, up to and including the date of this Assurance. The AGO through this Assurance does not settle, release, or resolve any claim against NACOP or any other person or entity involving any private causes of action, claims, or 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, including but not limited to the Minnesota Department of Revenue.

9. The claims, remedies, and relief provided for in this Assurance are in addition to all other claims, remedies, and relief available to the State of Minnesota or the AGO.

10. NACOP shall not state or imply, directly or indirectly, that the State of Minnesota or the AGO has approved of, condones, or agrees with any alleged conduct, actions, or inactions by NACOP.

11. Nothing in this Assurance shall relieve NACOP of its obligations to comply with all applicable Minnesota and federal laws and regulations, and court or administrative orders and directives.

12. NACOP, after having an opportunity to consult with counsel, knowingly, intelligently, and voluntarily waives its First Amendment rights to the extent, if at all, such rights are inconsistent with any of the terms of this Assurance.

13. If this Assurance is violated, NACOP agrees that any statute of limitations, statute of repose, or other time-related defense applicable to the subject matters of this Assurance, and any claims arising out of or relating thereto, are retroactively tolled from and after the date of this Assurance.

14. The persons signing this Assurance for NACOP warrant that its board of directors has authorized the persons to execute this Assurance, that they execute this Assurance in an official capacity that binds NACOP and its successors, and that NACOP has been fully advised by its counsel or has voluntarily forgone such advisement before entering into the Assurance.

15. This Assurance may be executed in counterparts, each of which constitutes an original, and all of which shall constitute one and the same agreement. This Assurance may be executed by facsimile or electronic copy in any image format.

16. This Assurance constitutes the full and complete terms of the agreement between the AGO and NACOP.

17. Service of notices or other documents required or permitted by this Assurance shall be served on the following persons, or any person subsequently designated by the parties to receive such notices, by mail and email at the addresses identified below:

**As to State of Minnesota:**

Carol R. Washington, Assistant Attorney General  
Minnesota Attorney General's Office  
445 Minnesota Street, Suite 1200  
St. Paul, Minnesota 55101  
carol.washington@ag.state.mn.us

**As to NACOP:**

Christianna L. Finnern  
David M. Aafedt  
Winthrop & Weinstine, P.A.  
225 S. 6<sup>th</sup> St, Suite 3500  
Minneapolis, MN 55402

and

Brent Shepherd, CFO/DO  
6350 Horizon Drive  
Titusville, Florida 32780  
brents@aphf.org

18. The failure of a party to exercise any rights under this Assurance shall not be deemed to be a waiver of any right or any future rights.

19. This Assurance, including any issues relating to interpretation or enforcement, shall be governed by the laws of the State of Minnesota.

20. Nothing in this Assurance shall be construed to limit the jurisdiction, power, or authority of the State of Minnesota or the AGO, except as expressly set forth herein with regard to NACOP.

21. Each of the signatories to this Assurance participated in the drafting of this Assurance and agree that the Assurance's terms may not be construed against or in favor of any of the signatories by virtue of draftsmanship.

22. Each signatory shall perform such further acts and execute and deliver such further documents as may reasonably be necessary to carry out this Assurance. NACOP shall promptly comply with any reasonable request from the AGO for information regarding verification of its compliance with this Assurance. The AGO shall have all powers specified by Minn. Stat. §§ 8.31, 309.553, 309.57, and all other authority otherwise available to it for purposes of investigating and remedying violations of this Assurance.

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


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

KEITH ELLISON  
Attorney General  
State of Minnesota

Dated: \_\_\_\_\_

12/13/19

By: \_\_\_\_\_

  
Carol Washington  
Assistant Attorney General  
On behalf of State of Minnesota

NATIONAL ASSOCIATION OF CHIEFS OF  
POLICE, INC.

Dated: Dec. 11, 2019

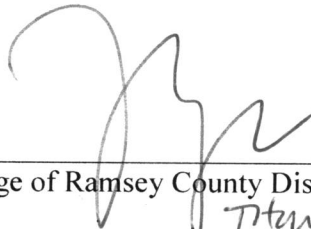
By: B.A. Shepherd  
Brent A. Shepherd, Chief Financial Officer  
On behalf of National Association of Chiefs of  
Police, Inc.



**ORDER**

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

Dated: 12/19/19.

  
\_\_\_\_\_  
Judge of Ramsey County District Court  
*Thomas Orum*

**LET JUDGMENT BE ENTERED ACCORDINGLY.**