

DEPARTMENT OF THE ATTORNEY GENERAL
STATE OF HAWAII

IN THE MATTER OF THE
INVESTIGATION OF TRADITION HOUSE
FOUNDATION.

ASSURANCE OF VOLUNTARY
DISCONTINUANCE

WHEREAS, DAVID M. LOUIE, Attorney General of the State of Hawaii, pursuant to his authority under sections 467B-9.3 and section 28-2.5, Hawaii Revised Statutes, has conducted an investigation into certain practices of Tradition House Foundation;

WHEREAS, Tradition House Foundation is a domestic, Hawaii non-profit, public benefit corporation;

WHEREAS, Tradition House Foundation has solicited contributions from the public and is not currently registered with the Attorney General pursuant to section 46B-2.1, Hawaii Revised Statutes;

WHEREAS, Tradition House Foundation's solicitation material has represented to the public that it is a tax exempt charitable organization under section 501(c)(3) of the Internal Revenue Code;

WHEREAS, Tradition House Foundation's solicitation material has represented to the public that "[s]ince 1998, Tradition House Foundation has helped over four thousand men and women. . . .";

WHEREAS, Tradition House Foundation was incorporated in the State of Hawaii on June 24, 2011;

WHEREAS, Tradition House Foundation has not submitted an application for recognition as a tax exempt 501(c)(3) charitable organization (IRS Form 1023) to the Internal Revenue Service;

WHEREAS, statements in Tradition House Foundation's solicitation material that it is a tax exempt 501(3) organization and that since 1998 it has helped over four

thousand men and women are false, deceptive and misleading under section 467B-9(c) and (k), Hawaii Revised Statutes;

WHEREAS, Tradition House Foundation's solicitation of contributions from the public without being registered under section 467B-2.1, Hawaii Revised Statutes is prohibited practice under section 467B-9(j) and an unfair trade practice pursuant to sections 467B-10.5, and 480-2, Hawaii Revised Statutes;

WHEREAS, the Attorney General accepts this Assurance of Voluntary Discontinuance by Tradition House Foundation pursuant to section 467B-9.3(d), Hawaii Revised Statutes;

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED, by and between David M. Louie, Attorney General, State of Hawaii, by Hugh R. Jones, Supervising Deputy Attorney General, and Tradition House, Inc., as follows:

1. On or before 90 days after the execution of this Assurance, Tradition House, Inc. register with the Attorney General under section 467B-2.1, Hawaii Revised Statutes, and such statement shall be complete and accurate.

2 Tradition House Foundation shall cease any solicitation of contributions until such time as its registration statement is accepted by the Attorney General.

3. Tradition House Foundation shall refrain from making any statement in any solicitation material that is false, deceptive or misleading as provided by section 467B-9(c) and (k), Hawaii Revised Statutes.

4. Tradition House Foundation shall annual submit to the Attorney General an annual financial report as required by section 467B-6, Hawaii Revised Statutes and pay annual fees required by this statute.

5. Tradition House Foundation shall pay to the Attorney General a civil penalty of \$500 within thirty days after execution of this Assurance, made payable to the Hawaii Director of Finance.

6. Tradition House Foundation shall otherwise comply with the provisions of chapter 467B, HRS.

7. This Assurance shall be binding on Tradition House Foundation its successors and assigns, employees, agents,

corporate successors and another individual through whom it acts.

8. This assurance shall constitute the entire agreement between the parties hereto. This Assurance cannot be changed or modified except in a writing duly executed by the parties hereto.

9. In the event of a breach of this Assurance, provided such breach is determined by a court of competent jurisdiction, the Attorney General shall be entitled to an order permanently enjoining Tradition House Foundation from soliciting contributions in Hawaii.

10. In the event of a breach of this Assurance by Tradition House Foundation, the Foundation shall indemnify the Attorney General for the cost, including legal fees, in enforcing this Assurance.

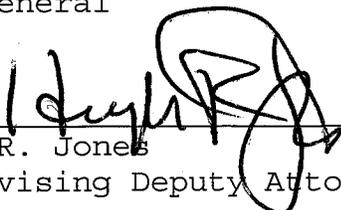
11. Tradition House Foundation agrees that a violation of this Assurance shall be deemed prima facie proof of a violation of applicable law in any civil proceeding hereafter commenced.

12. The person signing this Assurance on behalf of Tradition House Foundation represents that he is authorized to sign it on behalf of the corporation.

13. It is further understood and agreed that the acceptance of this Assurance by the Attorney General shall not be deemed or construed as approval by the Attorney General of any activities of Tradition House Foundation and it shall not make any representation to the contrary.

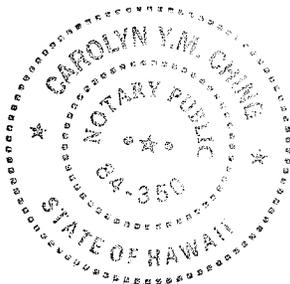
WHEREFORE, the following signatures are affixed this 19th day of October 2011.

DAVID M. LOUIE
Attorney General

By: 
Hugh R. Jones
Supervising Deputy Attorney General

TRADITION HOUSE FOUNDATION

By: 
Jody A. Solbach
Chief Executive Officer



NOTARY PUBLIC CERTIFICATION
Carolyn Y.M. Ching First Judicial Circuit
Doc. Description: Assurance of Voluntary Discontinuance
No. of Pages: 4 Date of Doc 10/19/11
Carolyn Y.M. Ching 10/19/11
Notary Signature Date