January 12, 2021

ATTORNEY GENERAL RAOUL ANNOUNCES SETTLEMENT WITH HEALING HEROES NETWORK OVER DECEPTIVE PRACTICES

Chicago — Attorney General Kwame Raoul, as part of a coalition of 11 states, today announced a settlement with Healing Heroes Network, Inc. (Healing Heroes), a Florida-based veterans' charity. The settlement also involves Healing Heroes' former directors, Stacey Spiegel, Allan Spiegel and Neal Spiegel, and Hero Giveaways, LLC, a business Stacey and Neal Spiegel formed when states began investigating Healing Heroes Network.

"Healing Heroes Network took advantage of donors seeking to help our wounded veterans receive the medical care they need," Raoul said. "Today's settlement holds these individuals accountable for violating donors' trust and depriving veterans of financial support by preventing them from attempting to raise charitable funds in the future."

Raoul alleged that between 2014 and 2018, Healing Heroes sought donations to help veterans wounded in the wars in Iraq and Afghanistan receive medical treatments that the U.S. Department of Veterans Affairs did not readily provide. Potential donors were told that 100 percent of the proceeds from telephone solicitations and sweepstakes mailers would benefit wounded veterans; however, the states' investigation revealed that few of the contributions Healing Heroes received actually went toward assisting wounded veterans. Instead, donations were used to pay professional fundraisers, online advertising fees, and the salaries of Stacey Spiegel and her son, Neal. Donations were also used to purchase t-shirts from a Spiegel family member's business.

Today's settlement requires Healing Heroes Network and Hero Giveaways to permanently cease any kind of charitable solicitations. Using remaining funds, Stacey Spiegel, Allan Spiegel and Neal Spiegel have agreed to make a payment that will be directed to a veterans' charity whose mission matches the representations made by Healing Heroes Network. In addition, the Spiegels also are subject to a five-year ban from overseeing, managing or soliciting charitable contributions for any nonprofit organization.

The settlement wraps up a multistate action that was initiated as part of Operation Donate with Honor, a nationwide consumer protection law enforcement sweep to combat veterans' fundraising fraud through education and enforcement. Operation Donate with Honor was coordinated in 2018 by the Federal Trade Commission and the National Association of State Charities Officials to target fraudulent charities affecting veterans and groups that claimed to use their donations to help America's veterans, but were designed to enrich the charities' founders and professional fundraisers. Raoul's office previously took action against the founders of Illinois-based Veterans Christian Network, who as a result are prohibited from engaging in future charitable activities after violating Illinois' laws governing charities.

Under Illinois law, fundraisers and charitable organizations are required to register each year with the Attorney General's office. Raoul encourages Illinois residents to research a charity before donating, in order to find out what percentage of the money goes toward fundraising, administration and charitable programming. To assist potential donors in making wise giving decisions, the Attorney General's office provides important financial information about charitable organizations such as income, expenditures and programs.

Additional information is available on the <u>Attorney General's website</u>. Raoul encourages donors to report suspicious solicitations to his office's Charitable Trust Bureau by calling 312-814-2595.

Joining Illinois in filing the settlement are California, Florida, Maryland, Minnesota, Missouri, New Mexico, Ohio, Oregon, Virginia and Washington.