

STATE OF MAINE
KENNEBEC, SS.

SUPERIOR COURT
ACTION
DOCKET NO.

STATE OF MAINE)

v.)

ASSURANCE OF DISCONTINUANCE

AMERICAN INSTITUTE FOR CANCER)
RESEARCH, a non-profit)
corporation organized and)
existing under the laws of)
the District of Columbia,)
with offices in Falls Church,)
Virginia)

INTRODUCTION

1. Pursuant to the Unfair Trade Practices Act, 5 M.R.S.A. §§ 206-214 (1979 & 1983) and the Charitable Solicitations Act, 9 M.R.S.A. §§ 5001-5016 (1980 & Supp. 1983), the Attorney General has examined the practices of the American Institute for Cancer Research (hereinafter referred to as AICR) with regard to the solicitation of contributions for charitable purposes.

2. AICR voluntarily enters into the following Assurance of Discontinuance with the Department of the Attorney General. AICR denies any violation of the Unfair Trade Practices Act or the Charitable Solicitations Act by entering into this Assurance.

rc

FINDINGS OF THE DEPARTMENT

3. AICR is a non-profit charitable organization which solicits contributions from the public, including residents of this State, distributes the contributions to cancer researchers and engages in public education. AICR is registered with the Commissioner of Business Regulation as a charitable organization.

4. Since the spring of 1983, the AICR has conducted at least two charitable fundraising campaigns in this State through the use of direct mail solicitations. AICR has prepared and mailed written solicitation letters to persons in this State requesting contributions to AICR for the Institute's cancer research programs. Over 700 persons in this State made contributions to AICR in response to Defendant's initial solicitation letter of March 1983.

5. During certain periods of time prior to the date of this Assurance, AICR expended less than 70% of the amounts contributed for program services.

6. During certain periods of time prior to the date of this Assurance, AICR did not disclose to potential contributors in its solicitation letters the percentage amount of each dollar contributed which would be used for program services, management, fundraising, and the compensation of any professional fundraiser.

American Institute for Cancer Research

Washington, D.C. 20069

Dear Supporter:

I am writing to thank you again for your generous support of the American Institute for Cancer Research, and to give you a very encouraging report on our accomplishments over the last year. Although AICR has been active for only a little more than a year, it has made tremendous progress during that short time and is already making itself felt as a strong and effective force in the war against cancer.

To date, AICR has committed to over \$1 million in grants to cancer researchers in more than 25 different institutions. This research holds great promise; it would not have been possible without your generous support.

Your support has made possible a \$75,000 grant to Richard G. Ham, Ph.D. of the University of Colorado to assist him in his research concerning breast cancer. It has helped AICR fund a selenium project by Helen W. Lane, Ph.D. of the Texas Medical Center and a study on dietary fat and breast cancer by Dr. Kenneth Carroll, Ph.D. of the University of Western Ontario.

In addition to the scientific research AICR has funded, it has also engaged in a massive public education campaign. It has distributed through public and private agencies more than one million copies of its bilingual breast self-examination cards.

It has initiated a universal symbol campaign to remind women of the importance of monthly breast examination. The importance of these reminders was highlighted by a Gallup study commissioned by AICR which revealed that fewer than 28 percent of women conduct monthly breast self-examinations.

AICR has also distributed, at its own cost, more than 20,000 copies of a National Academy of Sciences 480 page study on Diet, Nutrition and Cancer to cancer doctors throughout the United States.

AICR could have done none of this without your support, and the support of thousands like you. As one of our loyal supporters, we wanted you to know about the projects which AICR has supported with your funds, and how we have used the money contributed.

AICR's fiscal year ended September 30, 1983. In order to insure the integrity of our stewardship of your contribution, AICR retained the national accounting firm of Price Waterhouse to conduct a complete audit of AICR's books during its first year of operations.

Although that audit reveals we have made remarkable progress in our first year, as a new organization, in a pioneer area of cancer research, AICR had significant start up costs.

over, please

The audit reveals that in its first year, AICR spent 57 percent of the funds raised on scientific research and public education, 8 percent on management and general, and 35 percent on fundraising and donor identification. AICR will gladly provide a copy of the audit to any contributor who wishes one.

In our second year, we are accomplishing even more than we did in our first, and increasing significantly the amount of money spent on research and public education.

We appreciate your continuing support. As has always been AICR's policy, if you do not believe that we have been proper stewards for your funds, please contact us, and we will be happy to refund your contribution.

Thanks again for your support. You should take pride in the fact that you are making a meaningful contribution to the elimination of cancer.

Sincerely,

A handwritten signature in cursive script that reads "Thomas L. Newman".

Thomas L. Newman
Executive Director