

**January 14, 2020**

**ATTORNEY GENERAL RAOUL ANNOUNCES SETTLEMENT WITH PAYPAL CHARITABLE GIVING FUND, INC.**

***Settlement Ensures Donors Have Adequate Information When Making Charitable Donations***

**Chicago** — Attorney General Kwame Raoul, along with a coalition of 22 states, has reached an agreement with PayPal Charitable Giving Fund, Inc. to ensure donors receive adequate information and disclosures when making charitable contributions through the company's online fundraising platform.

"As a result of today's settlement, donors will have the information they need to make informed decisions about their charitable contributions," Raoul said. "I will continue to hold organizations accountable to their donors and ensure that those who operate charitable organizations do so responsibly."

PayPal Charitable Giving Fund, Inc. (PPGF) - the charitable arm of PayPal, Inc. - is a 501(c)(3) nonprofit corporation that allows donors to contribute funds electronically to PPGF and select a charity that will ultimately receive the benefit of their contribution. Donors' contributions are aggregated and distributed to the donors' chosen charities. PPGF does not collect fees from donors or charities for this service; however, a charity receives contributions more quickly if the charity maintains a PayPal account, a fact that had not been adequately disclosed to donors. In some instances, PPGF redirected donors' contributions from the charity selected by the donor to other organizations with similar purposes without informing donors.

Raoul and the coalition investigated PPGF's fundraising activities, including its disclosures, vetting practices, and treatment of charitable contributions. To address their concerns, PPGF agreed to adopt reforms to its disclosures to ensure that donors know:

- That they are contributing to PPGF.
- The timeframe in which a selected charity may receive funds from PPGF.
- The implication of being an enrolled rather than an unenrolled charity on the PPGF platform.

PPGF also agreed to notify donors when it redirects a donor's charitable contribution to an organization other than the one selected by the donor. PPGF will provide regulators with future campaign data to ensure the organization is complying with its obligations under the agreement.

Finally, PPGF agreed to make a payment of \$200,000 to the National Association of Attorneys General (NAAG) for deposit into the NAAG Charities Enforcement and Training Fund. This fund has been established to defray costs associated with the investigation and litigation of cases brought by states' charities regulators, and to provide training and education to those regulators.

Joining Raoul in the settlement are the attorneys general of Arkansas, Colorado, Connecticut, the District of Columbia, Idaho, Iowa, Kansas, Kentucky, Louisiana, Minnesota, Mississippi, Nebraska, Nevada, New Hampshire, New York, Ohio, Oklahoma, Oregon, Pennsylvania, Texas, and Wisconsin, as well as the secretary of state of North Carolina.