

VIRGINIA:

IN THE CIRCUIT COURT OF ARLINGTON COUNTY

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COMMONWEALTH OF VIRGINIA,)	
EX REL. MARK R. HERRING,)	
ATTORNEY GENERAL,)	
)	
Plaintiff,)	
)	
v.)	CIVIL ACTION NO. _____
)	
DONORWORX, INC.,)	
a Delaware corporation,)	
)	
Defendant.)	
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COMPLAINT

The Plaintiff, Commonwealth of Virginia, by, through and at the relation of the Attorney General of Virginia, Mark R. Herring (the “Plaintiff” or the “Commonwealth”), petitions this Court to declare that the activities in which the Defendant, Donorworx, Inc. (“Donorworx” or the “Defendant”), has engaged constitute violations of the Virginia Solicitation of Contributions (“VSOC”) law, Virginia Code §§ 57-48 through 57-69. The Plaintiff prays that this Court grant the relief requested in this Complaint and states the following in support thereof:

JURISDICTION AND VENUE

1. The Commonwealth brings this action pursuant to the authority set forth in Virginia Code § 57-59(D) which provides, among other things, that the Attorney General may bring an action to enjoin any violation of the VSOC law.

2. The Circuit Court of Arlington County has authority to entertain this action and to grant the relief requested herein pursuant to provisions of the VSOC law and Virginia Code §§ 8.01-620 and 17.1-513.

3. Venue is preferred in this Court pursuant to Virginia Code § 8.01-261(15)(c) because some or all of the acts to be enjoined are, or were, being done in Arlington County. Venue is permissible in this Court pursuant to Virginia Code § 8.01-262(4) because part of the cause of action arose in Arlington County.

PARTIES

4. The Plaintiff is the Commonwealth of Virginia, by, through and at the relation of Mark R. Herring, Attorney General of Virginia.

5. The Defendant, Donorworx, Inc., is a Delaware corporation with its principal place of business located at 4520 East West Highway, Bethesda, Maryland, 20814. Donorworx's Certificate of Authority to Transact Business in the Commonwealth was issued by the Virginia State Corporation Commission on March 28, 2013.

FACTS

6. Donorworx works with charitable organizations to set up face-to-face fundraising campaigns across Canada and the United States, including retail campaigns, door to door, and street fundraising.

7. By letter dated April 28, 2015, the Office of Charitable and Regulatory Programs ("OCRCP"), within the Virginia Department of Agriculture and Consumer Services ("VDACS"), notified Donorworx that its registration as a professional solicitor lapsed on March 14, 2015.

8. Donorworx did not file a registration statement with the Commissioner of VDACS until January 14, 2016.

9. On October 15, 2015, Donorworx started soliciting contributions on behalf of Cooperative Assistance for Relief Everywhere ("CARE"), a charitable organization, by

conducting a face-to-face fundraising campaign at the Pentagon Mall in Arlington County, Virginia.

10. Donorworx did not file a contract, or other written statement of the nature of arrangement to prevail in the absence of a contract, as described in Virginia Code § 57-54(B), with the Commissioner of VDACS prior to the solicitation campaign it conducted on behalf of CARE.

11. Donorworx did not file the Solicitation Notice, as described in Virginia Code § 57-61(D), with the Commissioner of VDACS prior to the solicitation campaign it conducted on behalf of CARE.

12. Donorworx did not file written authorization of two officers of the charitable organization, as described in Virginia Code § 57-57(F)(1), with the Commissioner of VDACS prior to the solicitation campaign Donorworx conducted on behalf of CARE.

13. On January 13, 2016, General Counsel, P.C. (“GCPC”), Donorworx counsel, contacted OCRP to obtain Donorworx’s Virginia registration number and was informed that the professional solicitor’s registration had lapsed on March 14, 2015.

14. Upon information and belief, on January 13, 2016 Donorworx ceased conducting solicitation activity on behalf of CARE at the Pentagon Mall.

15. On January 14, 2016, Donorworx filed a registration statement with the Commissioner of VDACS. On February 8, 2016, OCRP granted Donorworx’s registration as a professional solicitor through March 15, 2016. Therefore, Donorworx was not registered with the Commissioner of VDACS as a professional solicitor from March 14, 2015 through February 8, 2016.

16. From October 15, 2015 through at least January 13, 2016, Donorworx solicited contributions on behalf of CARE without being registered with the Commissioner of VDACS.

17. On March 7, 2016, Donorworx filed a registration statement with the Commissioner of VDACS. On March 24, 2016, Donorworx's registration as a professional solicitor was granted through March 15, 2017.

CAUSE OF ACTION

18. The Commonwealth re-alleges and incorporates by reference the allegations of Paragraphs 1 through 17 above.

19. By conducting a face-to-face fundraising campaign on behalf of CARE, Defendant was, at all relevant times mentioned herein, a "professional solicitor," and was engaged in the "solicitation" of "contributions," as all of those terms are defined in § 57-48 of the VSOC law.

20. Donorworx failed to file a registration statement prior to soliciting contributions on behalf of a charitable organization in the Commonwealth, in violation of §§ 57-57(K) and 57-61(A) of the VSOC law. Each solicitation made by Donorworx on behalf of CARE without being duly registered was a separate violation of the VSOC law.

21. Donorworx failed to file with the Commissioner of VDACS the contract, or written statement of the nature of the arrangement to prevail in the absence of a contract, between a professional solicitor and a charitable organization at least ten days prior to the commencement of the contract, in violation of §§ 57-54(B) and 57-61(D) of the VSOC law.

22. Donorworx solicited on behalf of a charitable organization without filing a copy of written authorization from that charitable organization with the Commissioner of VDACS, in violation of § 57-57(F)(1) of the VSOC law.

23. Donorworx failed to file with the Commissioner of VDACS a completed Solicitation Notice at least ten days prior to the commencement of a solicitation campaign, in violation of § 57-61(D) of the VSOC law.

PRAYER FOR RELIEF

WHEREFORE, the Plaintiff, Commonwealth of Virginia, prays that this Court:

1. Permanently enjoin Donorworx, in its own name or doing business under any other trade name, and its agents, employees, officers, directors, and any other persons in active concert or participation with any of them, from the following:

- A. Violating any provision of the Virginia Solicitation of Contributions Law, Virginia Code §§ 57-48 through 57-69;
- B. Failing to file solicitation contracts between itself and a charitable organization with the Commissioner;
- C. Failing to file written authorization from two officers of the charitable organization to solicit on its behalf with the Commissioner;
- D. Failing to register with the Commissioner as a professional solicitor prior to soliciting within the Commonwealth; and
- E. Failing to file a Solicitation Notice with the Commissioner at least ten days prior to the commencement of a solicitation campaign.

2. Grant judgment to the Commonwealth for civil penalties pursuant to § 57-59(E) of the VSOC law;

3. Grant judgment to the Commonwealth for its attorneys' fees, expenses, and costs pursuant to § 57-59(E); and

4. Order such other and further relief as the Court deems just and proper.

COMMONWEALTH OF VIRGINIA,
EX REL. MARK R. HERRING,
ATTORNEY GENERAL

By: _____



Mark R. Herring
Attorney General

Cynthia E. Hudson
Chief Deputy Attorney General

Rhodes B. Ritenour
Deputy Attorney General
Civil Litigation Division

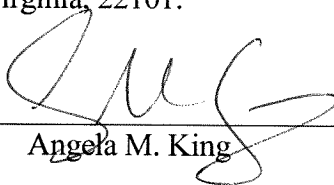
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CERTIFICATE OF SERVICE

I, Angela M. King, certify that on November 17, 2016, a true copy of the foregoing Complaint was mailed via first class mail to Hailey Render at General Counsel, P.C., 6849 Old Dominion Drive, Suite 220, McLean, Virginia, 22101.



Angela M. King