

**STATE OF RHODE ISLAND  
DEPARTMENT OF BUSINESS REGULATION  
SECURITIES DIVISION  
1511 PONTIAC AVENUE  
CRANSTON, RI 02920**

**IN THE MATTER OF:**

**FILOMENA FUND, INC.**

**RESPONDENT**

**DBR No. 2023-CH-001**

**CONSENT AGREEMENT**

The Securities Division of the Department of Business Regulation (the "Department") enters into this Consent Agreement to resolve concerns that the Filomena Fund, Inc. has solicited donations in this State in violation of the Solicitations by Charitable Organizations Act, R.I. Gen. Laws Chapter 5-53.1. The Department has determined to resolve this matter, after investigation but without instituting administrative proceedings, by entering into this Consent Agreement. And it is hereby agreed by and between the Department and the above-named Respondent as follows:

**FACTS**

1. Filomena Fund, Inc. was organized and incorporated in Rhode Island on March 26, 2021, as a Domestic Non-Profit Corporation (ID No. 001721302).
2. Respondent has neither applied for nor received tax exempt status with the Internal Revenue Service.
3. Respondent received donations from various individuals. Respondent has identified that the donations it has received have come in from people from around the world.
4. Respondent has represented that donations were used to assist motorists that appeared in the Providence Municipal Court that were experiencing difficulties with traffic violations and other basic life necessities. Respondent did not seek a federal tax-exempt status.

5. Respondent primarily donated funds it received to other organizations with charitable missions, such as hospitals, schools, churches, and local or international charities.
6. Respondent created a website to receive donations electronically from credit cards, PayPal, and other medium in or about June 2021.
7. During and before the end of fiscal year 2021, the Respondent did actually receive, and thereby held in its control, more than \$25,000 in donations.
8. Thirty days after the Respondent's collected donations exceeded \$25,000, Respondent was required by R.I. Gen. Laws § 5-53.1-2 to become a registered charitable organization with the Department. That threshold was exceeded at some point in September or October 2021, thus Respondent should have registered in October or November 2021.
9. Respondent did not file the appropriate application to become registered with the R.I. Department of Business Regulation until March 2023.
10. In January 2023, Respondent changed its plans with respect to the Providence Municipal Court. Respondent has been in talks with the Rhode Island Foundation ("R.I. Foundation") to transfer its remaining funds into a donor advised fund with the R.I. Foundation.
11. During its time of operation, Respondent has not spent money on fundraising, but it has spent a small amount (less than 10%) of its revenue on administrative costs.
12. After the Department began its investigation and brought the above issues to the attention of Respondent, Respondent has applied for and received a registration with the Department as a Charitable Organization. And Respondent has fully cooperated with the Department's investigation in this matter.
13. Respondent agrees that it should have registered as a charitable organization in or about October 2021, pursuant to R.I. Gen. Laws §5-53.1-2.

#### **RELEVANT LAW**

14. R.I. Gen. Laws § 5-53.1-2 provides, "[e]very charitable organization, except as otherwise provided in § 5-53.1-3, that acts, operates, transacts business in this state, or intends to solicit contributions from persons in this state by any means whatsoever, shall, prior to any solicitation, file with the director upon forms provided by the department."
15. R.I. Gen. Laws § 5-53.1-3(a)(3) states:

The following persons shall not be required to file a registration statement with the department:

...

(3) Any charitable organization that does not intend to solicit and receive and does not actually raise or receive contributions in excess of twenty-five thousand dollars (\$25,000) during a fiscal year of a charitable organization, provided none of its fundraising functions are carried on by professional fundraisers and no part of its assets or income inures to the benefit of or is paid to any officer, director, member (if a limited-liability company), trustee, partner, or member of the charitable organization . . . If, during the fiscal year of any charitable organization, the gross contributions received by the charitable organization during that fiscal year exceed twenty-five thousand dollars (\$25,000), it shall, within thirty (30) days after the date it shall have received total contributions in excess of twenty-five thousand dollars (\$25,000), register with the director as required by § 5-53.1-2.

**TERMS AND CONDITIONS**

In consideration of the foregoing, the parties to this Consent Agreement hereby agree to fully resolve this matter based upon the following terms and conditions:

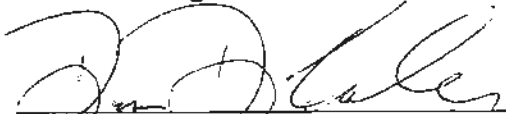
1. Within thirty (30) calendar days of the effective date of this Consent Agreement, Respondent shall make the following payments to the Department:
  - a. \$180, representing total back registration fees for 2021 and 2022,
  - b. \$320, representing late fees at \$20 per month for each month the Respondent should have been a registered charitable organization (November 2021 through February 2023).
2. Within one hundred and eighty (180) calendar days of the effective date of this Consent Agreement, Respondent shall provide documentation to the Department showing that any and all monies donated to Respondent, and still held under its control on and after the effective date of this Consent Agreement, have been transferred to the R.I. Foundation.
3. Upon Respondent's transfer of donated funds to the R.I. Foundation pursuant to the above, Respondent has agreed to stop soliciting for donations and will file for dissolution pursuant to Rhode Island law.
4. The R.I. Foundation, a separately registered charitable organization, may continue soliciting donations under the name of the Filomena Fund and through a website such as [www.filomenafund.org](http://www.filomenafund.org), in compliance with R.I. Gen. Laws Chapter 5-53.1.

5. Individuals associated with Respondent are not restricted with volunteering to assist the ongoing efforts of the R.I. Foundation in the name of the Filomena Fund, as laid out in R.I. Gen. Laws Chapter 5-53.1.
6. *Waiver of Hearing and Appeal.* By agreeing to enter into this Consent Agreement, Respondent knowingly and voluntarily waives any right to an administrative hearing in this matter and waives any right to any further appeals to the Superior Court under R.I. Gen. Laws 5-53.1 and the Rhode Island Administrative Procedures Act, R.I. Gen. Laws Chapter 42-35.
7. *Compliance.* Compliance with the terms and conditions of this Consent Agreement does not relieve the Respondent of any obligation to comply with other applicable laws or regulations administered by or through the Department or any other governmental agency.
8. *Enforcement.* If the Respondent fails to comply with any term or condition of this Consent Agreement within any applicable time period set forth herein, the Respondent will be in violation hereunder and the Department shall be entitled to immediately take enforcement or other action in accordance with applicable law.

The Department and Respondent hereby consent and agree to the foregoing on this

23 day of May, 2023.

Rhode Island Department of  
Business Regulation



Name: Donald DeFedele  
Title: Associate Director

Filomena Fund, Inc.  
Respondent



Name: Joseph Caprio  
Its duly authorized: PRESIDENT