STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DEPARTMENT OF BUSINESS REGULATION
DIVISION OF SECURITIES
1511 PONTIAC AVENUE
JOHN O. PASTORE COMPLEX - BUILDING 69-1
CRANSTON, RI 02920

IN THE MATTER OF

WATERSHED GROUP, LLC

CONSENT AGREEMENT

I.

The Securities Division (the "Division") of the Rhode Island Department of Business Regulation (the "Department") enters into this Consent Agreement (the "Agreement") to resolve concerns that Sections 5-53.1-7(6), 5-53.1-7(9) and 5-53.1-8(a) of the Solicitation by Charitable Organizations Act, Chapter 5-53.1 et seq. of the Rhode Island General Laws (the "Act"), may have been violated by Watershed Group, LLC. ("WG"). The Division has determined to resolve this matter, after investigation but without instituting administrative proceedings, by entering into this Agreement.

II.

It is hereby agreed by and between the Division and WG that:

1. Respondent WG is a fundraising counsel with a principal place of business at 100 Bush Street, Suite 850, San Francisco, CA 94104.

2. At all times relative to this Agreement it has been unlawful for a fundraising counsel to conduct business in this State unless properly registered and in compliance with the provisions of §5-53.1-8 of the Act.

3. Based on information and belief, it is the position of the Department that during the period from June 30 2009, through the present:

   a.) Respondent WG transacted business as a fundraising counsel without benefit of registration in violation of §5-53.1-8(a) and §5-53.1-7 (9).
b.) Respondent WG failed to file its renewal documentation with the Department, as required, thirty days prior to the expiration of its registration, in violation of §5-53.1-7(6) and §5-53.1-8(a).

III

Based on the foregoing, the Department finds that the following is in the public interest, appropriate for the protection of donors to charitable organizations and consistent with the purposes intended by the provisions of the Solicitation by Charitable Organizations Act.

Accordingly, it is hereby further agreed that:

1. Respondent WG shall immediately undertake to comply fully with the Solicitation by Charitable Organizations Act §5-53.1 et seq;

2. Respondent WG shall upon signing the Agreement pay an administrative penalty in the amount of One Thousand Dollars ($1,000.00) to the Department.

3. Upon the Division’s execution of this Agreement, WG’s registration will become effective and expire on June 30, 2011.

4. WG agrees to maintain its registration with the Division in accordance with §5-53.1-8(a).

5. Additional violations of the Solicitation by Charitable Organizations Act may be grounds for significant and substantial penalties such as revocation or suspension, administrative penalties up to one thousand dollars ($1,000.00) per violation and the imposition of criminal and civil sanctions.

Dated as of the 10th day of December, 2010

Maria L. D'Alessandro,
Deputy Director of Securities,
Commercial Licensing & Racing and Athletics
Watershed Group, LLC.

By: Robert T. Teasdale

Its Chief Financial Officer

On this ___ day of November, 2010 appeared before me Robert T. Teasdale, who executed the foregoing Consent Agreement and who duly acknowledged to me that he was authorized to do so.

NOTARY PUBLIC
My Commission Expires:

GLEN MCCORMACK
Notary Public
COMMONWEALTH OF MASSACHUSETTS
My Commission Expires September 23, 2016