March 13, 2022

Ms. Kim Wilford General Counsel for GoFundMe 855 Jefferson Avenue Redwood City, CA 94063 <u>KWilford@GoFundMe.com</u> Delivered by Email

Re: GoFundMe Terms of Service

Dear Ms. Wilford,

The undersigned state attorneys general write to express our concern regarding the clarity and disclosure of GoFundMe's Terms of Service.

Users engage with the GoFundMe platform with the fundamental expectation that their donation will be directed to its intended beneficiary fundraiser. If GoFundMe acts to subvert that altruistic relationship due to unpermitted activity, it should be under a clearly articulated and disclosed standard. Instead, GoFundMe's Terms of Service state that GoFundMe can suspend or remove a user's account, freeze a donation, or stop payment to a fundraiser for "any activity that GoFundMe may deem, in its sole discretion, to be unacceptable."

The GoFundMe platform serves an important purpose by facilitating charitable giving. However, the parameters under which a user's donation may be blocked, frozen, re-directed to another fundraiser, or refunded without the user's consent are unclear. While platforms like GoFundMe can and should act as conduits connecting donors and fundraisers, platforms like GoFundMe are not and should not be empowered to unilaterally make decisions regarding where donated funds will go or why. If GoFundMe is making opaque and unilateral decisions about which fundraisers are legitimate and which fundraisers to re-route donations to irrespective of initial donor choice, GoFundMe has likely crossed the line from fundraising platform to fundraiser itself. Such a role implicates significantly different regulatory schemes directed at ensuring transparency in charitable giving.

We request that GoFundMe take the following steps in response to this letter:

- 1. Explain in detail how GoFundMe investigates or analyzes fundraisers on its platform, and what criteria GoFundMe uses to determine whether those fundraisers are fundraising for acceptable purposes or not;
- 2. Explain in detail how GoFundMe determines whether to block, freeze, re-direct, or refund donations, and what criteria GoFundMe uses to decide which avenue to take;
- 3. Explain in detail how GoFundMe handles donations when GoFundMe decides to (i) block donations, (ii) freeze donations, (iii) re-direct donations, and/or (iv) re-direct donations;
- 4. Review your policies and Terms of Service to ensure that donors are adequately and conspicuously informed at the time of their donation of the circumstances under which their donation may be blocked, frozen, re-directed or refunded without their

authorization by conspicuously disclosing those circumstances through the user interface on your platform;

- 5. Explain in detail the meaning of the term "unacceptable" in the context of your Terms of Service and describe whether there are additional internal policies defining it; and
- 6. Articulate any steps being taken to address these issues in the form of a responsive letter or a meeting with the undersigned attorneys general.

This letter is not intended to address all possible issues regarding the GoFundMe platform and a response to this letter does not relieve GoFundMe of its obligation to fully respond to any previously issued or forthcoming civil investigative demands or administrative subpoenas.

Sincerely,

Jeff Landry Louisiana Attorney General

Lynn Fitch Mississippi Attorney General

Hector Balderas New Mexico Attorney General

Treg R. Taylor Alaska Attorney General

Mark Brnovich Arizona Attorney General

Ashley Moody Florida Attorney General

Leslie Rutledge Arkansas Attorney General

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Christopher M. Carr Georgia Attorney General

Todd Rokita Indiana Attorney General

Leevin Taitano Camacho Guam Attorney General

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Derek Schmidt Kansas Attorney General

Daniel Cameron Kentucky Attorney General

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Douglas Peterson Nebraska Attorney General

Hana Wessel

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Custor Hank

Austin Knudsen Montana Attorney General

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John M. Formella New Hampshire Attorney General

Edward Manibusan Northern Mariana Islands Attorney General

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Alan Wilson South Carolina Attorney General

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John O'Connor Oklahoma Attorney General

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Jason R. Ravnsborg South Dakota Attorney General

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Jason S. Miyares Virginia Attorney General