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8
9 BEFORE THE ATTORNEY GENERAL

10
11 STATE OF CALIFORNIA

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13 Case No. 2018- CT0256770

14 In the matter of the Order to Cease and Desist
and Notice of Intent to Revoke Registration,

15 **JONATHAN COSSU (AKA JONNY PRESTON),**
16 **INDIVIDUALLY, AND ON BEHALF OF URGENT**
DOGS OF LA,

17 **RESPONDENTS.**

**FIRST AMENDED NOTICE OF INTENT
TO REVOKE REGISTRATION AND
IMPOSITION OF PENALTIES; ORDER
TO CEASE AND DESIST; NOTICE OF
ASSESSMENT OF PENALTIES
DIRECTED TO URGENT DOGS OF LA
AND ITS BOARD OF DIRECTORS**

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22 JONATHAN COSSU (aka Jonny Preston), individually, and on behalf of URGENT DOGS
23 OF LA is ordered to immediately CEASE AND DESIST from all California operations, including
24 all solicitations for charitable purposes by any means, pursuant to Government Code section
25 12591.1, subdivision (b). This order applies to JONATHAN COSSU (aka Jonny Preston),
26 URGENT DOGS OF LA, its officers, directors, employees, and all persons or entities acting on
27 its behalf.
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1 Based on the violations set forth below, the registration of URGENT DOGS OF LA
2 (UDLA) will be revoked and penalties will be imposed unless the enclosed written appeal is
3 received within 30 calendar days of the date of this notice. If a written appeal is not received,
4 registration for UDLA will be revoked, the penalties will become final, and UDLA will not be
5 permitted to conduct business in the State of California.

6 Government Code section 12598, subdivision (e)(1), provides that the Attorney General
7 may revoke or suspend the registration of a charitable corporation for violations of the
8 Supervision of Trustees and Fundraisers for Charitable Purposes Act (“the Supervision Act”)
9 (Government Code section 12580 et. seq.).

10 Government Code section 12591.1, subdivision (c), provides that the Attorney General may
11 impose a penalty not to exceed \$1,000 for each act or omission that constitutes a violation of the
12 Supervision Act.

13 **FACTS AND VIOLATIONS IN SUPPORT OF REGISTRATION REVOCATION**
14 **AND CEASE AND DESIST ORDER**

15 The revocation of UDLA’s registration and imposition of penalties are based on the
16 following facts and violations:

17 1. UDLA is a California Nonprofit Public Benefit Corporation that holds all of its assets
18 subject to a charitable trust. Jonathan Cossu (aka Jonny Preston, hereinafter “COSSU”) founded
19 UDLA, and is a director and officer of UDLA. COSSU regularly posts solicitations on behalf of
20 UDLA on social media, including Facebook, Instagram, and crowd-sourcing websites, including
21 but not limited to youcaring.com and gofundme.com. COSSU’s status as a director, as well as his
22 solicitation activities, create a fiduciary relationship between himself and UDLA. (Corp. Code, §
23 5231, Bus. & Prof. Code, § 17510.3.) According to its bylaws, UDLA’s stated purpose is to
24 rescue and provide medical assistance to abandoned and sheltered dogs. Article 4 of UDLA’s
25 articles of incorporation reiterate the specific purpose of the organization is to “rescue animals”
26 and further state that “[t]his corporation is organized and operated exclusively for the purposes set
27 forth in Article 4 hereof within the meaning of Internal Revenue Code section 501(c)(3).” When a
28 corporation is organized solely for charitable purposes, its assets are deemed to be impressed with

1 a charitable trust. (*Pacific Home v. Los Angeles* (1953) 41 Cal.2d 844, 852.) As such, all
2 donations received through COSSU on behalf of UDLA are held pursuant to a charitable trust and
3 impose a duty on COSSU and UDLA to use such contributions for the declared charitable
4 purposes for which they were sought. (*Ibid.*, Bus. & Prof. Code, § 17510.8.)

5 2. All corporate powers of a nonprofit organization are required to be exercised under
6 the direction of a board of directors; those directors must conduct the affairs and activities of the
7 organization. (Corp. Code, § 5210, 5231; Gov. Code, § 12582.) The board's duties are not
8 fulfilled merely by applying assets to the public interest; rather, board members have a fiduciary
9 duty to use the charitable assets of the corporation for the *specific* purpose for which they were
10 received. (*Holt v. College of Osteopathic Physicians and Surgeons* (1964) 61 Cal.2d 750, 755.)
11 Moreover, donations solicited or given for specific purposes are to be segregated from general
12 funds, and held as restricted funds. (Corp Code, §6320; *People v. Orange County Charitable*
13 *Services* (1999) 73 Cal.App.4th 1054, 1066.) COSSU has routinely solicited donations on behalf
14 of specific dogs; *inter alia*, Maverick, Precious, and Chance. For instance:

- 15 • On May 21 and 22, 2018, COSSU requested donations on Facebook on behalf of Precious.
16 The posts received an aggregate of 60 reactions and comments, including several
17 comments about specific donations. UDLA's general ledger did not include a line item
18 for donations or expenses related to Precious.
- 19 • On December 30, 2017 and May 22, 2018, COSSU requested donations on Facebook for
20 Maverick, which received 164 reactions and comments. No line item was found on
21 UDLA's general ledger for donations for Maverick.
- 22 • On May 20, 2018, COSSU posted two requests for donations on Facebook for a 3-month
23 old puppy found in a plastic bag in Nepal. The posts received 123 reactions and
24 comments, including pledges from donors. UDLA's general ledger did not include a line
25 item for donations or expenses related to the 3-month old puppy.
- 26 • On May 20, 2018, COSSU posted about a gofundme page that he established to help Nina.
27 The post received 74 reactions and comments. UDLA's general ledger did not include a
28 line item for donations or expenses related to Nina.

- 1 • On May 16, 2018, COSSU posted a request for donations for an emaciated dog featured in
2 a video clip. The post received 216 reactions and comments, including specific pledges of
3 money. UDLA's general ledger did not include a line item for donations or expenses
4 related to the solicitation.
- 5 • On May 13, 2018, COSSU posted a request for Nava. The post received 129 reactions and
6 comments. UDLA's general ledger did not include a line item for donations or expenses
7 related to Nava.
- 8 • On February 3, 7 and 28, 2018, COSSU posted requests for donations for Chance; the posts
9 received an aggregate 236 reactions and comments, including comments about specific
10 donations. UDLA's general ledger did not include a line item for donations or expenses
11 related to Chance.
- 12 • On February 7, 2018, COSSU posted a solicitation and link to a youcaring.com page to
13 raise funds for an Indonesian "Rescue Mode Project" intended to save dogs in the meat
14 trade. The post received 15 reactions and comments. UDLA's general ledger did not
15 include a line item for donations or expenses related to dogs in the meat trade.
- 16 • On February 17 and 18, 2018, COSSU posted a solicitation for donations for cancer
17 treatments for Tosca; the post received 221 reactions and comments. UDLA's general
18 ledger did not include a line item for donations or expenses for Tosca.

19 This sampling of COSSU's solicitations for specific dogs received an aggregate 1,238 reactions on
20 social media. Based on the financial records provided by COSSU and UDLA, it appears that
21 COSSU and UDLA failed to segregate any funds from the general donations for specific dogs,
22 including the dogs listed above. Because of UDLA's failure to keep accurate record of restricted
23 funds, it is impossible to know how much money was donated for the care of individual dogs, or to
24 ensure that the donations were used for the specific dog for which they were solicited, as the funds
25 were never segregated, in violation of Business and Professions Code section 17510.8,
26 Corporations Code section 6320, and the common law. Moreover, it is impossible for UDLA to
27 show that donations received for a particular purpose were used for that purpose.

28 3. Charitable organizations are also required to file with the Registry written reports,

1 under oath, disclosing information about the charitable assets held by the corporation or trustee,
2 including an Annual Registration Renewal Report (Form RRF-1), and IRS Form 990. (Gov. Code,
3 § 12586, subd. (a); Cal. Code Regs., tit. 11, §§ 301 and 314.) Both UDLA's 2017 IRS Form 990
4 and 2017 Form RRF-1 that were filed with the Registry reported \$15,394 in revenue. However,
5 the revenue UDLA reported under oath on its tax return was inconsistent with UDLA's internal
6 2017 profit and loss statement that recorded \$22,594.13 in revenue, and COSSU's personal bank
7 records that show between September 2017 and December 2017 COSSU accepted \$30,950.97 in
8 donations into his personal bank account on behalf of UDLA through Facebook, Venmo, WePay
9 and PayPal. On March 26, 2019, the Attorney General's Office again requested documents that
10 should have been produced pursuant to the May 2018 cease and desist order. The letter made clear
11 that neither the revenue or expenses claimed on the 2017 IRS Form 990 matched the banks
12 statements, general ledgers, and receipts provided, and requested documents to support the
13 claimed expenses and revenue. However, despite UDLA's obligation to provide documents in
14 response to requests from the Attorney General's Office, no such documentation was ever
15 provided by UDLA, in violation of Government Code section 12591.1, subd. (b)(1).) By
16 commingling and grossly misreporting UDLA's charitable assets, COSSU and UDLA failed to
17 maintain adequate books and records, made material false statements in reports required to be filed
18 with the Registry, and COSSU breached his fiduciary duties to UDLA. (Corp. Code, §§ 5231,
19 6320; Gov. Code, §§ 12591.1, subd. (b)(2), 12599.6, subd. (f)(2).) Further, by commingling
20 charitable donations into his personal bank account, COSSU became an involuntary trustee of the
21 funds deposited. (Civ. Code, § 2224.)

22 4. UDLA applied for 501(c)(3) tax-exempt status through the Internal Revenue Service
23 on or about December 29, 2017, but did not receive tax exempt status until August 17, 2018.
24 Business and Professions Code sections 17501.3 and 17510.4 require that non-tax-exempt
25 organizations disclose in their solicitations that contributions are *not tax deductible.*” However,
26 rather than make the required disclosures, COSSU on behalf of UDLA continuously claimed that
27 donations to the organization were tax-deductible for months prior to receiving a determination
28 letter from the Internal Revenue Service. For instance:

- 1 • On December 22, 2017, COSSU announced on Facebook: “It brings us so much joy, and
2 many people ask if our donations are Tax Deductible. Well we are proud to announce
3 every donation we receive now is completely TAX DEDUCTIBLE.” At the time of the
4 posting, UDLA had not submitted their request for tax-exemption to the Internal Revenue
5 Service.
- 6 • Similar claims were made at least 15 additional times on social media from December 2017
7 through March 2018, and UDLA’s website also claimed that donations to the organization
8 were tax deductible. There were 1,867 aggregate reactions to the postings claiming that
9 donations were tax deductible.

10 Moreover, to date, UDLA does not have tax-exempt status through the Franchise Tax Board.
11 COSSU signed UDLA’s Initial Registration (Form CT-1), under penalty of perjury, claiming that
12 UDLA received tax-exemption in December 2017, when UDLA did not even request tax-exempt
13 status until that time. These practices created a likelihood of confusion or misunderstanding and
14 misrepresent a status (tax-deductibility) that UDLA did not have, in violation of Government
15 Code section 12599.6, subdivisions (f)(2), and further violate Business and Professions Code
16 sections 17510.3 and 17510.4.

17 5. The Government Code prohibits using any unfair or deceptive acts or practices or
18 engaging in any fraudulent conduct that creates a likelihood of confusion or misunderstanding.
19 (Gov. Code, §§ 12599.6, subd. (f)(2).) Charitable organizations are further prohibited from
20 misleading anyone to believe that any other person sponsors or approves a charitable solicitation
21 when that person has not given written consent, and using the fact of registration with the Registry
22 to lead any person to believe that the registration in any manner constitutes an endorsement or
23 approval by the Attorney General. (Gov. Code § 12599.6, subd. (f)(5) and (7).) A review of
24 UDLA’s Facebook and Instagram posts includes a video of COSSU in front of the Attorney
25 General’s Office in Sacramento. In the video, COSSU appears to be holding UDLA’s registration
26 forms, and states: “*Not only are we now fully trusted as a charitable trust by the Attorney General
27 here in Sacramento. So now you know all your donations are approved by the Attorney General.
28 And, I showed them all of our bank statements so you guys can know that every dollar that you*

1 give us here at Urgent Dogs of LA is trusted by the Attorney General. He saw it for himself.” In
2 another Instagram post, UDLA announces their website will be coming soon and includes
3 “donations trusted by” along with the logo for the California Office of the Attorney General. A
4 third post announces a 255 mile walk to San Jose to benefit UDLA, and again includes the logo of
5 the California Office of the Attorney General. In yet another post related to the 255 mile walk,
6 COSSU includes the logo of the Attorney General and claims that UDLA is a “certified charitable
7 org.” Yet another post claims “Now you can be rest assured that all of your generous #donations
8 to our #rescuedogs are now officially #trusted and approved by the #attorneygeneral...” These
9 social media posts received 1123 likes, views, and comments. These statements are not only
10 misleading, unfair, and deceptive, they are tantamount to a personal endorsement from the
11 California Attorney General, and are strictly prohibited. (Gov. Code § 12599.6, subd. (f)(2), (5),
12 (7).)

13 6. Because charitable organizations are required to exercise control over fundraising
14 activities, charitable organizations are prohibited from fundraising for other charities without first
15 obtaining written authorization. (Gov. Code, § 12599.6, subds. (b), (d).) However, COSSU and
16 UDLA solicited funds to support adoption fees for a nonprofit organization, Pets Without Parents,
17 by setting up a youcaring.com page without prior authorization. In fact, COSSU acknowledges in
18 a video he posted to Facebook that he did not have authorization to raise funds on behalf of Pets
19 Without Parents when he noted that the shelter was “refusing help.” The youcaring.com webpage
20 set up by COSSU shows that the page received 160 shares and raised \$1,135 on behalf of Pets
21 Without Parents. A link to the youcaring.com webpage was also posted to Facebook by COSSU
22 “to support Sponsor Adoption Fees for Pet Without Parents.” The Facebook post received an
23 additional 30 reactions and comments. Neither COSSU nor UDLA had a contract or agreement
24 with Pets Without Parents to raise funds on their behalf, in violation of Government Code section
25 12599.6, subdivision (d). And rather than provide support for adoption fees - the restricted
26 purpose for which the donations were solicited - UDLA used \$230.32 of the funds to purchase dog
27 food. There is no evidence that the remaining funds were used to support Pets Without Parents, in
28 violation of California law. (Corp. Code, § 12582, Bus. & Prof. Code, § 17510.5; Gov. Code,

1 12599.6, subd. (f)(3); *People v. Orange County Charitable Services* (1999) 73 Cal.App.4th 1054,
2 1066; *Holt v. College of Osteopathic Physicians and Surgeons* (1964) 61 Cal.2d 750, 755.)

3 7. UDLA is subject to examination by the Attorney General, on behalf of the state, to
4 ascertain the condition of its affairs. (Corp. Code, § 5250.) The failure, after notice from the
5 Attorney General, to produce records of the organization is grounds for the issuance of a cease
6 and desist order. (Cal. Code Regs., tit. 11, § 314, subd. (a)(1).) On May 29, 2018, the Attorney
7 General issued a cease and desist order to UDLA that included a request for an accounting of
8 assets, general ledgers, statements from all financial accounts, board minutes, and a schedule of
9 all payments made to officers, directors, or employees. On August 21, 2018, UDLA provided
10 partial bank statements, receipts, and general ledgers. However, UDLA provided board minutes
11 for only one meeting held in January 2018. On March 26, 2019, the Attorney General's Office
12 requested additional documents that should have been produced pursuant to the May 2018 cease
13 and desist order, including documentation of donations through WePay, Facebook, BluePay,
14 PayPal, and Venmo. However, UDLA failed to provide any additional documents thereafter. As
15 such, there is no evidence that UDLA held any board meetings for fiscal years 2016 and 2017,
16 nor is there any evidence that the board ever conducted even a cursory review of UDLA's bank
17 and financial statements. The lack of board oversight and records not only violates Corporations
18 Code section 5210, but also violates the requirements that UDLA maintain adequate books and
19 records pursuant to Corporations Code section 6320, subd. (a)(2).

20 8. UDLA was required to register with the Attorney General's Registry of Charitable
21 Trusts (hereafter "Registry") within 30 days after initially receiving property as mandated under
22 Government Code sections 12585 and 12599.6, subdivision (f)(1). According to both a late-filed
23 Initial Registration Form (Form CT-1), and an Annual Registration Renewal Fee Report (Form
24 RRF-1) signed by COSSU for fiscal year 2016, UDLA, through COSSU, began operating,
25 soliciting and collecting property for charitable purposes in or around December 2016, but failed
26 to submit the registration form (CT-1) until January 2018 – over one year after UDLA began
27 operating. The Registry issued a cease and desist order to UDLA on March 26, 2018 for failing to
28 register in violation of Government Code section 12585, as the initial registration form had not yet

1 been processed. UDLA subsequently re-submitted their registration materials, their registration
2 was finalized and the March 2018 cease and desist order was lifted on April 3, 2018. UDLA was
3 issued registration number CT0256770 by the Registry. Subsequent investigation has revealed
4 additional violations, including that UDLA's initial registration filings contain materially false
5 statements, as further described below.

6 9. In late December 2017, COSSU set up a bank account for UDLA, but despite the
7 ability to deposit charitable donations directly into UDLA's account, COSSU continued to accept
8 \$14,971.25 in Facebook, Venmo and PayPal donations into his personal account from January
9 through April 2018. However, only \$11,696.25 of the 2018 donations received into COSSU's
10 personal account were recorded on UDLA's internal books and records. By commingling
11 UDLA's charitable assets, UDLA failed to maintain accurate, and therefore adequate, books and
12 records, and COSSU breached his fiduciary duties to UDLA. (Corp. Code, §§ 5231, 6320.)

13 10. UDLA failed to file a completed and signed IRS Form 990 within the time required
14 by law for the fiscal years ending 2016 and 2017 in violation of Government Code sections
15 12586, subdivision (a), 12591.1, subdivision (b)(3), and California Code of Regulations, title 11,
16 sections 301 through 306 and 311.

17 11. UDLA failed to file a completed and signed Form RRF-1 within the time required by
18 law for the fiscal years ending 2016 and 2017 in violation of Government Code sections 12586,
19 subdivision (a), 12591.1, subdivision (b)(3), and California Code of Regulations, title 11, sections
20 301 through 306 and 311.

21 12. The Attorney General issued a cease and desist order on May 30, 2018. The cease
22 and desist order includes a demand for documents under the "Order of Revocation," beginning in
23 subsection C below. Said documents were to be provided to the Attorney General within 30 days
24 of the cease and desist order. UDLA and COSSU failed to provide the requested bank statements
25 after written request by the Attorney General until August 21, 2018, in violation of Government
26 Code section 12591.1, subdivision (b)(1). At that time, only a portion of the requested documents
27 were provided by UDLA. Nonetheless, COSSU posted a video to his donors and supporters on
28 Facebook on August 9, 2018 – before any documents were provided to the Attorney General's

1 Office. COSSU said specifically: “Let’s pray for a decision. It’s either going to come this week
2 or next.” In that video he further claimed that “the Attorney General is going to set up a meeting
3 for us, an informal meeting, to go through all of the evidence. She’s already going through the
4 evidence, but she’s going to make her decision either this week or next week. So far things look
5 very positive. We submitted a lot of really good stuff; a lot of integrity, a lot of honesty. And,
6 the reason why it’s taking so long is we had a meeting set up and I think we provided so much
7 honesty it kind of shocked the Attorney General that these were false that they’re taking more
8 time to really go through it.” In fact, at the time that COSSU posted the video, no meeting had
9 been scheduled, nor had the Attorney General received a single document. In truth, neither
10 UDLA or COSSU provided any documents to the Attorney General in response to the cease and
11 desist order until August 21, 2018; nearly three months after the issuance of the cease and desist
12 order. And at that time, COSSU and UDLA had only provided a small portion of the documents
13 requested by the Attorney General. Despite additional requests, no additional documents were
14 ever provided by UDLA. Thus, these representations to donors about the Attorney General’s
15 process and impressions are wildly inaccurate, wholly without support or merit, and constitute
16 fraudulent conduct. Moreover, COSSU violated the terms of the cease and desist order by
17 operating in violation of the orders of the Attorney General while the registration of UDLA was
18 suspended. (Gov. Code 12599.6, subd. (f)(1).)

19 13. UDLA and COSSU were ordered to provide statements from PayPal, BluePay, and
20 other financial accounts within 30 days of the issuance of the cease and desist order. To date, no
21 such documents were provided despite evidence of deposits from PayPal, BluePay, and WePay
22 accounts, in violation of Government Code section 12591.1. The failure to provide documents
23 after written request by the Attorney General is sanctionable conduct pursuant to Government
24 Code section 11455.10, subdivision (a).

25 14. The cease and desist order issued May 30, 2018 required that no later than June 9,
26 2018, that UDLA provide a copy of the cease and desist order to its officers, directors, and
27 employees, as well as every governmental entity with which UDLA is required to register or report
28 to conduct charitable solicitations. Thereafter, UDLA was required to provide written

1 confirmation that UDLA had served the order, as required. No such written confirmation has been
2 received, in violation of Government Code section 12591.1, and is sanctionable conduct pursuant
3 to Government Code section 11455.10, subdivision (a).

4 15. The May 30, 2018 cease and desist order prohibited COSSU from soliciting for
5 charitable purposes by any means. However, on November 26, 2018, COSSU posted a video to
6 his Instagram page describing a fundraiser scheduled for December 25, 2018; this post received
7 411 likes. In the video, COSSU said he was holding a contest to determine which 501(c)(3)
8 charitable organization would receive donations that he raises on Christmas 2018. On November
9 27, 2018, COSSU posted to Instagram that he had selected Brats Rescue, Inc. in Queens, New
10 York, as the charitable recipient of his fundraiser; this post received 365 likes for an aggregate 776
11 comments. These actions are prohibited by the cease and desist order and are sanctionable
12 conduct. (Gov. Code, §§ 12599.6, subd. (f)(1); 12591.1, 11455.10, subdivision (a).)

13 16. The cease and desist order issued May 30, 2018 required COSSU and UDLA to
14 immediately cease operations. On June 26, 2018, UDLA filed an appeal of the cease and desist
15 order; however, the cease and desist order makes clear that “an appeal does not stay the effect of
16 this order.” Since the issuance of the cease and desist order in May 2018, COSSU and UDLA
17 have remained in operation, with numerous postings to social media daily using the hashtag
18 #urgentdogsofla. COSSU and UDLA have shown no regard for the legal process and have
19 regularly and continuously violated the May 30, 2018 cease and desist order in violation of
20 Government Code section 12599.6, subdivision(f)(1). These actions are sanctionable pursuant to
21 Government Code section 11455.10, subdivision (a).

22 17. COSSU, as a director of UDLA, made false or misleading statements in
23 connection with a charitable solicitation, made false or misleading statements in documents
24 required to be filed with a government agency, failed to comply with the Standards of Conduct for
25 nonprofit corporations, and failed to produce records in response to a written request from the
26 Attorney General, in violation of California Code of Regulation, title 11, section 999.9,
27 subdivisions (b), (c)(d), and (f) by allowing the conduct stated in paragraphs 1 through 18, and
28 failed to comply with Corporations Code section 5231, subdivision (a), in that he failed to perform

1 the duties of a director in good faith, in a manner that the director believed to be in the best
2 interests of the corporation and with such care, including reasonable inquiry, as an ordinarily
3 prudent person in a like position would use under similar circumstances.

4 18. UDLA operated in violation of the requirements of the Supervision Act and related
5 regulations, for the reasons stated in paragraphs 1 through 17, in violation of Government Code
6 section 12599.6, subdivision (f)(1).

7 **ORDER OF REVOCATION**

8 A. Registration number CT0256770 issued to UDLA is revoked.

9 B. UDLA may not distribute or expend any charitable asset without the written approval
10 of the Attorney General. Members of the board of directors, and any person directly involved in a
11 violation of this provision may be held personally liable for any charitable asset distributed or
12 expended in violation of this order.

13 C. Within 30 days, UDLA shall provide a list of all assets within its possession, custody
14 or control.

15 D. Within 30 days, UDLA shall provide an accounting of all assets received, held,
16 disbursed or that belong to the organization from June 1, 2016 through the date of the response.

17 The accounting shall include the following information:

- 18 i. Accountings for fiscal year 2016 through the date of this order;
19 ii. Statements from all financial accounts (including checking, savings,
20 investment, credit card, PayPal, and BluePay) from June 1, 2016, through the date of
21 the response.
22 iii. All minutes of any proceeding of the board of directors, members or
23 committees;
24 iv. A schedule of all payments made to any officers, directors or employees of
25 UDLA and anyone related to any officer, director or employee. This schedule shall
26 include the check number, date, amount and a complete description of the purpose of
27 the disbursement, along with all supporting documentation.
28 v. A schedule of all payments made to any business or other entity in which the

1 officers, directors or employees of UDLA and anyone related to any officer, director
2 or employee of UDLA, has or had a financial interest. This schedule is to include the
3 check number, date, amount and a complete description of the purpose of the
4 disbursement, along with all supporting documentation.

5 vi. All correspondence, contracts, agreements, leases, and loan documents between
6 UDLA and its officers or directors. This includes any business in which an officer or
7 director and anyone related to the officer or director has or had a financial interest.

8 vii. A copy of the general ledger or check register. If the ledger is maintained
9 electronically, a copy shall be produced in .xls or an equivalent format.

10 viii. Current contact information, including the last known address, phone number
11 and email address for all of UDLA's board members from 2016 to present.

12 ix. The Attorney General shall retain jurisdiction over Urgent Dogs of LA
13 (UDLA), its officers, directors and key employees to ensure compliance with this
14 order and the provisions of the Supervision of Trustees and Fundraisers for Charitable
15 Purposes Act.

16 x. Failure to comply with the terms of this order constitutes disobedience or
17 resistance to a lawful order pursuant to Government Code section 11455.10. The
18 Attorney General may pursue a contempt sanction for violations pursuant to
19 Government Code section 11455.20, in addition to any other remedies available to the
20 Attorney General.

21 **ASSESSMENT OF PENALTIES**

22 19. The Attorney General may assess a penalty up to \$1,000 for each act or omission that
23 constitutes a violation pursuant to Government Code section 12591.1, subdivision (c), and
24 California Code of Regulations, title 11, sections 315 and 999.6, subdivision (a)(3). The
25 assessment of penalties is in addition to all other remedies available to the Attorney General and
26 the Attorney General reserves the right to assert all other remedies. The Attorney General
27 assesses the following penalties:
28

	VIOLATION	AMOUNT
3	a. Failing to keep donations solicited for specific purposes segregated from general funds, in violation Business and Professions Code section 17510.8	\$1,000.00
5	b. Making a material false statement in IRS Form 990 filed for fiscal year 2017, by underreporting its revenue as \$15,421 instead of \$28,723, in violation of Government Code sections 12591.1 (b)(2), and California Code of Regulations, title 11, section 314.	\$1,000.00
7	c. Making a material false statement in Form RRF-1 filed for fiscal year 2017, by underreporting revenue as \$15,421 instead of \$28,723 in violation of Government Code sections 12591.1 (b)(2), and California Code of Regulations, title 11, section 314.	\$1,000.00
9	d. Making a material false statement in Form CT-1 (Initial Registration), by answering "Yes" to the question: "If known, are contributions to the organization tax-deductible?" and answering 12/29/2017 as the date of exemption letter, when in fact, UDLA does not have tax-exempt status, in violation of Government Code sections 12591.1 (b)(2) and 12599.6(g); and California Code of Regulations section 999.9(c).	\$1,000.00
12	e. Misrepresenting in numerous charitable solicitations that UDLA has tax-exemption, when it does not, in violation of Government Code section 12599.6 (f)(2), and Business and Professions Code sections 17510.3 and 17510.4. Each misrepresentation constitutes a separate violation. (Solicitations claiming donations are tax deductible received 1,867 reactions on social media x \$100/per violation.)	\$186,700.00
15	f. Using the fact of registration with the Registry to lead any person to believe that the registration constitutes an endorsement or approval by the Attorney General, in violation of Government Code section 12599.6(f)(5) and (7). Each misrepresentation constitutes a separate violation. (AG logo solicitations received 1,123 reactions on social media x \$100/violation)	\$112,300.00
18	g. Representing that any part of a contribution will be given or donated to any other charitable organization, including Pets Without Parents, unless that organization has consented in writing to the use of its name prior to the solicitation, in violation of Government Code section 12599.6(f)(3) & (11). Each misrepresentation constitutes a separate violation. (160 shares of Youcaring page and 27 Instagram reactions. 187 x \$100/violation)	\$18,700.00
21	h. Failing to register as a charitable organization within 30 days of the initial receipt of property, in violation of Government Code sections 12585(a) and 12591.1(b)(3); and California Code of Regulations, title 11, sections 301 through 306 and 311. (\$100 per month for 12 months)	\$1,200.00
24	i. Failure to provide documents upon request of the Attorney General in the May 2018 cease and desist order, in violation of Government Code section 12591.1, subd. (b)(1); and California Code of Regulations, title 11, section 314, subd. (a)(1) (At least two requests were made x \$1000/per violation)	\$2,000.00
26	j. Making numerous deposits of UDLA's charitable donations into COSSU's personal account in 2017, in violation of Government Code section 12599.6, subdivision (f)(2). (55 separate deposits x \$100/violation)	\$5,500.00

1	k.	Making numerous deposits of UDLA's charitable donations into COSSU's personal account in 2018, in violation of Government Code section 12599.6, subdivision (f)(2). (30 separate deposits x \$100/violation)	\$3,000.00
2			
3	l.	Failing to file a completed and signed IRS Form 990 within the time required by law for the fiscal years ending 12/31/2016, in violation of Government Code sections 12586(a) and 12591.1(b)(3); and California Code of Regulations, title 11, sections 301 through 306 and 311. This is an ongoing violation (30 months as of June 2019 x \$100/month)	\$3,000.00
4			
5			
6	m.	Failing to file a completed and signed IRS Form 990 within the time required by law for the fiscal years ending 12/31/2017, in violation of Government Code sections 12586(a) and 12591.1(b)(3); and California Code of Regulations, title 11, sections 301 through 306 and 311. This is an ongoing violation (18 months as of June 2019 x \$100/month)	\$1,800.00
7			
8	n.	Failing to file a completed and signed Form RRF-1 within the time required by law for fiscal years ending in 12/31/2016, in violation of Government Code sections 12586(a) and 12591.1(b)(3); and California Code of Regulations, title 11, sections 301 through 306 and 311. (16 months x \$100/month)	\$1,600.00
9			
10			
11	o.	Failing to file a completed and signed Form RRF-1 within the time required by law for fiscal years ending in 12/31/2017, in violation of Government Code sections 12586(a) and 12591.1(b)(3); and California Code of Regulations, title 11, sections 301 through 306 and 311. This is an ongoing violation. (18 months as of June 2019 x \$100/month)	\$1,800.00
12			
13	p.	Falsely representing the Attorney General's impressions of documents submitted by UDLA and COSSU in response to the cease and desist order, when no documents had been provided, in violation of Government Code section 12599.6, subdivision (f)(2).	\$1,000.00
14			
15	q.	Fundraising for Brats Rescue, Inc. after issuance of the cease and desist order by the Attorney General in May 2018, in violation of Government Code section 12599.6, subd. (f)(1), 12591.1, 11455.10, subd. (a). (776 comments x \$100/violation)	\$77,600.00
16			
17	r.	Failing to provide written confirmation that UDLA served the order on its officers, directors, and employees, as well as every governmental entity with which UDLA is required to register or report, in violation of Government Code section 11455.10.	\$1,000.00
18			
19			
20		TOTAL PENALTY:	\$421,200.00

CEASE AND DESIST ORDER AGAINST URGENT DOGS OF LA AND ITS CURRENT AND FORMER BOARD MEMBER JONATHAN COSSU (AKA JONNY PRESTON)

1. UDLA shall immediately CEASE AND DESIST from all operations in California, including all solicitations for charitable purposes by any means. This order applies to UDLA, its officers, directors, employees and all persons or entities acting on its behalf, including commercial fundraisers for charitable purposes soliciting on its behalf.

2. Within 10 days from the date of this order, UDLA will provide a copy of this order to:

- 1 a. Every officer, director and employee of UDLA;
- 2 b. Every governmental entity with which UDLA is required to register or report to
- 3 conduct charitable solicitations;
- 4 3. Within 15 days from the date of this order, UDLA shall:
- 5 a. Provide written confirmation that it is in compliance with this order, including proof
- 6 of service of the order as required by Item No. 2.
- 7 b. Provide a copy of every adverse action against it by a governmental entity. This
- 8 includes every notice of action, regardless of the outcome and all documents
- 9 reflecting the resolution of the action.
- 10 “An adverse action by a governmental entity includes, but is not limited to,
- 11 suspension, revocation or denial of registration, civil or criminal judgment,
- 12 assessment of a fine, administrative or civil penalty, entry of assurance of
- 13 voluntary compliance or enforceable settlement agreement or an equivalent
- 14 action regardless of its title.” (Cal. Code Regs., tit. 11, § 999.9.2(b).)
- 15 c. For each of the following individuals, if the individual is or has in the last 5 years
- 16 been an officer, director, employee or independent contractor of an entity other than
- 17 UDLA that holds or solicits charitable assets in California, provide a schedule
- 18 including the name, address, phone number, website, Registry of Charitable Trusts
- 19 Registration number, individual's title, beginning and end dates and description of the
- 20 individual's duties and responsibilities:
- 21 i. JONATHAN COSSU (AKA JONNY PRESTON).
- 22 4. Payment of the \$20,000 penalty is due within 30 days unless a timely written appeal of
- 23 the assessment of penalty is received by the Attorney General. Payment shall be made payable to
- 24 the California Attorney General.
- 25 5. Each person identified in Paragraph 3(c), must provide a copy of this order with any
- 26 application for registration or renewal for any entity that holds or solicits charitable assets in
- 27 California, with which that person is an officer, director, employee or independent contractor.
- 28 6. All responses shall be sent to:
- Alicia Berry, Deputy Attorney General
California Department of Justice
Office of the Attorney General

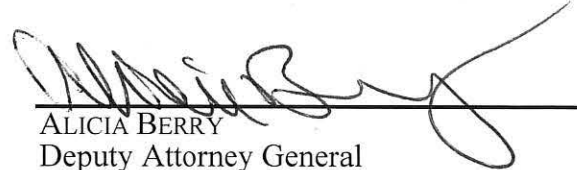
1 300 South Spring Street, Suite 1702
2 Los Angeles, CA 90013
3 (213) 897-7485
4 (213) 897-7605 (fax)
5 Alicia.Berry@doj.ca.gov

6 7. Failure to comply with the terms of this order constitutes disobedience or resistance to a
7 lawful order pursuant to Government Code section 11455.10. The Attorney General may pursue
8 a contempt sanction of violations pursuant to Government Code section 11455.20, in addition to
9 all other remedies available to the Attorney General.

10 **RIGHT TO APPEAL/REQUEST FOR HEARING**

11 You have the opportunity to appeal this order and assessment of penalties by filing a
12 written appeal and request for hearing within 30 calendar days of the date of this notice. Filing an
13 appeal does not stay the effect of this order. The appeal procedures are found in California Code
14 of Regulations, title 11, sections 999.6 through 999.8 and are available on the Attorney General's
15 website at: oag.ca.gov/charities/laws.

16 Dated: July 15, 2019

17 
18 ALICIA BERRY
19 Deputy Attorney General
20 Attorney for Complainant

21 For: DAVID ELLER
22 REGISTRAR OF CHARITABLE TRUSTS
23 OFFICE OF THE ATTORNEY GENERAL
24 COMPLAINANT

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APPEAL AND REQUEST FOR HEARING

_____ (name),
_____ (title/affiliation to registrant) of
_____ (organization),

requests a hearing of the Attorney General's notice of intent to revoke registration pursuant to Government Code section 12591.1 and California Code of Regulations, title 11, section 999.6.

Appellant's address (required):

_____ telephone number (required).

Statement for basis of appeal (required): _____

Check this box if you are attaching additional information or documents.

_____ Date _____ Signature