

LETTER OF UNIFICATION
The Mankind Project USA, Inc. and
Mankind Project Los Angeles MKP Community, Inc

This document is a Letter of Unification entered into by and between Mankind Project Los Angeles MKP Community, Inc., the mailing address of which is _____ (“Los Angeles” or the “Corporation”) and The Mankind Project USA, Inc., the mailing address of which is MKPUSA % Ignitespot Accounting, 1086 E Hwy 193 Suite 203, Layton, UT 84040 (“MKP-USA”), (collectively the “Parties”), on this ____ day of _____, 2014 (the “Effective Date”).

BACKGROUND

- A. **MKP Los Angeles.** The Mankind Project Los Angeles Community, Inc. (“MKP Los Angeles”), an California not-for-profit corporation qualified under §501(c)(3) of the Internal Revenue Code, is a regional center of The Mankind Project USA.
- B. **MKP-USA.** The Mankind Project USA, Inc. (“MKP-USA”), is an Illinois not-for-profit corporation qualified under §501(c)(3) of the Internal Revenue Code.
- C. **The Mission.** MKP Los Angeles and MKP-USA agree that the mission of the Mankind Project USA, including, without limitation, its work nurturing and challenging men in California who are currently being served by MKP Los Angeles would be best served by combining the strengths of MKP Los Angeles and MKP-USA.
- D. **Purpose of this Letter of Unification.** The purpose of this Letter of Unification is to process and procedure through which the Parties can successfully become a single, unified organization.

NOW THEREFORE, in consideration of the mutual covenants and promises made in this Letter of Unification, and the terms and conditions contained in this Letter, the Parties agree as follows:

- 1. **COVENANTS OF AND REPRESENTATIONS OF MKP LOS ANGELES.** The Mankind Project Los Angeles, Inc., covenants, represents and agrees as follows:
 - A. **Authority.** MKP Los Angeles is a non-stock corporation in good standing in the State of California,
 - B. **Assignment of Assets.** MKP Los Angeles shall assign its assets, tangible and intangible, wherever such assets may be located, to MKP-USA.
 - C. **Compliance with the Law and Governing Documents.** Both parties believe that the Internal Revenue Service requires that a §501(c)(3) corporation must upon dissolution distribute its assets to another §501(c)(3) organization or the government. The Parties intend that the transfer of assets described in the preceding Paragraph 1(C) will comply with these directives.
 - D. **Interim Finances.** MKP Los Angeles, through its current Center Representative, will continue to handle all Center/Area finances until the

responsibility for such financial matters is assumed by MKP-USA.

- E. **Transition Compliance.** MKP Los Angeles will comply with all current MKP-USA Policies and Procedures as well as those which may be promulgated from time to time by the MKP-USA Board of Directors until the date of the repurposing of MKP Los Angeles.
 - F. **Financial Records.** MKP Los Angeles will maintain all of its financial records and conduct all of its business in compliance with MKP-USA Financial Guidelines through the date of repurposing.
 - G. **Post Unification Actions.** MKP Los Angeles agrees to encourage the adoption and implementation of a community-based model for the purpose of establishing continuing communities to serve the men who currently are served by MKP Los Angeles following the dissolution of MKP Los Angeles.
2. **COVENANTS AND REPRESENTATIONS OF MKP-USA.** MKP-USA, acting pursuant to the authority granted by its Board of Directors, covenants and agrees to:
- A. **Acceptance of Assets and Liabilities.** Accept the assignment of all assets of MKP Los Angeles, as well as all outstanding liabilities of MKP Los Angeles.
 - B. **Finances.** Accept full responsibility for the remaining financial obligations and affairs of MKP Los Angeles as soon as practicable after the Effective Date, but in no event later than June 30, 2014. Finances shall be handled in a manner transparent to all members of the MKP Los Angeles community.
 - C. **Transfer of Restricted Funds.** All restricted funds will be transferred to MKP USA's segregated account and continue to be restricted for the originally intended purpose.
 - D. **Credit.** Grant to MKP Los Angeles or its successor regional organization a dollar for dollar "Unification Credit" for any and all unrestricted funds assigned to MKP-USA by MKP Los Angeles, which funds shall be deposited in the MKP-USA Operational Account. Unification Credits shall be used for the purposes described in the MKP-USA Policies and Procedures, attached hereto as Appendix A.
 - E. **Refunding Agreement.** Execute the Refunding Agreement, attached hereto as Appendix B, whereby monies assigned to MKP-USA by MKP Los Angeles will be returned to MKP Los Angeles in the event that the State of California and/or the California Attorney General refuses to accept MKP Los Angeles' dissolution or requires that MKP Los Angeles' assets be assigned to a charitable organization other than MKP-USA.
 - F. **Administrative and Treasury Services.** Provide Administrative and Treasury Services consistent with the needs of the MKP Los Angeles Center/Area.
 - G. MKP USA will hold harmless, indemnify and defend MKP Los Angeles and

its members, officers and directors with respect to any claims that may be brought in connection with the unification, dissolution and/or transfer of assets contemplated herein.

3. **Schedule and Timetable.** The Parties agree that all obligations of either Party under this Letter of Unification shall be completed on or before June 30th, 2014. MKP Los Angeles may begin the process of assigning its assets to MKP at any time after the Effective Date of this Letter of Unification. Assets may be transferred in one or more tranches. Each transfer of assets shall be accomplished by execution by both Parties of an Assignment of Assets in substantially the same form as Appendix C, attached hereto and incorporated herein by reference, and delivery of the asset(s) to MKP-USA by MKP Los Angeles.

Mankind Project Los Angeles Community, Inc.

Date _____

By _____

Name:

Title:

The Mankind Project USA, Inc.

Date _____

By _____

Robert G. Powell, Chairman
Board of Directors

Appendix A

**USE OF UNIFICATION CREDITS
The Mankind Project USA, Inc. and
Mankind Project Los Angeles Community, Inc**

This Appendix A sets forth the approved uses of unification credits as referenced in Paragraph 2 Section D. of the Letter of Unification. Unification Credits are budgetary credits and are available for the following uses:

- 1) In the event of a year end shortfall versus budget, unification credits may be used in the budgeting process for the subsequent year to continue the level of spending budgeted in the prior year. It is recommended that in the event of a particularly wide deficit that this not be the only remedy elected.
- 2) In the event of an emergency or unforeseeable one time impact to the Area.
- 3) To make certain one time investments in the Area as agreed between the Area Council and the MKP USA Executive and Finance Directors.

ManKind Project Los Angeles Community, Inc., by

Date _____

Name:

Title:

The ManKind Project USA, Inc., by

Date _____

Robert G. Powell, Chairman

Board of Directors

Appendix B
REFUNDING AGREEMENT
The Mankind Project USA, Inc. and
The Mankind Project Los Angeles Community, Inc.

The Mankind Project Los Angeles Community, Inc. (MKP Los Angeles) does not anticipate having any accounts payable or other liabilities or obligations following dissolution of the Corporation. In the unlikely event that it is determined following the dissolution that there is a creditor with a bona fide claim outstanding, or in the event that any Federal, State, or local governmental agency refuses to accept MKP Los Angeles' dissolution or designates another charity to receive MKP Los Angeles' funds upon dissolution, then, any assets previously assigned and transferred to MKP-USA in accordance with the terms and conditions of the foregoing Letter of Unification, shall be promptly returned to MKP Los Angeles by MKP-USA to the extent required to fulfill such obligation(s).

Mankind Project Los Angeles Community, Inc.

Date _____

By _____
Name:
Title:

Date _____

The Mankind Project USA, Inc.

By _____
Robert G. Powell, Chairman
Board of Directors

Appendix C
ASSIGNMENT OF ASSETS
The Mankind Project USA, Inc. and
The Mankind Project Los Angeles Community, Inc.

BACKGROUND

- A.** The Mankind Project Los Angeles Community, Inc. (“MKP Los Angeles” or the “Corporation”), an California not-for-profit corporation qualified under §501(c)(3) of the Internal Revenue Code, is a regional center of The Mankind Project USA (“MKP-USA”), an Illinois not-for-profit corporation also qualified under §501(c)(3) of the Internal Revenue Code.
- B.** The Articles of Incorporation of MKP Los Angeles as well as the Bylaws of the Corporation require that upon dissolution all assets of the Corporation must be distributed to an organization qualified under §501(c)(3) of the Internal Revenue Code or to a government entity.
- C.** The Board of Directors of MKP Los Angeles has voted to dissolve the Corporation on or before June 30th, 2014 and has directed that the Corporation assign and transfer all assets of the Corporation to the Mankind Project USA, Inc., in accordance with the Letter of Unification between the Parties.

In consideration of the foregoing, the Mankind Project Los Angeles Community, Inc., does hereby grant, assign and transfer all tangible and intangible assets identified in the attached Letter of Unification, as is where is, to The Mankind Project USA, Inc.

Mankind Project Los Angeles Community, Inc.

Date _____

By _____
Name:
Title:

ACCEPTANCE

The Mankind Project USA hereby accepts the assignment of assets identified above from The Mankind Project Los Angeles Community, Inc.

THE MANKIND PROJECT USA, INC.

Date _____

By _____
Robert G. Powell, Chairman,
Board of Directors