Build it for the Brave, Inc.
dba Fisher House Michigan

(a nonprofit Michigan corporation)
Ann Arbor, Michigan

Financial Statements

December 31, 2019 and 2018

Fisher House Michigan

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Independent Auditors' Report

To the Board of Directors
Build it for the Brave, Inc.
dba Fisher House Michigan
Ann Arbor, Michigan

We have audited the accompanying financial statements of Build it for the Brave, Inc. dba Fisher House Michigan (a Michigan nonprofit corporation), which comprise the statements of financial position as of December 31, 2019 and 2018, and the related statements of activities, functional expenses, and cash flows for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

4088 WASHTENAW AVENUE | ANN ARBOR, MI 48108 | P 734.476.3720 | WWW.ALTRUIC.COM

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Build it for the Brave, Inc. dba Fisher House Michigan as of December 31, 2019 and 2018, and the changes in its net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Altruic Advisors, PLLC

Certified Public Accountants

Ann Arbor, Michigan
September 30, 2020

Fisher House Michigan

Statements of Financial Position

December 31		**2019**		2018
ASSETS				
Current Assets				
Cash and cash equivalents	**$**	**1,133,762**	$	342,036
Investments		**107,590**		100,000
Pledges receivable, current		**315,114**		94,338
Total current assets		**1,556,466**		536,374
Other Assets				
Pledges receivable, net of current portion		**111,899**		187,786
Total assets	**$**	**1,668,365**	$	724,160
LIABILITIES AND NET ASSETS				
Current Liabilities				
Accounts payable	**$**	**12,201**	$	9,215
Grants payable		**1,000,000**		-
Total current liabilities		**1,012,201**		9,215
Net Assets				
Without donor restrictions		**229,151**		432,821
With donor restrictions		**427,013**		282,124
Total net assets		**656,164**		714,945
Total liabilities and net assets	**$**	**1,668,365**	$	724,160

The accompanying Notes are an integral part
of these financial statements

Fisher House Michigan

Statement of Activities

Year ended December 31, 2019

Operating Support and Revenue	Without Donor Restrictions	With Donor Restrictions	Total
Operating Support			
Contributions	$ 611,085	$ 1,514,489	$ 2,125,574
In-kind contributions	4,500	-	4,500
Contributions - discount amortization	5,614	-	5,614
Net assets released from restrictions			
Expiration of time restrictions	1,369,600	(1,369,600)	-
Total operating support	1,990,799	144,889	2,135,688
Operating Revenue			
Program revenue	30,196	-	30,196
Total operating support and revenue	2,020,995	144,889	2,165,884
Operating Expenses			
Program services	2,051,912	-	2,051,912
Supporting services			
General and administrative	75,455	-	75,455
Fundraising	101,045	-	101,045
Total supporting services	176,500	-	176,500
Total operating expenses	2,228,412	-	2,228,412
Total operating support in excess (deficit) of operating expenses	(207,417)	144,889	(62,528)
Other Changes			
Interest income	3,747	-	3,747
Change in Net Assets	(203,670)	144,889	(58,781)
Net Assets, Beginning of Period	432,821	282,124	714,945
Net Assets, End of Period	$ 229,151	$ 427,013	$ 656,164

Fisher House Michigan

Statement of Activities

Year ended December 31, 2018

Operating Support	Without Donor Restrictions	With Donor Restrictions	Total
Contributions	$ 716,295	$ 193,000	$ 909,295
In-kind contributions	24,548	-	24,548
Special event, net	85,104	-	85,104
Net assets released from restrictions			
Expiration of time restrictions	127,293	(127,293)	-
Total operating support	953,240	65,707	1,018,947
Operating Expenses			
Program services	976,521	-	976,521
Supporting services			
General and administrative	71,639	-	71,639
Fundraising	63,799	-	63,799
Total supporting services	135,438	-	135,438
Total operating expenses	1,111,959	-	1,111,959
Total operating support in excess (deficit) of operating expenses	(158,719)	65,707	(93,012)
Other Changes			
Interest income	847	-	847
Change in Net Assets	(157,872)	65,707	(92,165)
Net Assets, Beginning of Period	590,693	216,417	807,110
Net Assets, End of Period	$ 432,821	$ 282,124	$ 714,945

The accompanying Notes are an integral part
of these financial statements

Fisher House Michigan

Statement of Functional Expenses

Year ended December 31, 2019

	Program Services	Supporting Services: General and Administrative	Supporting Services: Fundraising	Supporting Services: Total	Total Expenses
Salaries and wages	$ 12,173	$ 48,693	$ 60,867	$ 109,560	$ 121,733
Payroll taxes	1,048	4,189	5,237	9,426	10,474
Total personnel costs	13,221	52,882	66,104	118,986	132,207
Grants awarded	2,000,000	-	-	-	2,000,000
Professional fees	-	14,462	-	14,462	14,462
Supplies	2,074	2,968	7,455	10,423	12,497
Advertising and publicity	5,802	-	6,053	6,053	11,855
Contract labor	9,394	1,000	-	1,000	10,394
Printing	1,983	18	8,127	8,145	10,128
Program expenses - other	10,000	-	-	-	10,000
Travel	1,349	-	7,736	7,736	9,085
Meals	5,876	-	937	937	6,813
Postage	-	50	4,559	4,609	4,609
Insurance	-	3,648	-	3,648	3,648
Rental fees	2,213	-	-	-	2,213
Bank fees	-	427	-	427	427
Miscellaneous	-	-	74	74	74
Total expenses	$ 2,051,912	$ 75,455	$ 101,045	$ 176,500	$ 2,228,412

The accompanying Notes are an integral part
of these financial statements

Fisher House Michigan

Statement of Functional Expenses

Year ended December 31, 2018

	Program Services	Supporting Services: General and Administrative	Supporting Services: Fundraising	Supporting Services: Total	Total Expenses
Salaries and wages	$ 35,130	$ 33,177	$ 27,976	$ 61,153	$ 96,283
Payroll taxes	3,031	2,862	2,413	5,275	8,306
Total personnel costs	38,161	36,039	30,389	66,428	104,589
Grants awarded	900,000	-	-	-	900,000
Professional fees	-	32,671	-	32,671	32,671
Contract labor	20,103	-	2,518	2,518	22,621
Supplies	212	1,816	8,467	10,283	10,495
Rental fees	6,065	-	2,655	2,655	8,720
Printing	2,743	60	5,265	5,325	8,068
Meals	847	-	6,860	6,860	7,707
Postage	59	175	5,535	5,710	5,769
Travel	3,973	323	644	967	4,940
Advertising and publicity	2,227	-	370	370	2,597
Net present value discount	2,131	-	-	-	2,131
Licenses and fees	-	-	1,096	1,096	1,096
Insurance	-	477	-	477	477
Bank fees	-	78	-	78	78
Total expenses	$ 976,521	$ 71,639	$ 63,799	$ 135,438	$ 1,111,959

The accompanying Notes are an integral part
of these financial statements

Fisher House Michigan

Statements of Cash Flows

Increase (Decrease) in Cash and Cash Equivalents

Years ended December 31	2019	2018
Cash Flows From Operating Activities		
Change in net assets	**$ (58,781)**	$ (92,165)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities		
Amortization of net present value discount	**(5,614)**	-
Unrealized gain on investments	**(2,585)**	-
Donated stock	**(5,005)**	-
Pledges receivable	**(139,275)**	(65,707)
Accounts payable	**2,986**	2,143
Accrued liabilities	**-**	(2,083)
Grants payable	**1,000,000**	-
Net cash provided (used) by operating activities	**791,726**	(157,812)
Cash Flows From Investing Activities		
Purchases of investments	**-**	(100,000)
Net cash used by investing activities	**-**	(100,000)
Net Increase (Decrease) in Cash and Cash Equivalents	**791,726**	(257,812)
Cash and Cash Equivalents, Beginning of Period	**342,036**	599,848
Cash and Cash Equivalents, End of Period	**$ 1,133,762**	$ 342,036

The accompanying Notes are an integral part of these financial statements

Note 1 - Nature of Organization and Significant Accounting Policies

Nature of Organization. Build it for the Brave, Inc. ("the Organization"), doing business as Fisher House Michigan is a non-profit organization that incorporated on May 19, 2016 as a nonprofit corporation in the State of Michigan. The Organization's purpose is to provide support to military veterans especially relating to providing housing for family members and caregivers of veterans and veterans themselves while they are receiving medical treatment at a United States Veterans Affairs Medical Facility. The overall goal of the Organization is to construct a comfort home (a "Fisher House") where families can stay while a loved one is receiving treatment. The Organization's main sources of income are from contributions, fundraising activities, and grants.

Basis of Accounting. The financial statements of the Organization have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Use of Estimates. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents. The Organization considers all highly liquid debt instruments with maturities of three months or less to be cash equivalents. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

Investments and New Accounting Pronouncement. The Organization's investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Organization's management determines the valuation policies utilizing information provided by the investment advisors and custodians. During the year ended December 31, 2019, the Organization adopted the requirements of ASU 2016-01, Topic 825-10, *Financial Instruments - Overall: Recognition and Measurement of Financial Assets and Financial Liabilities*. For the Organization, the ASU updates the presentation and disclosure requirements of financial assets and investments in equity securities. *See Fair Value Measurements.*

Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities. Investment income and gains restricted by donors are reported as increases in net assets without donor restrictions if the restrictions are met (either a stipulated time period ends or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

Fair Value Measurements. The Organization reports using fair value measurements, which requires enhanced disclosures about investments that are measured and reported at fair value and establishes a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1	Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Note 1 – Nature of Organization and Significant Accounting Policies (continued)

Fair Value Measurement (continued).

Level 2	Inputs to the valuation methodology include: - Quoted prices for similar assets or liabilities in active markets; - Quoted prices for identical or similar assets or liabilities in inactive markets; - Inputs other than quoted prices that are observable for the asset or liability; - Inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
Level 3	Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurements. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in methodologies used as of December 31, 2019 and 2018.

Corporate Stock Securities. The Organization values corporate stock securities with readily determinable market values at fair value as determined by quoted market prices on national securities exchanges valued at the closing price on the last business day of the fiscal year.

Certificates of Deposit. The Organization values certificates of deposit at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the credit-worthiness of the issuer.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

In general, investments are exposed to various risks, such as interest rate, credit, and overall volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of the investments will occur in the near term and that such changes could materially affect the investment balances and the amounts reported in the statements of financial position.

Pledges Receivable and Allowance for Doubtful Pledges. Contributions are recognized as support in the period received and as assets or decreases of liabilities depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Note 1 – Nature of Organization and Significant Accounting Policies (continued)

Pledges Receivable and Allowance for Doubtful Pledges (continued).

Pledges receivable are stated net of allowances for doubtful pledges. Management provides for probable doubtful pledges through a provision for bad debt expense and an adjustment to the allowance account based on its assessment of the current status of individual pledges. Balances still outstanding after management has used reasonable collection efforts are written off through a reduction to the allowance account and a corresponding reduction to pledges receivable. No allowance for uncollectible accounts has been provided as the Organization expects to collect all outstanding amounts.

Property and Equipment. It is the Organization's policy to capitalize property and equipment at cost while repair and maintenance items are charged to expense. Donations of property and equipment are capitalized at their estimated fair value on the date of the gift. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. The Organization does not currently own any property and equipment.

Basis of Net Asset Presentation. The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net Assets Without Donor Restrictions. Net assets resulting from revenues generated, receiving contributions that have not donor stipulations, providing services, receiving rents, and receiving interest and other income, less expenses incurred in providing program-related services, raising contributions, and performing administrative functions.

Net Assets With Donor Restrictions. Net assets resulting from gifts of cash and other assets that are received with donor stipulations that limit the use of the donated net assets, until the donor restriction expires, that is, until the stipulated time restriction ends or the purpose restriction is accomplished.

Revenue Recognition. Revenue is recorded as services are rendered. Prepaid amounts are recorded as a deferred revenue liability if payments are received before services are rendered. As the services are rendered, revenue is then recorded.

Contributions. Contributions are recognized when donation are received. Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

All contributions are considered available for the Organization's general programs unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor are reported as restricted support and increase net assets with donor restrictions. Contributions received with temporary restrictions that are met in the same reporting period are reported as unrestricted support. Investment income that is limited to specific uses by donor restrictions is reported as unrestricted if the restrictions are met in the same reporting period as the income is recognized.

Note 1 – Nature of Organization and Significant Accounting Policies (continued)

Contributed Services. The Organization records the fair value of contributed services in the financial statements if the services either (a) create or enhance non-financial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Total contributed legal and accounting services of $4,500 and $24,548 were recognized in the financial statements for the years ended December 31, 2019 and 2018, respectively. A substantial number of other individuals have made contributions of their time to assist the Organization in a variety of tasks and services. The value of these services is not recorded in the accompanying financial statements as these services do not meet the criteria for recognition.

Functional Allocation of Expenses. Direct expenses have been allocated to the applicable program for which the expenses were incurred. Indirect expenses have been allocated between program and supporting services based on an analysis of personnel time and space utilized for the related activities.

Income Taxes. The Organization is a nonprofit corporation exempt from income taxes as described in Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made.

Subsequent Events. The Organization evaluates events and transactions occurring subsequent to the date of the financial statements for matters requiring recognition or disclosure in the financial statements. The accompanying financial statements consider events through September 30, 2020, the date at which the financial statements were available for release.

Note 2 - New Accounting Pronouncement

In June 2018, The Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2018-08, Topic 958, *Clarifying the Scope and the Guidance for Contributions Received and Contributions Made*, with the stated purposes of improving the accounting and financial reporting of grants and similar contracts as either reciprocal transactions (exchanges) or nonreciprocal transactions (contributions) and of distinguishing between conditional and unconditional contributions.

During the year ended December 31, 2019, the Organization adopted the requirements of ASU 2018-08, applying the requirements retrospectively to the comparative period presented. Management has evaluated the effects of the new standard and has determined that the standard has had no changes to the financial statements for the year ended December 31, 2018.

Note 3 – Fair Value Measurements

The following table summaries the Organization's fair value of assets measured on a recurring basis, by fair value hierarchy, as of December 31, 2019:

	Level 1	Level 2	Level 3	Total
Investments				
Certificate of deposits	$ -	$ 102,585	$ -	$ 102,585
Corporate stocks	5,005	-	-	5,005
Total assets at fair value	$ 5,005	$ 102,585	$ -	$ 107,590

Note 3 – Fair Value Measurements (Continued)

The following table summaries the Organization's fair value of assets measured on a recurring basis, by fair value hierarchy, as of December 31, 2018:

	Level 1	Level 2	Level 3	Total
Investments				
Certificate of deposits	$ -	$ 100,000	$ -	$ 100,000
Total assets at fair value	$ -	$ 100,000	$ -	$ 100,000

Changes in Fair Value Levels. The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value to another. In such instances, the transfer is reported at the beginning of the reporting period.

The Organization evaluated the significance of transfers between levels based upon the nature of the financial instruments and size of the transfer relative to total net assets available for benefits. For the years ended December 31, 2019 and 2018, there were no significant transfers in or out of fair value levels.

Note 4 - Pledges Receivable

Pledges receivable are expected to be collected as follows at December 31:

	2019	2018
Due within 1 year	**$ 315,114**	$ 94,338
Due in 1-5 years	**116,999**	198,500
Total pledges receivable	**432,113**	292,838
Less unamortized present value discount	**(5,100)**	(10,714)
	$ 427,013	$ 282,124

Note 5 - Net Assets with Donor Restrictions

The balances of net assets with donor restrictions are as follows:

	January 1, 2019 Balance	**Additions**	**Releases**	**December 31, 2019 Balance**
Time restrictions	**$ 282,124**	**$ 1,514,489**	**$ 1,369,600**	**$ 427,013**

	January 1, 2018 Balance	Additions	Releases	December 31, 2018 Balance
Time restrictions	$ 216,417	$ 193,000	$ 127,293	$ 282,124

Note 6 - Partnership with Fisher House Foundation and Subsequent Event

During the years ended December 31, 2019 and 2018, certain donations were collected by the Fisher House Foundation, an unrelated international nonprofit organization that works to coordinate private support for the construction of comfort homes (see Note 1). These donations will be used to support Fisher House Foundation's and Fisher House Michigan's combined $3.5 million campaign goal towards the construction of a comfort home in Ann Arbor, Michigan.

In early 2020, construction of the comfort home in Ann Arbor, Michigan was completed. The Organization's continued partnership with the Fisher House Foundation will focus on a new campaign towards the construction of a comfort home in Detroit, Michigan, as well as continued operations and maintenance support for the comfort home in Ann Arbor.

Note 7 - Special Event and Joint Cost Allocation

The Organization derived net support from one fundraising event, "Stories of Service", during the year ended December 31, 2018:

	2018
Contributions	$ 85,104
Direct costs	(71,040)
Net support	$ 14,064

Joint Cost Allocation. During 2018, the Organization conducted joint activities related to their annual special event. These activities during the event included requests for contributions as well as program components. The costs of conducting these activities included a total of $63,384 of joint costs which were not specifically attributable to a particular component of the activities. In conformity with ASC Subtopic 958-720, these joint costs were allocated as follows during the year ended December 31, 2018:

Program Services:	Public Information and Education	$ 52,745
Supporting Activities:	Fundraising	18,295
	Total	$ 71,040

The Organization did not hold any special events during the year ended December 31, 2019.

Note 8 - Liquidity and Availability of Resources

The Organization receives significant contributions and promises to give that are restricted by donors, and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The Organization manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability; maintaining adequate liquid assets to fund near-term operating needs; and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. The Organization has a liquidity policy to maintain current financial assets less current liabilities at a minimum of six months budgeted operating expenses. To achieve this target, the Organization forecasts its future cash flows and monitors its liquidity quarterly, and monitors its reserves annually. During the years ended December 31, 2019 and 2018, the level of liquidity and reserves was managed within the policy requirements.

The Organization's financial assets available for general expenditures within one year are as follows at December 31:

	2019	2018
Financial assets at year end:		
Cash and cash equivalents	**$ 1,133,762**	$ 342,036
Investments	**107,590**	100,000
Pledges receivable	**427,013**	282,124
	1,668,365	724,160
Less amounts not available to be used within one year:		
Pledges receivable for long-term purposes	**(111,899)**	(187,786)
	(111,899)	(187,786)
Financial assets available for general expenditures within one year	**$ 1,556,466**	$ 536,374

Note 9 - Concentrations

Support Concentration. During the year December 31, 2018, one donor comprised 15% of the Organization's total support.

Receivable Concentration. As of December 31, 2019 and 2018, four donors comprised 55% and 83% of the Organization's net pledges receivable, respectively.

Geographical Concentration. The Organization receives a substantial amount of its support from within the area of Southeast Michigan.

Bank Deposits. At certain times during the years ended December 31, 2019 and 2018, the Organization maintained cash balances in excess of federally insured limits.

Note 10 - Uncertainty Related to Virus Pandemic

In December 2019, an outbreak of a novel strain of coronavirus ("COVID-19") originated in Wuhan, China and has since spread to a number of other countries, including the U.S. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, several states in the U.S., including Michigan, where the Organization is headquartered, have declared a state of emergency.

Potential impacts to the Organization include disruptions or restrictions on the Organization's ability to work which may include restrictions on its ability to provide services, raise funds, and perform necessary administrative tasks. The potential impacts of COVID-19 on the Organization's funders that may affect the funders' ability to continue supporting the Organization's operations are unknown.

COVID-19 may also adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could adversely impact the Organization's operating results. Although management continues to monitor and assess the effects of the COVID-19 pandemic on its operations, the ultimate impact of the COVID-19 outbreak or a similar health epidemic is highly uncertain and subject to change.

Note 11 - Paycheck Protection Program Loan

In May 2020, the Organization was granted a loan (the "Loan") from Bank of Ann Arbor in the amount of $28,820, pursuant to the Paycheck Protection Program ("PPP") under Division A, Title I of the Coronavirus Aid, Relief and Economic Security Act ("the CARES Act"), which was enacted March 27, 2020.

The Loan, which was in the form of a promissory note dated May 5, 2020, bears interest at a rate of 1.00% per annum. Interest-only payments begin in November 2020 with all principal and any accrued or unpaid interest due in April 2022. The Note may be prepaid by the Organization at any time prior to maturity with no prepayment penalties. Funds from the Loan may only be used for payroll costs, costs used to continue group health care benefits, mortgage payments, rent, utilities, and interest on other debt obligations incurred before June 12, 2020, or through an alternate period as extended upon request of the Organization. The Organization intends to use the entire Loan amount for qualifying expenses. Under the terms of the PPP, certain amounts of the Loan may be forgiven if they are used for qualifying expenses as described in the CARES Act.