



Suite 800
505 Montgomery Street
San Francisco, CA 94111-6533

Jean Tom
(415) 276-6538 tel
(415) 276-6599 fax

JeanTom@dwt.com

RECEIVED
Attorney General's Office

JUL 13 2020

July 10, 2020

Registry of Charitable Trusts

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

California Department of Justice
Office of the Attorney General
Charitable Trusts Section
P.O. Box 903447
Sacramento, CA 94203-4470

Re: Disposition of Assets by Thousand Currents (Reg. No. CT 059002)

Dear Charitable Trusts Section:

We represent Thousand Currents. By this letter, we hereby provide written notice to the California Attorney General in accordance with California Corporations Code §5913 of a proposed transfer (the "Transfer") by Thousand Currents, a California nonprofit public benefit corporation, of all of the assets associated with Thousand Currents' fiscal sponsorship of the Black Lives Matter Global Network project (the "Assets"), constituting substantial assets of Thousand Currents, to The Tides Center, a California nonprofit public benefit corporation ("Tides"), which will serve as the new fiscal sponsor of the Black Lives Matter Global Network project. Thousand Currents' Articles of Incorporation are attached hereto as Exhibit A, and its IRS determination letter confirming its exemption from federal income tax under Internal Revenue Code Section 501(c)(3) is attached hereto as Exhibit B. Tides' Articles of Incorporation are attached hereto as Exhibit C.

I. Background Information.

Thousand Currents was formed on May 16, 1985 under the name "International Development Exchange" with the charitable and educational purposes of "sponsoring small-scale development projects for the benefit of poor people in developing countries and by involving individuals and groups in the United States of America and other developed countries in the effort." It changed its name to "Thousand Currents" on May 10, 2017. Thousand Currents' mission is to fund and support grassroots organizations and movements globally that work for a just and equitable world. Over the last 35 years, it has invested in over 750 community-led initiatives in 37 countries. Through its grantmaking program, Thousand Currents partners with

organizations and movements — led by women, youth, and Indigenous Peoples in the Global South — that are creating lasting solutions to shared global challenges such as climate change, poverty and food sovereignty.

In 2016, the founders of the new Black Lives Matter Global Network (“BLM”) approached Thousand Currents about entering into a fiscal sponsorship arrangement with Thousand Currents to incubate BLM as a project of Thousand Currents. Given Thousand Currents’ mission of supporting grassroots movements pushing for a more just and equitable world, Thousand Currents felt that the work of BLM was consistent with its own mission and purposes. Accordingly, Thousand Currents entered into a fiscal sponsorship agreement with BLM, whereby it provided administrative and back office support to BLM, including finance, accounting, grants management, insurance, human resources, legal and compliance support in return for a fiscal sponsorship fee. Donations to BLM have been received by Thousand Currents as restricted donations to support the activities of BLM. In essence, Thousand Currents has provided the legal and administrative framework to enable BLM to focus on its programs and fulfilling its mission.

II. Proposed Transfer of Assets.

Despite Thousand Currents’ successful history of serving as fiscal sponsor to BLM since 2016, Thousand Currents’ Board has decided that it is in the best interests of Thousand Currents and BLM to transfer the fiscal sponsorship of BLM and the funds and associated assets it has held for the BLM Project to The Tides Center, a leading provider of nonprofit fiscal sponsorship services. BLM has grown substantially over the last few years, such that its budget and scope of activities have outpaced those of Thousand Currents’ other activities. Additionally, unlike Tides, Thousand Currents is not a professional fiscal sponsor, and does not have the capacity to continue to manage the growth of BLM given Thousand Currents’ small staff. Tides, on the other hand, is the ideal successor fiscal sponsor to BLM, as it is a professional fiscal sponsor, managing over 140 fiscally-sponsored projects, with annual revenues shares of over \$130 million. Additionally, Tides shares Thousand Currents’ and BLM’s commitment to supporting and empowering social change leaders.

Accordingly, Thousand Currents’ Board of Directors has determined that the Transfer of the fiscal sponsorship of BLM and related Assets is in the best interests of all parties. The unexecuted Transfer Agreement setting forth the proposed terms of the Transfer is attached hereto as Exhibit D; the funds subject to this agreement will not be transferred until the 20-day notice period to the Attorney General has elapsed.

A copy of Thousand Currents’ Board minutes/resolutions authorizing this proposed Transfer of the Assets is attached hereto as Exhibit E. Thousand Currents has no voting members; hence, no member approval of the proposed transfer is required. Thousand Currents’ financial statements from the fiscal year ending June 30, 2019 are attached hereto as Exhibit F.

Office of the Attorney General
Charitable Trusts Section
July 10, 2020
Page 3

III. Registration with Registry of Charitable Trusts.

Thousand Currents has registered with the Office of the Attorney General Registry of Charitable Trusts, and its registration number is CT0059002.

If you have any questions or concerns regarding this notification or the transaction, please contact me at jeantom@dwt.com, (415) 276-6538, or at 505 Montgomery Street, Suite 800, San Francisco, CA 94111.

Thank you for your time and attention to this matter.

Respectfully submitted,

DAVIS WRIGHT TREMAINE LLP

A handwritten signature in black ink, appearing to read "Jean L. Tom", written in a cursive style.

Jean L. Tom

Enclosures

THOUSAND CURRENTS

RESOLUTIONS OF THE BOARD OF DIRECTORS

Adopted at the Unanimous Consent of the Board as of July 10, 2020

WHEREAS, Thousand Currents has served as the fiscal sponsor of the Black Lives Matter Global Network (“BLM”) project since 2016 in furtherance of our common missions to promote the empowerment of Black and African communities;

WHEREAS, Thousand Currents has faithfully served as BLM’s fiscal sponsor over the last several years, providing administrative and back office support to BLM, including finance, accounting, grants management, insurance, human resources, legal and compliance support in return for a fiscal sponsorship fee;

WHEREAS, given BLM’s growth and their need for greater support that a small organization like Thousand Currents can provide, the Thousand Currents’ Board has decided that it is in the best interests of Thousand Currents and BLM to transfer the fiscal sponsorship of BLM and the funds and associated assets it has held for the BLM Project to The Tides Center (“Tides”), a leading professional provider of nonprofit fiscal sponsorship services;

WHEREAS, Tides has invited BLM to apply to become a fiscally-sponsored project of Tides and BLM has submitted an application on April 17, 2020 to shift its fiscal sponsorship to Tides commencing on June 30, 2020.

NOW, THEREFORE, it is hereby:

RESOLVED, that the Board of Directors hereby ratifies and approves the transfer of the fiscal sponsorship of the BLM Project, along with all funds held for the BLM Project and any other assets, liabilities and to Tides, effective June 30, 2020, which assets may currently constitute a substantial part of the assets of Thousand Currents, and ratifies all prior actions that Thousand Currents management has taken to date to negotiate this transfer to date; and be it further

RESOLVED, that the officers of Thousand Currents are each hereby authorized to negotiate, finalize and execute on behalf of Thousand Currents any agreements or documents to effectuate the transfer of the fiscal sponsorship and associated assets and liabilities to Tides, and the Board hereby ratifies and approves all prior actions taken by officers to effectuate the purposes of these resolutions to date.

1275657

**ENDORSED
FILED**

In the office of the Secretary of State
of the State of California

MAY 16 1985

**MARCH FONG EU, Secretary of State
Leslie Glenn
Deputy**

ARTICLES OF INCORPORATION
OF
INTERNATIONAL DEVELOPMENT EXCHANGE

ARTICLE I

The name of this corporation is INTERNATIONAL DEVELOPMENT EXCHANGE.

ARTICLE II

A. This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for charitable purposes.

B. The specific purpose of this corporation is to engage in nonprofit educational and charitable activities by sponsoring small-scale development projects for the benefit of poor people in developing countries and by involving individuals and groups in the United States of America and other developed countries in the effort.

ARTICLE III

The name and address in the State of California of this corporation's initial agent for service of process is:

Paul A. Strasburg
Room 6
441 California Avenue
Palo Alto, California 94306

ARTICLE IV

A. This corporation is organized and operated exclusively for charitable purposes within the meaning of Section 501 (c) (3) of the Internal Revenue Code.

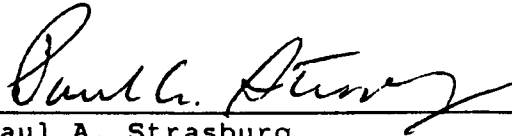
B. No substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for public office.

ARTICLE V

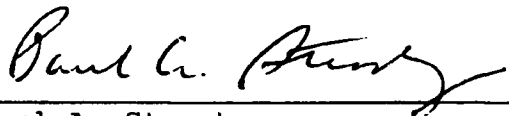
The property of this corporation is irrevocably dedicated to charitable purposes and no part of the net income or assets of this corporation shall ever inure to the benefit of any director, officer or member thereof or to the benefit of any private person. Upon dissolution or winding up of the corporation, its assets remaining after payment, or provision for payment, of all

debts and liabilities of this corporation shall be distributed to a nonprofit fund, foundation or corporation which is organized and operated exclusively for charitable purposes and which has established its tax exempt status under Section 501 (c) (3) of the Internal Revenue Code.

DATED: May 9, 1985.


Paul A. Strasburg

I declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.


Paul A. Strasburg

A0797563



**Secretary of State
Certificate of Amendment of
Articles of Incorporation**
Name Change Only - Nonprofit

AMDT-
NP-NA

FILED
Secretary of State
State of California

190
100
MAY 03 2017

IMPORTANT — Read Instructions before completing this form.

Filing Fee — \$30.00

Copy Fees — First Page \$1.00 & .50 for each attachment page;
Certification Fee — \$5.00

This Space For Office Use Only

1. Corporation Name (Enter the exact name of the corporation as it is currently recorded with the California Secretary of State)

INTERNATIONAL DEVELOPMENT EXCHANGE

2. 7-Digit Secretary of State File Number

C1275657

3. New Corporation Name

Item 3a: Enter the number, letter, or other designation assigned to the provision in the Articles of Incorporation being amended (e.g., "I," "First," or "A"). See Instructions if the provision in the Articles of Incorporation being amended does not include a number, letter, or other designation. Any attachment is made part of this document.

Item 3b: Enter the new corporate name.

3a. Article I of the Articles of Incorporation is amended to read as shown in Item 3b below:

3b. The name of the corporation is THOUSAND CURRENTS

4. Approval Statements

4a. The Board of Directors has approved the amendment of the Articles of Incorporation.

4b. Member approval was (check one):

☐ By the required vote of the members in accordance with California Corporations Code section 5812, 7812, or 12502.

☒ Not required because the corporation has no members.

5. Read, sign and date below (See instructions for signature requirements. Note: Both lines must be signed.)

We declare under penalty of perjury under the laws of the State of California that the matters set forth herein are true and correct of our own knowledge and we are authorized by California law to sign.

4/24/17
Date

[Signature]
Signature

Gerald Richards
Type or Print Name of President

4/20/17
Date

[Signature]
Signature

Julian Cooper Rhoads
Type or Print Name of Secretary

INTERNAL REVENUE SERVICE**DEPARTMENT OF THE TREASURY****Date:** 7 NOV 1985**Employer Identification Number:**
77-0071852**Accounting Period End:**
September 30**Foundation Status Classification:**
509(a)(1) & 170(b)(1)(A)(vi)**Advance Ruling Period Ending:**
September 30, 1987**Person to Contact:** Taxpayer
Service Representative**Contact Telephone Number:**
(800) 424-1040

International Development Exchange
441 California Avenue No. 6
Palo Alto, CA 94306

Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code.

Because you are a newly created organization, we are not now making a final determination of your foundation status under section 509(a) of the Code. However, we have determined that you can reasonably be expected to be a publicly supported organization described in section 170(b)(1)(A)(vi) and 509(a)(1).

Accordingly, you will be treated as a publicly supported organization, and not as a private foundation, during an advance ruling period. This advance ruling period begins on the date of your inception and ends on the date shown above.

Within 90 days after the end of your advance ruling period, you must submit to us information needed to determine whether you have met the requirements of the applicable support test during the advance ruling period. If you establish that you have been a publicly supported organization, you will be classified as a section 509(a)(1) or 509(a)(2) organization as long as you continue to meet the requirements of the applicable support test. If you do not meet the public support requirements during the advance ruling period, you will be classified as a private foundation for future periods. Also, if you are classified as a private foundation, you will be treated as a private foundation from the date of your inception for purposes of sections 507(d) and 4940.

Grantors and donors may rely on the determination that you are not a private foundation until 90 days after the end of your advance ruling period. If you submit the required information within the 90 days, grantors and donors may continue to rely on the advance determination

until the Service makes a final determination of your foundation status. However, if notice that you will no longer be treated as a section 170(b)(1)(A)(vi) and 509(a)(1) organization is published in the Internal Revenue Bulletin, grantors and donors may not rely on this determination after the date of such publication. Also, a grantor or donor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act that resulted in your loss of section 170(b)(1)(A)(vi) and 509(a)(1) status, or acquired knowledge that the Internal Revenue Service had given notice that you would be removed from classification as a section 170(b)(1)(A)(vi) and 509(a)(1) organization.

If your sources of support, or your purposes, character, or method of operation change, please let us know so we can consider the effect of the change on your exempt status and foundation status. Also, you should inform us of all changes in your name and address.

As of January 1, 1984, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, you are not automatically exempt from other Federal excise taxes. If you have any questions about excise, employment, or other Federal taxes, please let us know.

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

You are required to file Form 990, Return of Organization Exempt from Income Tax, only if your gross receipts each year are normally more than \$25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. The law imposes a penalty of \$10 a day, up to a maximum of \$5,000, when a return is filed late, unless there is reasonable cause for the delay.

You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter, we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

Your attention is called to the provisions of section 501(c)(3) of the Internal Revenue Code of 1954 under which your exemption will be revoked if any substantial part of your activities consists of carrying on propaganda, or otherwise attempting to influence legislation, (unless you elect to come under the provisions allowing certain lobbying

expenditures), or if you participate in, or intervene in (including the publishing or distributing of statements) any political campaign on behalf of any candidate for public office.

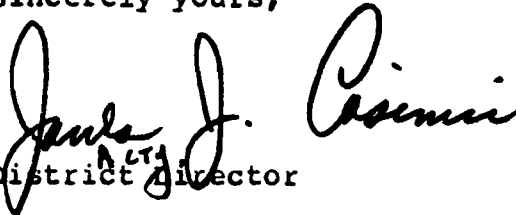
Contributions that are used to fund charitable projects in foreign countries are deductible under section 170 only if you retain discretion and control over the funds provided to insure that they are used for the purposes of section 501(c)(3). Guidelines for retaining discretion and control are contained in Rev. Rul. 66-79, 1966-1 C.B. 48.

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

Because this letter could help resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,


District Director

**Internal Revenue Service
District Director**

P O BOX 36001 STOP SF-4-4-46
SAN FRANCISCO, CA 94102

Department of the Treasury

Date: APR. 13, 1988

INTERNATIONAL DEVELOPMENT EXCHANGE
441 CALIFORNIA AVENUE 6
PALO ALTO, CA 94306

Employer Identification Number:
77-0071852

Case Number:
958054007

Contact Person:
DANIEL STEVENS

Contact Telephone Number:
(415) 556-0319

Our Letter Dated:

Nov. 7, 1985

Caveat Applies:

No

Dear Applicant:

This modifies our letter of the above date in which we stated that you would be treated as an organization which is not a private foundation until the expiration of your advance ruling period.

Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a) of the Internal Revenue Code, because you are an organization of the type described in section 509(a)(1) and 170(b)(1)(A)(vi). Your exempt status under section 501(c)(3) of the code is still in effect.

Grantors and contributors may rely on this determination until the Internal Revenue Service publishes a notice to the contrary. However, a grantor or a contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act that resulted in your loss of section 509(a)(1) status, or acquired knowledge that the Internal Revenue Service had given notice that you would be removed from classification as a section 509(a)(1) organization.

Because this letter could help resolve any questions about your private foundation status, please keep it in your permanent records.

If the heading of this letter indicates that a caveat applies, the caveat below or on the enclosure is an integral part of this letter.

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,



Frederick C. Nielsen
District Director

Letter 1050 (CG)



Department of the Treasury
Internal Revenue Service

P.O. Box 2508, Room 4010
Cincinnati OH 45201

In reply refer to: 4077350282
Aug. 02, 2017 LTR 4168C 0
77-0071852 000000 00

00027102
BODC: TE

THOUSAND CURRENTS
2120 UNIVERSITY AVE STE 205
BERKELEY CA 94704-1026



032122

Employer ID Number: 77-0071852
Form 990 required: Yes

Dear Taxpayer:

This is in response to your request dated June 03, 2017, regarding your tax-exempt status.

We issued you a determination letter in November 1985, recognizing you as tax-exempt under Internal Revenue Code (IRC) Section 501(c)(03).

Our records also indicate you're not a private foundation as defined under IRC Section 509(a) because you're described in IRC Sections 509(a)(1) and 170(b)(1)(A)(vi).

Donors can deduct contributions they make to you as provided in IRC Section 170. You're also qualified to receive tax deductible bequests, legacies, devises, transfers, or gifts under IRC Sections 2055, 2106, and 2522.

In the heading of this letter, we indicated whether you must file an annual information return. If a return is required, you must file Form 990, 990-EZ, 990-N, or 990-PF by the 15th day of the fifth month after the end of your annual accounting period. IRC Section 6033(j) provides that, if you don't file a required annual information return or notice for three consecutive years, your exempt status will be automatically revoked on the filing due date of the third required return or notice.

For tax forms, instructions, and publications, visit www.irs.gov or call 1-800-TAX-FORM (1-800-829-3676).

If you have questions, call 1-877-829-5500 between 8 a.m. and 5 p.m., local time, Monday through Friday (Alaska and Hawaii follow Pacific Time).

4077350282
Aug. 02, 2017 LTR 4168C 0
77-0071852 000000 00
00027103

THOUSAND CURRENTS
2120 UNIVERSITY AVE STE 205
BERKELEY CA 94704-1026

Sincerely yours,

Stephen A. Martin

Stephen A. Martin
Director, EO Rulings & Agreements



Certified Public Accountants
and Financial Advisors

THOUSAND CURRENTS AND SUBSIDIARY
Consolidated Financial Statements
June 30, 2019

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors of
Thousand Currents and Subsidiary

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Thousand Currents and Subsidiary, a nonprofit organization (the "Organization"), which comprise the consolidated statement of financial position as of June 30, 2019, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements (collectively, 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.

Auditor's Responsibility

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



Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Thousand Currents and its subsidiary as of June 30, 2019, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

SQUAR MILNER LLP

SQUAR MILNER LLP

San Francisco, California
January 29, 2020

THOUSAND CURRENTS AND SUBSIDIARY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
June 30, 2019

ASSETS

Current Assets

Cash and cash equivalents	\$ 4,010,163
Grants receivable	278,287
Accounts receivable	4,645
Investments	2,070,005
Prepaid expenses	54,587
Total current assets	<u>6,417,687</u>

Property and equipment - net	<u>4,341</u>
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Noncurrent Assets

Grants receivable, net of current portion	100,000
Deposits	6,300
Total noncurrent assets	<u>106,300</u>
Total assets	<u><u>\$ 6,528,328</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts payable and accrued expenses	\$ 137,492
Grants payable	41,725
Accrued payroll and benefits	69,896
Total liabilities	<u>249,113</u>

Net assets

Without donor restrictions	2,402,381
With donor restrictions	3,876,834
Total net assets	<u>6,279,215</u>
Total liabilities and net assets	<u><u>\$ 6,528,328</u></u>

**THOUSAND CURRENTS AND SUBSIDIARY
CONSOLIDATED STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2019**

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Support			
Contributions	\$ 273,600	\$ 878,379	\$ 1,151,979
Foundations and corporations	1,007,647	4,345,868	5,353,515
Total support	1,281,247	5,224,247	6,505,494
Revenue			
Academy tuition	70,560	-	70,560
Realized and unrealized gain on investments	82,005	-	82,005
Interest and dividend income - net	41,913	-	41,913
Other income	9,977	-	9,977
Total revenue	204,455	-	204,455
Net assets released from restrictions	5,054,430	(5,054,430)	-
TOTAL SUPPORT AND REVENUE	6,540,132	169,817	6,709,949
EXPENSES			
Program services	4,486,283	-	4,486,283
Supporting services:			
Management and general	593,476	-	593,476
Fundraising	846,907	-	846,907
TOTAL EXPENSES	5,926,666	-	5,926,666
Change in net assets	613,466	169,817	783,283
Net assets - beginning of year	1,788,915	3,707,017	5,495,932
Net assets - end of year	<u>\$ 2,402,381</u>	<u>\$ 3,876,834</u>	<u>\$ 6,279,215</u>

**THOUSAND CURRENTS AND SUBSIDIARY
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2019**

	Programs			Supporting Services		
	Fiscal Project	Grants and Grantee Services	Education and Outreach	Total Programs	Management and General	Fundraising
Salaries	\$ 357,322	\$ 395,163	\$ 166,435	\$ 918,920	\$ 253,461	\$ 364,589
Employee benefits	47,832	64,682	37,604	150,118	53,424	70,620
Payroll taxes	28,299	29,062	16,269	73,630	25,847	29,141
Total personnel	433,453	488,907	220,308	1,142,668	332,732	464,350
Accounting	54,937	-	-	54,937	68,705	-
Bank and payroll fees	51,517	5,378	2,327	59,222	4,278	16,829
Conferences and meetings	-	12,278	2,602	14,880	4,686	48,782
Consultant fees	829,540	225,027	222,517	1,277,084	30,755	131,077
Depreciation	-	234	131	365	125	234
Dues, licenses, service fees	6,948	14,817	5,204	26,969	9,563	40,222
Grants	89,879	863,092	340,342	1,293,313	-	-
Information technology	33,467	417	3,089	36,973	299	472
Insurance	30,000	904	506	31,410	9,264	906
Language interpretation	-	29,724	3,300	33,024	11,040	12,959
Legal	17,974	-	-	17,974	14,397	-
Occupancy	37,491	42,176	28,695	108,362	27,627	44,120
Supplies and office expenses	19,967	2,013	2,709	24,689	10,519	16,073
Travel and meals	193,159	132,850	38,404	364,413	69,486	70,883
Total expenditures	\$1,798,332	\$ 1,817,817	\$ 870,134	\$ 4,486,283	\$ 593,476	\$ 846,907
						\$ 5,926,666

**THOUSAND CURRENTS AND SUBSIDIARY
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2019**

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$ 783,283
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:	
Realized and unrealized gains on investments	(82,005)
Depreciation	724
Changes in operating assets and liabilities:	
Accounts receivable	(4,645)
Deposits	600
Grants receivable	796,758
Employee advances	300
Prepaid expenses	(23,425)
Accounts payable and accrued expenses	30,555
Grants payable	(163,459)
Accrued payroll and benefits	(32,609)
Net cash provided by operating activities	<u>1,306,077</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Proceeds from sales of investments	1,375,993
Purchase of investments	<u>(1,909,764)</u>
Net cash used in investing activities	<u>(533,771)</u>

NET INCREASE IN CASH AND CASH EQUIVALENTS	772,306
--	---------

CASH AND CASH EQUIVALENTS - beginning of year	<u>3,237,857</u>
--	------------------

CASH AND CASH EQUIVALENTS - end of year	<u><u>\$ 4,010,163</u></u>
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THOUSAND CURRENTS AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2019

1. ORGANIZATION AND NATURE OF ACTIVITIES

Thousand Currents (“TC”) is a California nonprofit public benefit corporation formed in 1985 that partners with grassroots groups, led by women, youth, and Indigenous Peoples in the Global South who are transforming their communities and creating lasting solutions to their shared global challenges.

The Organization’s programs include:

- **Grants and Grantee services:** In addition to providing financial resources to partners in Africa, Asia, and Latin America, Thousand Currents organizes local and transnational learning exchanges and facilitates strategic networks and alliances. Through the Climate Leaders in Movement Action Fund (“CLIMA”), they work in collaboration with their peers to increase resources to our grassroots partners.
- **Philanthropic Outreach and Education:** Thousand currents works to educate, train and support philanthropists to engage in meaningful and transformative giving through programs such as the Thousand Currents Academy and Diaspora Partnerships. They also model effective giving and investment practices by creating experimental programs like the Buen Vivir Fund.
- **Lastly, Thousand Currents works in solidarity with groups in the United States by offering fiscal sponsorship services.**

In January, 2018, Thousand Currents formed Buen Vivir Investment Management, LLC, (BVIM) (the “Subsidiary”) with TC as its sole member. BVIM’s purpose is to further the charitable purpose of TC and to support investment related activities that are within their programmatic focus. In February, 2018, BVIM entered into an operating agreement with the Buen Vivir Fund, LLC (BVF), to act as its implementing member and manage the day to day activities of BVF under the direction of the Members Assembly, as defined in the agreement. BVIM has no ownership interest in BVF. There were no fees earned by BVIM from BVF during the year.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of Thousand Currents and its wholly-owned Subsidiary BVIM, (collectively the “Organization”). Significant inter-company transactions and balances have been eliminated in consolidation.

Basis of Accounting

The consolidated financial statements of the Organization are prepared on an accrual basis of accounting in accordance with U.S. generally accepted accounting principles for not-for-profit organizations.

THOUSAND CURRENTS AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Description of Net Assets

The Organization reports information regarding its consolidated financial position and activities according to two classes of net assets as follows:

Without Donor Restrictions

Net assets without donor restrictions consist of resources which have not been specifically restricted by a donor. Net assets without donor restrictions may be designated for specific purposes by the Organization or may be limited by contractual agreements with outside parties.

With Donor Restrictions

Net assets with donor restrictions consist of contributions and other inflows of assets whose use is limited by donor-imposed stipulations that expire by the passage of time or can be fulfilled and removed by actions of the Organization pursuant to those stipulations. Net assets with donor restrictions also includes funds held in perpetuity as directed by donors, which specify the assets donated be invested to provide a permanent source of income. As of June 30, 2019, there were no net assets with donor restrictions held in perpetuity.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

Concentration of Credit Risk

The Organization maintains its cash balances at various financial institutions that are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per depositor. At various times throughout the year, the balances in these accounts may be in excess of insured amounts. Money market funds are protected under the Securities Investor Protection Corporation (SIPC) up to \$500,000, with additional private insurance purchased by the financial institution up to \$1,150,000. The Organization has not experienced any losses in such accounts and management believes that it is not exposed to any significant risk on these excess deposits.

Cash and Cash Equivalents

The Organization considers all highly liquid investments, with an initial maturity of three months or less, to be cash equivalents. The Organization holds its available cash in a checking and investment account with a major United States bank and with a brokerage house, respectively.

**THOUSAND CURRENTS AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2019**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Grants and Accounts Receivable

Unconditional grants and accounts receivable are subject to an allowance for uncollectible amounts. The Organization considers all grants and accounts receivable to be fully collectible at June 30, 2019. Accordingly, no allowance for doubtful accounts was deemed necessary.

Investments

Investments consist of equities, bonds, exchange traded funds, and real estate investment trusts that are recorded at their published fair market value. Unrealized and realized gains and losses are reflected as increases or decreases in the consolidated statement of activities. Marketable equity securities or investments received by donation are recorded at fair value on the date of receipt, are sold as soon as practicable after receipt, and are classified based on the donor's intention.

Dividend and interest income are recorded when received by the Organization, and are reflected net of investment fees.

Fair Value Measurements

The Organization considers the use of market-based information over entity specific information in valuing its investments, using a three-level hierarchy for fair value measurements based on the nature of inputs used in the valuation of the financial assets, as of the measurement date.

The three-level hierarchy for fair value measurements is defined as follows:

- *Level 1* inputs to the valuation methodology - quoted prices (unadjusted) for identical assets or liabilities in active markets.
- *Level 2* inputs to the valuation methodology - quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the investment.
- *Level 3* inputs to the valuation methodology - unobservable and significant to the fair value measurement.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the exit price) in an orderly transaction between market participants at the measurement date. An asset or liability's categorization within the hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation, or, if donated, at the fair market value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets which range from 3 to 7 years. The Organization capitalizes assets with a cost or donated value of \$5,000 or more and an estimated life greater than one year.

THOUSAND CURRENTS AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and Equipment (continued)

Expenditures for major renewals and betterments that extend the useful lives of the property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred.

Management reviews long-lived assets for impairment when circumstances indicate the carrying amount of the asset may not be recoverable.

Grants Payable

Unconditional grants are recognized as grant expense and a liability when the Organization approves the grants. Grant refunds are recorded as receivable and as a reduction of grant expense at the time the Organization becomes aware the grant will be refunded.

Sabbatical

The Organization offers a sabbatical to staff who have completed seven years of service subject to a variety of limitations and conditions. There was no accrued sabbatical as of June 30, 2019.

Revenue Recognition

Contributions and Grants

Contributions and grants, including unconditional promises to give, from individuals, foundations, and corporations, are recorded as without donor restricted, or with donor restricted support, depending on the existence and/or nature of any donor restrictions.

Unconditional promises to give, including contributions from individuals and foundation grants, are recorded at their net realizable values. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows. Conditional promises to give are not included as support until such time the conditions are substantially met.

Contributions - in-Kind

Donations of materials are recorded as support at their fair value on the date of the donation. Donated services are recognized if the services received (a) create or enhance nonfinancial 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.

Academy Tuition

The Organization recognizes tuition fee revenue in the period in which the services are provided.

THOUSAND CURRENTS AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes

TC qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and by California Revenue and Taxation Code Section 23701(d), and accordingly, is not subject to federal and California income taxes. BVIM is a single member LLC and considered a disregarded entity for federal purposes. For state reporting purposes BVIM is subject to the California gross receipts tax and minimum franchise tax of \$800.

Each year, management considers whether any material tax position the Organization has taken is more likely than not to be sustained upon examination by the applicable taxing authority. Management believes that any positions the Organization has taken are supported by substantial authority, and hence, do not need to be measured or disclosed in these consolidated financial statements.

Functional Allocation of Expenses

The Organization's costs of providing the various programs and other activities have been summarized on a functional basis in the consolidated statement of activities. Accordingly, certain shared costs have been allocated among programs and supporting services benefited, pro rata based on average time spent.

Recently Issued Accounting Standards

The Financial Standards Board (FASB) also issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers* (Topic 606) (ASU 2014-09). The new standard is based on principles that govern the recognition of revenue at an amount an entity expect to be entitled when products are transferred to customers. The new standard will be effective for the Organization for the year ending June 30, 2020. The Organization is currently evaluating the impact on its consolidated financial statements.

In June 2018, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU), *clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made* (Topic 958). These amendments clarify and improve the scope and accounting guidance around contributions of cash and other assets received and made by all entities, including business entities. The amendments should assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions), or as exchange (reciprocal) transactions, and (2) determining whether a contribution is conditional or unconditional. The new ASU does not apply to transfers of assets from governments to business.

ASU 2018-08 will be effective for annual financial statements issued for fiscal years beginning after December 15, 2018 for entities that serve as a resource recipient, and years beginning after December 15, 2019 for entities that serve as a resource provider. Early adoption is permitted. The Organization is currently assessing the potential impact of this guidance on its consolidated financial statements.

THOUSAND CURRENTS AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Recently Issued Accounting Standards (continued)

The FASB also issued ASU No. 2016-02, Leases (Topic 842)(ASU 2016-02) for lease accounting to increase transparency and comparability among companies by requiring the recognition of lease assets and lease liabilities by lessees. The new standard will be effective for the Organization for the year ending June 30, 2022 unless extended, and early adoption is permitted. The Organization is currently evaluating the timing of its adoption and its impact on its consolidated financial statements.

Subsequent Events

Management has evaluated subsequent events and transactions for potential recognition or disclosure through the date the consolidated financial statements are available to be issued, January 29, 2020.

3. NEW ACCOUNTING PRONOUNCEMENT

On August 18, 2016, FASB issued Accounting Standards Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities*. The Organization has adjusted the presentation of its consolidated financial statements accordingly, applying the changes retrospectively to the period presented. The new standards change the following aspects of the Organization's consolidated financial statements:

1. The unrestricted net asset class has been renamed net assets without donor restrictions. The temporarily and permanently restricted net asset classes have been renamed net assets with donor restrictions.
2. The notes to the consolidated financial statements include a new disclosure about the liquidity and availability of resources (refer to Note 4).

4. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization has various sources that provide liquidity during the year such as contributions, academy, and investment revenue.

The Organization considers net assets without donor restrictions to be available to meet cash needs for general expenditures. General expenditures include programmatic expenses, administrative and general expenses, and fundraising expenses that are expected to be paid in the subsequent year.

**THOUSAND CURRENTS AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2019**

4. LIQUIDITY AND AVILABILITY OF FINANCIAL ASSETS (continued)

The table below represents financial assets available to fund general operating expenditures within one year at June 30, 2019:

Financial assets at June 30, 2019:

Cash and cash equivalents	\$ 4,010,163
Accounts receivable	4,645
Grants receivable	378,287
Investments	<u>2,070,005</u>
Total financial assets	<u>6,463,100</u>

Less: Amounts not available to be used within one year:

Grants receivable restricted beyond one year	100,000
Net assets with donor restrictions	<u>3,776,834</u>
Total amounts not available to be used within one year	<u>3,876,834</u>

**Financial assets available to meet general
expenditures within one year**

\$ 2,586,266

5. GRANTS RECEIVABLE

At June 30, 2019, grants receivable are due as follows:

Receivable in less than one year	\$ 278,287
Receivable in two to five years	<u>100,000</u>
	<u><u>\$ 378,287</u></u>

In addition, at June 30, 2019, the Organization has conditional grants totaling \$2,598,000, from various grant agreements from four grantors to be made and recognized upon the approval by the grantor of the annual reports in accordance with the terms of the various grant agreements.

THOUSAND CURRENTS AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2019

6. INVESTMENTS

At June 30, 2019, investments consisted of the following:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>
Bond funds	\$ 129,898	\$ 129,898	\$ -
Equities	353,769	353,769	-
Equity funds	480,517	480,517	-
Exchange traded funds	485,749	485,749	-
Municipal bonds	571,822	-	571,822
REITs	48,250	48,250	-
	<u>\$ 2,070,005</u>	<u>\$ 1,498,183</u>	<u>\$ 571,822</u>

7. PROPERTY AND EQUIPMENT

At June 30, 2019, property and equipment are comprised of the following:

Furniture	\$ 5,065
Less: Accumulated depreciation	<u>(724)</u>
	<u>\$ 4,341</u>

For the year ended June 30, 2019, depreciation expense amounted to \$724.

THOUSAND CURRENTS AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2019

8. NET ASSETS WITH DONOR RESTRICTIONS

At June 30, 2019, net assets with donor restrictions consisted of the following:

Subject to purpose restrictions:

Africa Program	\$ 75,000
Black Lives Matter	3,354,654
Program Activities*	347,180
Promises to give subject to passage of time for CLIMA Fund	<u>25,000</u>
	<u>3,801,834</u>

Subject to passage of time:

Promises to give that are not restricted by donors, but which are unavailable for expenditure until due	<u>75,000</u>
	<u>\$ 3,876,834</u>

During the year ended June 30, 2019, net assets with donor restrictions were released for the following purposes:

Africa Program	\$ 257,564
Asia Program	119,500
Black Lives Matter	1,799,165
Latin American Program	374,750
Passage of time	1,759,600
Program Activities*	<u>743,851</u>
	<u>\$ 5,054,430</u>

*Program Activities include (Thousand Currents Academy, Artist in Residence, CLIMA Fund, Buen Vivir Fund, and Mapping Project)

THOUSAND CURRENTS AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2019

9. LEASE OBLIGATIONS

The Organization leased facilities under various leases requiring monthly payments ranging from approximately \$380 to \$4,600, which expired at various dates through March 2020. Future minimum lease payments for facilities are as follows:

<u>Year ended June 30,</u>	
2020	<u>\$ 41,580</u>

Total rent expense amounted to \$99,020 for the year ended June 30, 2019.

10. CONTINGENCIES

Grant Awards

Grant awards require the fulfillment of certain terms as set forth in the instrument of grant. Failure to fulfill the terms of the grant award could result in the return of the funds to the grantors. The Organization deems this contingency remote since by accepting the grants and their terms, it has accommodated the objectives of the Organization to the provisions of the grants. The Organization's management is of the opinion that the Organization has complied with the terms of all grants.

11. CONCENTRATIONS

At June 30, 2019, the Organization had four donors representing approximately 86% of grants receivable. For the year ended June 30, 2019, the Organization had one donor representing approximately 40% of total support revenue.

1834045

ARTICLES OF INCORPORATION
OF
THE TIDES CENTER

FILED
in the office of the Secretary of State
of the State of California

MAY 26 1994

Tony Miller
Acting Secretary of State

I

The name of this corporation is The Tides Center.

II

A. This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for public purposes.

B. The specific purpose of this corporation includes, but is not limited to, the nurture and development of competently managed charitable and educational nonprofit activities.

III

The name and address in the State of California of the corporation's initial agent for service of process is:

Drummond Pike
1388 Sutter Street, 10th Floor
San Francisco, CA 94109

IV

A. This corporation is organized and operated exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code.

B. No substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise

attempting to influence legislation, and the corporation shall not participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for public office.

V

The property of this corporation is irrevocably dedicated to charitable and educational purposes, and no part of the net income or assets of this corporation shall ever inure to the benefit of any director, officer or member thereof or to the benefit of any private person. Upon the dissolution or winding up of the corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed to a nonprofit fund, foundation or corporation which has established its tax-exempt status under Section 501(c)(3) of the Internal Revenue Code.

Dated: May 26, 1994


Cynthia R. Rowland, Incorporator

A0498300

FILED
in the office of the Secretary of State
of the State of California

OCT 6 1997

Bill Jones
BILL JONES, Secretary of State

1834045
**CERTIFICATE OF AMENDMENT
OF ARTICLES OF INCORPORATION OF
THE TIDES CENTER**

Drummond Pike and Jacqueline Romualdo certify that:

1. They are the President and the Assistant Secretary, respectively, of The Tides Center, a California corporation.

2. Article IV, Paragraph A of the Articles of Incorporation of this corporation is amended to read as follows:

"A. This corporation is organized and operated exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code and meeting the requirements for exemption provided by Section 214 of the California Revenue and Taxation Code."

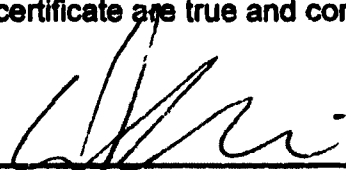
3. Article V of the Articles of Incorporation of this corporation is deleted and the following is substituted therefor:

"The property of this corporation is irrevocable dedicated to charitable and educational purposes meeting the requirements for exemption provided by Section 214 of the California Revenue and Taxation Code, and no part of the net income or assets of this corporation shall ever inure to the benefit of any director, officer or member thereof or to the benefit of any private person. Upon the dissolution or winding up of the corporation, its assets remaining after payment, or provisions for payment, or all debts and liabilities of this corporation shall be distributed to a non-profit fund, foundation or corporation which has established its tax-exempt status under Section 501(c)(3) of the Internal Revenue Code and which is organized and operated exclusively for charitable and educational purposes meeting the requirements for exemption provided by Section 214 of the California Revenue and Taxation Code."

4. The foregoing amendment of Articles of Incorporation has been duly approved by the Board of Directors.
5. The corporation has no members.

We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of our own knowledge.

Date: 9/30, 1997



Drummond Pike, President



Jacqueline Romualdo, Asst. Secretary

A0638491

1834045
AMENDED AND RESTATED

FILED DR
in the office of the Secretary of State
of the State of California

JAN - 1 2006

**ARTICLES OF INCORPORATION OF
THE TIDES CENTER**

Drummond Pike and Joseph Perez certify that:

1. They are the President and the Assistant Secretary, respectively, of The Tides Center, a California nonprofit public benefit corporation.
2. The Articles of Incorporation of the corporation are amended and restated to read as follows:

**"ARTICLES OF INCORPORATION
OF
THE TIDES CENTER**

I

The name of this corporation is The Tides Center.

II

A. This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for public purposes.

B. The specific purpose of this corporation includes, but is not limited to, the nurture and development of competently managed charitable and educational nonprofit activities.

III

This corporation shall have one (1) member with the voting and other rights and obligations specified in this corporation's Bylaws. The sole member of this corporation shall be Tides Network, a California nonprofit public benefit corporation. Any amendment to these Articles of Incorporation shall require the approval of both the Board of this corporation and the sole member of this corporation.

IV

A. This corporation is organized and operated exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code and meeting the requirements for exemption provided by Section 214 of the

California Revenue and Taxation Code.

B. No substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for public office.

V

The property of this corporation is irrevocably dedicated to charitable and educational purposes meeting the requirements for exemption provided by Section 214 of the California Revenue and Taxation Code, and no part of the net income or assets of this corporation shall ever inure to the benefit of any director, officer or member thereof or to the benefit of any private person. Upon the dissolution or winding up of the corporation, its assets remaining after payment, or provisions for payment, or all debts and liabilities of this corporation shall be distributed to a non-profit fund, foundation or corporation which has established its tax-exempt status under Section 501(c)(3) of the Internal Revenue Code and which is organized and operated exclusively for charitable and educational purposes meeting the requirements for exemption provided by Section 214 of the California Revenue and Taxation Code."

VI

These Amended and Restated Articles of Incorporation shall be effective on January 1, 2006."

3. The foregoing Amendment and Restatement of Articles of Incorporation has been duly approved by the Board of Directors.

4. The corporation has no members.

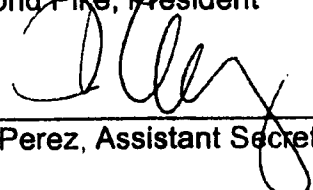
We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of our own knowledge.

Date: Dec 28, 2005



Drummond Pike, President

Date: Dec 28, 2005



Joseph Perez, Assistant Secretary