

## USE AGREEMENT

**USE AGREEMENT** (the “Agreement”), dated as of \_\_\_\_\_, 201\_, by and among PERC, Inc., a Florida not-for-profit corporation and \_\_\_\_\_, (the “Charity”), a not-for-profit organization situated in Great Abaco in The Commonwealth of the Bahamas.

### RECITALS

WHEREAS, PERC, Inc., pursuant to rules adopted in compliance with its by-laws, must enter into a written agreement with any organization receiving distributions from PERC, Inc. stating that such distributions shall be used only to accomplish PERC, Inc.’s charitable purposes; and

WHEREAS, the Charity acknowledges and understands that PERC, Inc. will be relying upon this Agreement and the accuracy of the representations contained herein in connection with satisfying its obligations under its by-laws.

### **Agreements and Representations.**

1. The Charity hereby agrees, certifies and represents that the Charity will use any contributions it receives from PERC, Inc. solely for charitable, scientific or educational purposes within the meaning of sections 170(c)(2)(B) and 501(c)(3) of the United States Internal Revenue Code of 1986, as amended (the “Code”).

2. The Charity hereby agrees, certifies and represents that any contributions it receives from PERC, Inc. are not earmarked to be used in any attempt to influence legislation within the meaning section 501(c)(3) of the Code.

3. The Charity shall not use any portion of the contributions received from the Charity to participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office, to induce or encourage violations of law or public policy, to cause any private inurement or improper private benefit to occur, nor to take any other action inconsistent with section 501(c)(3) of the Code.

4. In compliance with U.S. tax law, the Charity acknowledges and understands that PERC, Inc. has full legal ownership over any funds contributed to PERC, Inc. for the purpose of being distributed to the Charity, and until PERC, Inc. actually distributes such contributed funds to the Charity, PERC, Inc. retains the right in its absolute discretion to refuse to distribute any or all of such contributed funds to the Charity.

**Organization; Authority; Valid and Binding Agreement.** PERC, Inc. and Charity each represent and warrant to the each other that (i), if a corporation, it is duly organized and validly existing under the laws of the jurisdiction of incorporation, (iii) that it is in good standing under such laws, (iii) it has taken all necessary action to authorize, execute, deliver and perform this Agreement, (iv) this Agreement has been duly executed and delivered by it, (v) this Agreement is a legal, valid and binding obligation of it, enforceable against it in accordance with its terms, subject to applicable bankruptcy, insolvency, moratorium or similar laws affecting

creditors' rights generally, (vi) the execution, delivery and performance by it of this Agreement does not (a) require any governmental filing or governmental approval or any consent or approval of such party's stockholders, partners or any other third parties, except for such filings that have been, or will be, timely made and such consents or approvals that have been obtained, or (b) violate or conflict with, result in a breach of, or constitute a default under any of its organizational documents or any agreements by which it is bound and (vii) there is no litigation pending, or to such party's knowledge, threatened, against such party, that questions the validity of this Agreement or the right of such party to enter into this Agreement or perform its obligations hereunder.

**Legal Enforceability.** In case any provision of this Agreement is fully or in part invalid or unenforceable, this will not affect the validity and enforceability of the other provisions of this Agreement. The invalid or unenforceable provision will then be considered replaced by a valid and enforceable provision, which comes as close as possible to the economic purpose intended by the invalid or unenforceable provision. All provisions will be interpreted in good faith.

**Governing Law.** This Agreement shall be governed by the laws of the state of Florida, United States, without giving effect as to choice of law provisions thereof.

**Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original and which together shall constitute one and the same instrument

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above

**PERC, INC.**

By: \_\_\_\_\_  
Douglas Hyde  
President

**CHARITY**

By: \_\_\_\_\_  
[Name]  
[Title]