

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (the "Memorandum") made as of this _____ day of _____, _____ (the "Execution Date"),

BETWEEN:

Essential Friendship Foundation of PO Box 396, Houston, TX 77001-0396, and
Rho Beta Beta Chapter of Omega Psi Phi Fraternity, Inc. of _____

(individually the "Party" and collectively the "Parties")

BACKGROUND:

- A. Essential Friendship Foundation ("501(c)3") works in conjunction with Rho Beta Beta Chapter of Omega Psi Phi Fraternity, Inc. ("PBB") on various projects. Members of 501(c)3 are also members of PBB.

The basic terms are as follows:

Transaction Description

1. Describe the subject of this transaction:

Over the 12 month period from November 1, 2017 to October 31, 2018, PBB requests that 501(c)3 accept donations to assist in putting on PBB programs. Additionally, PBB requests that 501(c)3 maintain funds for its Housing Project.

Representations

2. The Parties represent and warrant that their respective assets, real property or personal property, which constitutes any or all of this proposed transaction, are free and clear of any liens, charges, encumbrances or rights of others. If the representations of one or more of the Parties are untrue upon the Signature Date, then any remaining Parties may terminate any future agreement without penalty.

Additional Terms – Donations Collected by 501(c)3

3. With regard to any donations received by 501(c)3, 10% of any amount donated will be retained by 501(c)3. The remaining 90% will be paid out to **binding obligations** as directed by Chapter.

Additional Terms – Housing Fund

4. A separate account will be used to maintain funds for Housing Project. Four signatures (Chapter Basileus, Chapter Keeper of Finance, **501(c)3 President**, and **501(c)3 Treasurer**) will **be required for funds to be disbursed**.
5. **Funds** collected by Chapter for Housing Project will be transferred to **501(c)3**.
6. The **Housing Project** funds may not be used for any other purpose other than for the lease or purchase of a property which will be used by the Chapter.
7. When the Chapter has found a property to lease or purchase, Housing Project funds will be disbursed as needed to secure the lease or purchase.
8. Chapter members may deposit funds with **501(c)3** for their participation in the **Housing Project**. Subsequently monthly bank statements will be provided to the Chapter Keeper of Records and Seal. Housing Project. Subsequently, the **501(c)3** will report to Chapter within 3 days of the fund payment. Monthly
9. This Memorandum accurately reflects the understanding between the Parties, signed on this _____ day of _____, _____.

Per: _____ (Seal)

Essential Friendship Foundation (Party)

Per: _____ (Seal)

Rho Beta Beta Chapter of Omega Psi Phi Fraternity, Inc. (Party)