EISNERAMPER

JustLeadershipUSA, Inc.

FINANCIAL STATEMENTS

DECEMBER 31, 2018

JustLeadershipUSA, Inc.

Contents

	Page
Independent Auditors' Report	1
Financial Statements	
Statement of financial position as of December 31, 2018	2
Statement of activities for the year ended December 31, 2018	3
Statement of functional expenses for the year ended December 31, 2018	4
Statement of cash flows for the year ended December 31, 2018	5
Notes to financial statements	6

INDEPENDENT AUDITORS' REPORT

Board of Directors
JustLeadershipUSA, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of JustLeadershipUSA, Inc. ("JLUSA"), which comprise the statement of financial position as of December 31, 2018, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

JLUSA's 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 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 JustLeadershipUSA, Inc. as of December 31, 2018, and the changes in its net assets and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

EISNERAMPER LLP
New York, New York
January 27, 2021

JustLeadershipUSA, Inc.

Statement of Financial Position
December 31, 2018

ASSETS	
Cash	$ 368,567
Grants, contributions, and other receivables	5,010,098
Investments	6,007,079
Prepaid expenses and other assets	65,804
Property and equipment, net	70,972
	$ 11,522,520
LIABILITIES AND NET ASSETS	
Liabilities:	
Accounts payable and accrued expenses	$ 291,037
Total liabilities	291,037
Commitments, contingency, and other uncertainty (see Note F)	
Net assets:	
Without donor restrictions	2,101,204
With donor restrictions:	
Purpose restricted	9,130,279
Total net assets	11,231,483
	$ 11,522,520

JustLeadershipUSA, Inc.

Statement of Activities
Year Ended December 31, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue:			
Grants and contributions	$ 742,543	$ 807,063	$ 1,549,606
Special events, net of direct benefits to donors of $42,297	69,783	-	69,783
Net investment income	53,261	-	53,261
In-kind services	123,061	-	123,061
Other income	3,000	-	3,000
Total support and revenue before net assets released from restrictions	991,648	807,063	1,798,711
Net assets released from restrictions	4,609,204	(4,609,204)	-
Total support and revenue	5,600,852	(3,802,141)	1,798,711
Expenses:			
Program services:			
Grants and other related services	4,829,221	-	4,829,221
Supporting services:			
Management and general	1,141,268	-	1,141,268
Fund-raising	200,871	-	200,871
Total supporting services	1,342,139	-	1,342,139
Total expenses	6,171,360	-	6,171,360
Decrease in net assets	(570,508)	(3,802,141)	(4,372,649)
Net assets, beginning of year	2,671,712	12,932,420	15,604,132
Net assets, end of year	$ 2,101,204	$ 9,130,279	$ 11,231,483

JustLeadershipUSA, Inc.

Statement of Functional Expenses
Year Ended December 31, 2018

	Program Services: Grants and Other Related Services	Supporting Services			Total
		Management and General	Fund-raising	Total Supporting Services	
Salaries:	$ 2,369,067	$ 166,630	$ 156,131	$ 322,761	$ 2,691,828
Payroll taxes and employee benefits	347,788	24,461	22,920	47,381	395,169
Total salaries, payroll taxes and employee benefits	2,716,855	191,091	179,051	370,142	3,086,997
Grants	924,678	-	-	-	924,678
Professional and consulting fees	275,884	858,639	1,385	860,024	1,135,908
Office supplies and expenses	99,275	28,923	2,923	31,846	131,121
Occupancy and utilities	190,596	16,241	9,726	25,967	216,563
Travel	210,558	7,962	2,556	10,518	221,076
Conferences, conventions and meetings	384,885	14,553	4,672	19,225	404,110
Insurance	8,307	708	424	1,132	9,439
Advertising	18,183	2,645	134	2,779	20,962
Catering	-	-	42,297	42,297	42,297
Administrative expenses	-	11,181	-	11,181	11,181
Bad debts	-	15	-	15	15
Depreciation and amortization	-	9,310	-	9,310	9,310
Total expenses	4,829,221	1,141,268	243,168	1,384,436	6,213,657
Less: direct benefits to donors	-	-	(42,297)	(42,297)	(42,297)
Total expenses per statement of activities	$ 4,829,221	$ 1,141,268	$ 200,871	$ 1,342,139	$ 6,171,360

See notes to financial statements.

JustLeadershipUSA, Inc.

Statement of Cash Flows
Year Ended December 31, 2018

Cash flows from operating activities:	
Decrease in net assets	$ (4,372,649)
Adjustments to reconcile decrease in net assets to net cash used in operating activities:	
Depreciation and amortization	9,310
Realized gains on investments	(445)
Unrealized losses on investments	6,024
Bad debts expense	15
Changes in:	
Grants, contributions, and other receivables	527,401
Prepaid expenses and other assets	(28,641)
Accounts payable and accrued expenses	181,319
Net cash used in operating activities	(3,677,666)
Cash flows from investing activities:	
Proceeds from sales on investments	945,000
Purchases of investments	(6,957,658)
Purchases of property and equipment	(52,306)
Net cash used in investing activities	(6,064,964)
Net decrease in cash	(9,742,630)
Cash, beginning of year	10,111,197
Cash, end of year	$ 368,567
Supplemental disclosures of cash flow information	
In-kind services	$ 123,061

NOTE A - THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

[1] JLUSA:

JustLeadershipUSA, Inc. ("JLUSA") was incorporated in the State of Delaware on September 17, 2013 as a not-for-profit organization and began full-time operations on October 1, 2015. JLUSA is dedicated to reducing crime and cutting the U.S. prison population in half by 2030. JLUSA empowers people most affected by incarceration to drive policy reform. JLUSA is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the "Code"). It is also exempt from state and local taxes under comparable laws. JLUSA is supported primarily by contributions.

[2] Basis of accounting:

The financial statements of JLUSA have been prepared using the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America ("U.S. GAAP"), as applicable to not-for-profit organizations.

[3] Use of estimates:

The preparation of financial statements in conformity with U.S.GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, pubic support and revenues and expenses, as well as the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

[4] Investments:

JLUSA's investments in fixed income mutual funds have been reported at their fair values as of year-end. Cash equivalents that are held within the investment portfolio are also included in JLUSA's investments.

Investment transactions are recorded on a trade-date basis. Realized gains and losses on investments sold and unrealized appreciation and depreciation on investments held are reported in the statement of activities as increases or decreases in net assets without donor restrictions, unless their use is restricted through donor stipulation. Realized gains and losses on investments are determined by comparison of the cost at the time of acquisition to proceeds at the time of disposition. Unrealized gains and losses on investments are determined by comparing the investment's cost to the fair value at the end of each year. The earnings from dividends and interest are recognized when earned. Investment expenses are embedded within mutual fund transactions.

[5] Property and equipment:

Property and equipment are reported at their original costs at dates of acquisition, or, if contributed, at their fair values at the dates of donation, net of accumulated depreciation and amortization. JLUSA capitalizes assets with a cost of $1,000 or more, whereas minor costs for repairs and maintenance are expensed as incurred. Depreciation of equipment and furniture and fixtures is provided using the straight-line method over the estimated useful lives of the assets of five years. Amortization of leasehold improvements is provided using the straight-line method over the remaining lease term, or the useful lives of the improvements, whichever is shorter.

Management evaluates the recoverability of the investment in long-lived assets on an on-going basis and recognizes any impairment in the year of determination. Long-lived assets were tested for impairment as of December 31, 2018, and in the opinion of management, there were no impairments. It is reasonably possible that relevant conditions could change in the near term and necessitate a change in management's estimate of the recoverability of these assets.

NOTE A - THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[6] Deferred rent obligation:

For financial reporting purposes, the aggregate minimum rent expenses is recognized using the straight-line method over the term of the lease. The accumulative difference between rent expenses incurred by JLUSA and the rental amounts actually paid, which is attributable to schedule rent increases, is reported as deferred rent obligation in the statements of financial position.

[7] Net assets:

(i) Net assets without donor restrictions:

Net assets without donor restrictions represent those resources that are not subject to donor restrictions and are available for current operations.

(ii) Net assets with donor restrictions:

Net assets with donor restrictions represent those resources that have been restricted by donors for specific purposes and/or a specific period of time. When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and are reported in the statement of activities as net assets released from restriction.

[8] Revenue recognition:

(i) Contributions and pledges:

Contributions are recognized as revenue upon the receipt of cash or other assets or of unconditional pledges and are considered without donor restrictions, unless specifically restricted for purpose or time by the donor. Contributions to be received over periods longer than a single year are discounted at an interest rate commensurate with the risk involved. Conditional contributions are recorded when the conditions have been met. Management annually assesses the collectability of the receivables and provides for an allowance, when necessary, using management's estimate of potential defaults.

(ii) In-kind donations:

For recognition of donated services in JLUSA's financial statements, such services must: (i) create or enhance non-financial assets; and (ii) typically need to be acquired if not provided by donation. Additionally, recognition of donated services must: (i) require a specialized skill, and (ii) be provided by individuals possessing these skills. In-kind services are recorded as without donor restrictions unless the donor has restricted the donated assets for a specific purpose. In-kind services are reported both as contributions and offsetting expenses in the statement of activities.

(iii) Special events:

Gross proceeds paid by attendees at special events held as fundraising activities represents contribution revenue, as well as the payment of the direct costs of the benefits received by the attendee at the event. Special-event income is reported net of the direct benefits to donors. Special event revenues, other than contributions, applicable to a current year, are recognized as revenue in the year a special event takes place. Special event revenue received from a future year's event is deferred and recognized when the event takes place.

NOTE A - THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[9] Functional allocation of expenses:

The costs of providing JLUSA's program and supporting services are reported on a natural and functional basis in the statement of functional expenses. Accordingly, costs that are directly attributable to a specific functional area of JLUSA are reported as an expense to the appropriate program or supporting service. Natural expenses attributable to more than one functional expense category have been allocated among the program and supporting services based on the full-time employee equivalent method, percent of time spent by employees, or square footage, as applicable. Accordingly, salaries and benefits have been allocated based on time and effort, whereas occupancy, office supplies and expenses, insurance, and depreciation were allocated based on square footage.

[10] Grant expenses:

Unconditional grants are recognized as expenses in the statement of activities in the period the grants are approved. JLUSA does not make multi-year grants.

[11] Income taxes:

JLUSA is subject to the provisions of the Financial Accounting Standards Board's (the "FASB") Accounting Standards Codification ("ASC") Topic 740, *Income Taxes*, as it relates to accounting and reporting for uncertainty in income taxes. Because of JLUSA's general tax-exempt status, management believes ASC Topic 740 has not had, and is not expected to have, a material impact on JLUSA's financial statements.

Subsequent to December 31, 2018, the provision in the tax code requiring JLUSA to remit a tax attributable to transportation fringe benefits was repealed retroactively to December 31, 2017, thereby eliminating JLUSA's obligation for this tax. JLUSA will file for a claim of refund for any taxes paid subsequent to December 31, 2017 relating to transportation fringe benefits.

[12] Adoption of accounting pronouncement:

In August 2016, the FASB issued Accounting Standards Update ("ASU") 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities.* ASU 2016-14 amends financial-statement presentations and disclosures. ASU 2016-14 includes qualitative and quantitative requirements in the following areas: (i) net asset classifications; (ii) investment returns; (iii) expense categorizations; and (iv) liquidity and the availability of resources. ASU 2016-14 was effective for annual reporting periods issued for years beginning after December 15, 2017. Accordingly, JLUSA was required to adopt ASU 2016-14 for its year-ended December 31, 2018, which under U.S. GAAP was a change in the accounting principle requiring retroactive application in the financial statements of certain areas, whereas certain other areas were adopted on a prospective basis. Although JLUSA's adoption of ASU 2016-14 had no effect on JLUSA's total net assets or its changes in net assets for 2018, certain reclassifications were required. Accordingly, JLUSA changed its presentation of its net asset classes, and expanded certain footnote disclosures.

NOTE A - THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[13] Upcoming accounting pronouncements:

(i) Clarifying the scope and the accounting guidance for contributions received and contributions made:

In June 2018, the FASB issued Accounting Standards Update ("ASU") 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 985)*. ASU 2018-08 clarifies and improves guidance concerning: 1) evaluating whether a transaction should be accounted for as an exchange transaction or as a contribution; and 2) determining whether a contribution received is conditional. ASU 2018-08 is effective for annual periods beginning after December 15, 2018 for entities that are resource recipients and periods beginning after December 15, 2019 for entities that are resource providers. ASU 2018-08 should be applied on a modified prospective basis. Management is in the process of assessing the impact of this ASU on the financial statements.

(ii) Leases:

In February 2016, the FASB issued ASU 2016-02, *Leases* (Topic 842), which will require entities to recognize lease assets and lease liabilities (related to leases previously classified as operating under previous U.S. GAAP) on the statement of financial position. The ASU is effective for fiscal years beginning after December 15, 2021. Management is in the process of assessing the impact of this ASU on the financial statements.

(iii) Contributed nonfinancial assets:

In September 2020, the FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets,* intended to improve transparency in the reporting of contributed nonfinancial assets, also known as gifts-in-kind, for not-for-profit organizations. The ASU requires a not-for-profit organization to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash or other financial assets. For each category of contributed nonfinancial assets recognized, the not-for-profit organization will need to disclose: (i) qualitative information about whether the contributed nonfinancial assets were either monetized or utilized during the reporting period. If utilized, a description of the programs or other activities in which those assets were used; (ii) the not-for-profit's policy (if any) about monetizing rather than utilizing contributed nonfinancial assets; (iii) a description of any donor-imposed restrictions associated with the contributed nonfinancial assets; (iv) the valuation techniques and inputs used to arrive at a fair value measure, in accordance with the requirements in Topic 820, *Fair Value Measurement,* at initial recognition; and (v) the principal market (or most advantageous market) used to arrive at a fair value measure, if it is a market in which the recipient entity is prohibited by a donor-imposed restriction from selling or using the contributed nonfinancial assets. The amendments in this ASU will be applied on a retrospective basis and are effective for annual reporting periods beginning after June 15, 2021. Management is in the process of assessing the impact of this ASU on the financial statements.

(iv) Disclosure requirements for fair-value measurements:

In August 2018, FASB issued ASU 2018-13*, Fair Value Measurement (Topic 820) Disclosure Framework-Changes to the Disclosure Requirements for Fair Value Measurement* which modified the disclosure requirements for fair value measurements and is effective for years beginning after December 15, 2019, with early adoption permitted. The effect of adopting this accounting guidance will result in the removal or modification of certain fair value measurement disclosures presented in JLUSA's financial statements. Management is in the process of assessing the impact of this ASU on the financial statements.

NOTE A - THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[14] Subsequent events:

JLUSA evaluated subsequent events through January 27, 2021, the date on which the financial statements were available to be issued.

NOTE B - GRANTS, CONTRIBUTIONS, AND OTHER RECEIVABLES

Grants and contribution receivable due in less than one year amounted to $5,010,098 as of December 31, 2018. Based on prior experience, management expects the receivables to be fully collectible, and accordingly, no allowance for doubtful amounts has been established.

During 2018, JLUSA received contributions from two major donors that represented approximately 62% of total contributions.

NOTE C - INVESTMENTS

At December 31, 2018, investments at fair value, consisted of the following:

	Fair Value	Cost
Money market funds	$ 966	$ 966
Mutual funds:		
Fixed income	6,006,113	6,012,137
	$ 6,007,079	$ 6,013,103

At December 31, 2018, net investment income consisted of the following:

Interest and dividends	$ 58,840
Realized gains	445
Unrealized losses	(6,024)
	$ 53,261

NOTE C - INVESTMENTS (CONTINUED)

ASC Topic 820, *Fair Value Measurements*, establishes a three-level valuation hierarchy of fair-value measurements. These valuation techniques are based on observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions. These two types of inputs create the following fair-value hierarchy:

Level 1: Valuations are based on observable inputs that reflect quoted market prices in active markets for identical investments, at the reporting date.

Level 2: Valuations are based on: (i) quoted prices for similar investments in active markets; or (ii) quoted prices for identical or similar investments in markets that are not active; or (iii) pricing inputs other than quoted prices that are directly or indirectly observable at the reporting date.

Level 3: Valuations are based on pricing inputs that are unobservable and include situations where: (i) there is little, if any, market activity for the investments; or (ii) the investments cannot be independently valued.

The availability of market data is monitored to assess the appropriate classification of financial instruments within the fair-value hierarchy. Changes in economic conditions or valuation techniques may require the transfer of financial instruments from one level to another. In such instances, the transfer is reported at the beginning of the reporting period. There were no transfers among the fair-value hierarchy levels.

During 2018, JLUSA's investments were all considered to be Level 1 within the fair-value hierarchy.

NOTE D - PROPERTY AND EQUIPMENT

At December 31, 2018, property and equipment consisted of the following:

Furniture and fixtures	$ 32,292
Leasehold improvements	53,826
	86,118
Less: accumulated depreciation and amortization	(15,146)
	$ 70,972

NOTE E - NET ASSETS WITH DONOR RESTRICTIONS

At December 31, 2018, net assets with donor restrictions consisted of the following purpose restrictions:

Jail closure campaigns	$ 8,144,874
Leadership development	985,405
	$ 9,130,279

NOTE E - NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

At December 31, 2018, net assets released from restrictions consisted of the following:

Jail closure campaigns	$ 3,624,334
Leadership development	984,870
	$ 4,609,204

NOTE F - COMMITMENTS, CONTINGENCY, AND OTHER UNCERTAINTY

[1] Leases:

During May 2016, JLUSA entered into an agreement to lease office space. The lease commenced August 2016 and expires July 2026. The lease initially requires monthly payments of $7,120 with annual increases of 3% under the terms of the lease. On May 17, 2018, JLUSA extended the lease agreement which now required monthly payments of $4,619 with annual increases of 3% and expiring December 2027. JLUSA expanded the original lease office space.

During December 2017, JLUSA entered into a lease for office space in Albany, NY. The lease expired on November 30, 2018 and required monthly payments of $200. The lease contained a renewal option at the conclusion of the lease.

During 2018, JLUSA entered into various leases for office space in Milwaukee, WI, Washington, DC and Philadelphia. The leases expire from December 31, 2019 through August 31, 2020 and require monthly payments of a range of $450 to $1,400 with annual increases of 3%.

At December 31, 2018, the future minimum annual lease payments are as follows:

Year	Amount
2019	$ 178,537
2020	153,069
2021	155,699
2022	160,369
2023	165,183
Thereafter	567,367
	$ 1,380,224

Rent expense related to the office spaces for 2018 was approximately $188,000.

[2] Contracts:

In the normal course of business, JLUSA enters into various contracts for professional and other services, which are typically renewable on a year-to-year basis.

NOTE F - COMMITMENTS, CONTINGENCY AND OTHER UNCERTAINTY (CONTINUED)

[3] Other uncertainty:

The extent of the impact of the coronavirus ("COVID-19") outbreak on the operational and financial performance of JLUSA will depend on the continued future developments, including the duration and spread of the outbreak and related travel advisories and restrictions. The impact of COVID-19 on overall availability of contributions towards JLUSA's programs and the impact on the financial markets and the overall economy are highly uncertain and cannot be predicted. If contributions towards JLUSA's programs are impacted for an extended period, results of operations may be materially adversely affected.

[4] Litigation:

From time to time, JLUSA is subject to litigation in the ordinary course of conducting its business, and management does not believe the outcome of these current matters would have a material adverse impact on JLUSA’s financial position.

NOTE G - IN-KIND DONATIONS

JLUSA received donated services valued at approximately $123,061 as of December 31, 2018, that consisted of legal services related to the negotiation of an employment contract and other miscellaneous items.

NOTE H - CONCENTRATION OF CREDIT RISK

JLUSA maintains its cash in a high-credit-quality financial institution, in amounts which, at times, may exceed federally insured limits. JLUSA has not experienced any losses in such accounts and management believes that JLUSA is not exposed to any significant risk of loss related to failure of this financial institution.

NOTE I - RECOVERY OF FUNDS

Shortly after the new President/CEO was installed in July 2018, an examination of internal financial controls and other organizational policies and procedures was initiated at her request, including those that were outsourced to third-party vendors. Through this process, it became clear that a lack of organizational infrastructure had resulted in inconsistencies, and a lack of accountability and transparency. This was most apparent in practices managed by the outsourced fiscal and human resource agents. These procedures identified certain transactions occurring in 2016 and 2017 for unexplained charges of approximately $450,000.

JLUSA has since: i) established policies and procedures and internal controls using standard best practices; ii) informed all major donor stakeholders of the discoveries made and actions taken; iii) removed remaining threats by revamping IT systems and off-boarding third party vendors and any JLUSA staff that had refused to cooperate with the changes; and iv) subsequent to the 2018 year-end, JLUSA was able to recover $225,000 of the unexplained 2016 and 2017 charges.

NOTE J - LIQUIDITY AND AVAILABILITY OF RESOURCES

The following information reflects JLUSA's financial assets as of the statement of financial position date, reduced by amounts not available for general use within one year due to contractual or donor-imposed restrictions.

Accordingly, JLUSA's financial assets available for general expenditure within one year of December 31, 2018 are as follows:

Cash	**$ 368,567**
Grants and contribution receivable	**5,010,098**
Investments	**6,007,079**
Total financial assets available within one year	**11,385,744**
Less: amounts unavailable for general expenditures within one year, due to:	
Restricted by donors for:	
Purpose	**(9,130,279)**
Total financial assets available to meet cash needs for general expenditures within one year	**$ 2,255,465**

Liquidity policy:

JLUSA's policy is to maintain a sufficient level of operating cash to be available as its general expenditures, liabilities, and other obligations that come due.

NOTE K - SUBSEQUENT EVENT

Subsequent to year-end, in May 2020 JLUSA received a Paycheck Protection Program Loan of approximately $924,000.