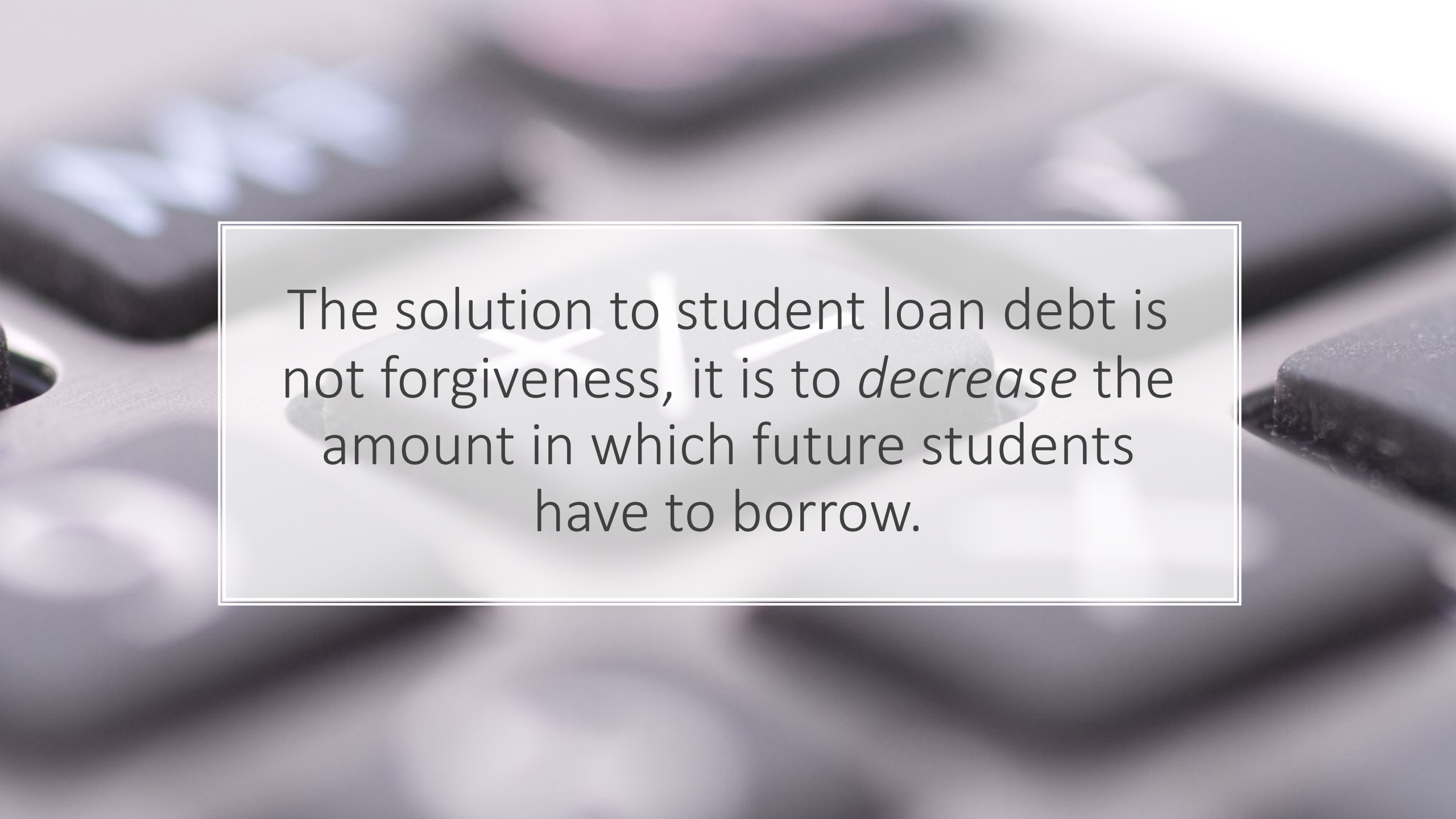




| The solution to student loan debt.



The solution to student loan debt is not forgiveness, it is to *decrease* the amount in which future students have to borrow.



What will happen when communities believe in
The Scholarships 4 Us® Program?



Households

- ✓ Increase savings for college *life*
- ✓ Decrease Student Loan borrowing by accumulating prize funds
- ✓ Decrease out-of-pocket expenses for postsecondary education

2022 YOUTH SPORTS

BASEBALL • TRACK • VOLLEYBALL

\$65

Requirements:

- Identification Card
- Medical Action Play (MAP) required if there is health condition
- Exceptional Family Member Program (EFMP) required if there is a health concern
- Health Assessment/Sports Physical Statement (HASPS) required for all participants
- Must be 5 years old by March 1, 2022 to register



THE MOST ANTICIPATED FOOTBALL EVENT OF THE SUMMER IS BACK

8U-9U-10U-11U-12U-13U



VII

DIAMOND SUMMER SHINE

FAYETTE, NC

CONCORD, NC



FRIDAY - JULY 2ND, 2023

Schofield
241 Hewitt
(808) 655-5
Walk-ins: 7:30

NEW TURF FIELDS
PLACES GUARANTEED

\$375
PER TEAM
\$50

RESERVE YOUR SPOTS

Register on Webtrack

Slots will be filled on

A waitlist is available 919-4076

COM



The Numbers

According to the Aspen Institute youth after school activities market is estimated to be worth **19.6 Billion**

7%

According to EducationData.org over 1.7 Million scholarships are awarded every year with only 7% of college students being recipients

93%

Of not being a recipient

2%

According to NCAA.org only 2% of student-athletes will earn some form of Athletic Scholarship

98%

Of not being a recipient

\$1,500

According to Aspen Institute the average annual expense per child for organized activities is \$700 - \$2,300

\$10,500

Age 12-18

According to **National Center for Education Statistics** the average cost of attending a 4-year college or university in the 20'- 21' academic year was **\$9,400** (public), **\$37,600** (private non-profit) and **\$18,200** (private for profit).

Trophies, Plaques, and Medallions



JARED M. KOCH
jkoch@blethenberens.com

September 12, 2024

VIA EMAIL

Michael Ducombe
119 Plato Street
Mankato, MN 56001
theprogram@scholarships4us.com

Re: *Consultation of September 12, 2024*

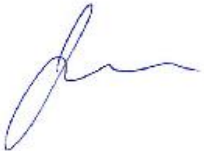
Dear Michael:

Thank you for speaking with me on September 12, 2024, to discuss the establishment of the Trust of Scholarships 4 Us and related matters. I appreciate the confidence you have expressed in our firm. This letter is to confirm that Blethen Berens provides business law, estate planning, employment law, and related legal services that will be necessary in the establishment of the Trust.

Pursuant to our conversation, Blethen Berens will not open a file for you at this time and will not undertake to represent you at this time. In declining to represent you at this time, our firm is not expressing an opinion on this matter. We neither had an opportunity to investigate the facts in this matter nor to research the applicable law. Since we did not undertake to provide you with any legal advice regarding this matter, no charge is being made for any legal fees or expenses.

If and when you are ready to proceed with this matter, please contact our office to discuss next steps. Please contact us if we can be of any help in the future.

BLETHEN BERENS



Jared M. Koch
JMK/

*Practice
Your Craft*



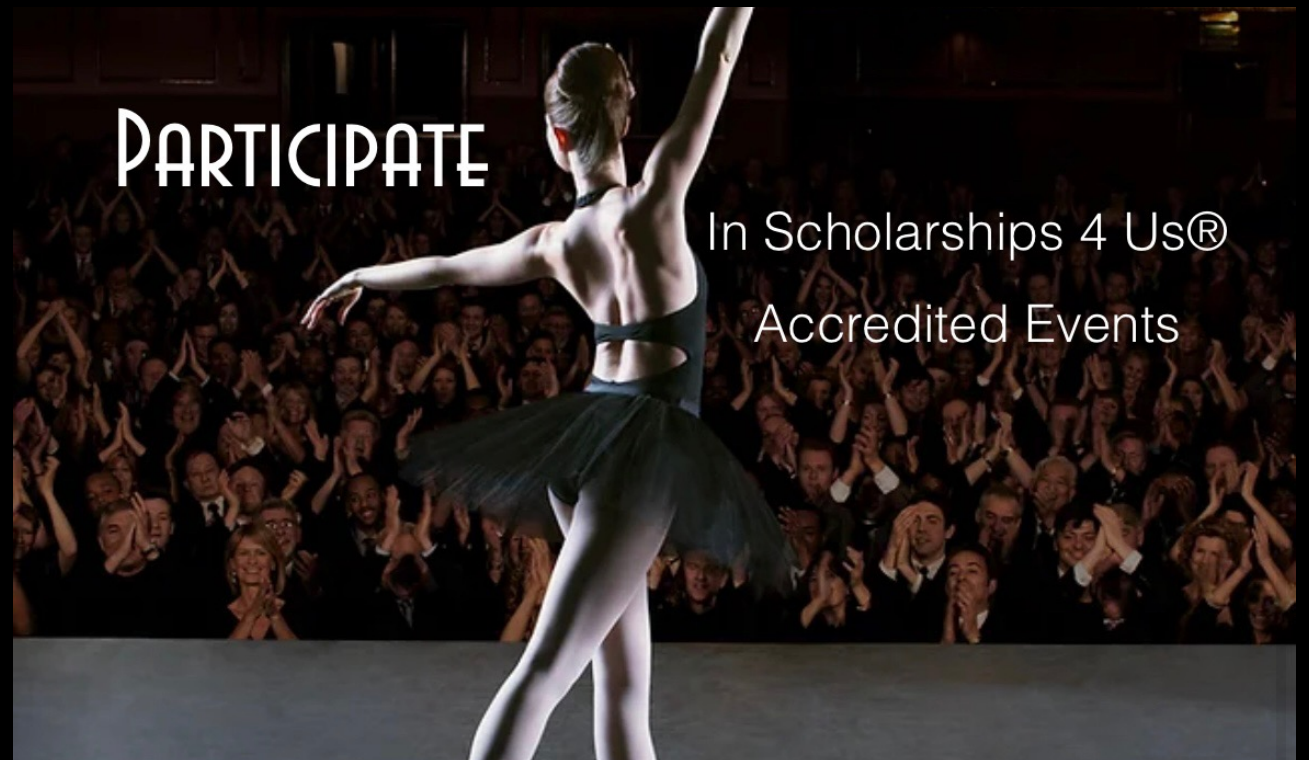
Play

For Your Educational Institution



PARTICIPATE

In Scholarships 4 Us®
Accredited Events



Understanding

jurisdiction over scholarships and prize funds





Topic No. 421 Scholarships, Fellowship Grants, and Other Grants

A scholarship is generally an amount paid or allowed to a student at an educational institution for the purpose of study. A fellowship grant is generally an amount paid or allowed to an individual for the purpose of study or research. Other types of grants include need-based grants (such as Pell Grants) and [Fulbright grants](#).

Tax-Free

If you receive a scholarship, a fellowship grant, or other grant, all or part of the amounts you receive may be tax-free. Scholarships, fellowship grants, and other grants are tax-free if you meet the following conditions:

- You're a candidate for a degree at an educational institution that maintains a regular faculty and curriculum and normally has a regularly enrolled body of students in attendance at the place where it carries on its educational activities; and
- **The amounts you receive are used to pay for tuition and fees required for enrollment or attendance at the educational institution, or for fees, books, supplies, and equipment required for courses at the educational institution.**

Taxable

You must include in gross income:

- Amounts used for incidental expenses, such as room and board, travel, and optional equipment.
- Amounts received as payments for teaching, research, or other services required as a condition for receiving the scholarship or fellowship grant. However, you don't need to include in gross income any amounts you receive for services that are required by the National Health Service Corps Scholarship Program, the Armed Forces Health Professions Scholarship and Financial Assistance Program, or a comprehensive student work-learning-service program (as defined in section 448(e) of the Higher Education Act of 1965) operated by a work college.

How to Report

Generally, you report any portion of a scholarship, a fellowship grant, or other grant that you must include in gross income as follows:

- If filing [Form 1040](#) or [Form 1040-SR](#), include the taxable portion in the total amount reported on the "Wages, salaries, tips" line of your tax return. If the taxable amount wasn't reported on Form W-2, enter "SCH" along

CONVERTING PRIZE MONEY INTO SCHOLARSHIP FUNDS

TO MAINTAIN AMATEURISM ELIGIBILITY AND DECREASE STUDENT LOAN BORROWING



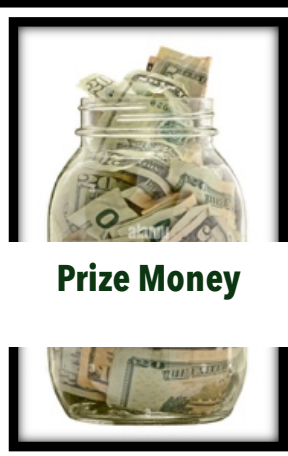
IRS Topic No. 421

Prize money may be used as Scholarship Funds which is non-taxable income when used for enrollment in an educational institution or for necessary supplies for a course at the educational institution.

Prize money

Accepted Prize Money must be reported as taxable income.

PRIZE FUND



Prize Money

Scholarship Funds

The collegiate athletic associations each have their own bylaws controlling the eligibility of collegiate athletes in accepting Prize Money based on place finish so student-athletes must request their Prize Money as scholarship funds.

Prize Money

The National Governing Bodies of the Olympic and Paralympic Movement determines eligibility to compete in the Olympic games.

AMATEURISM



UNITED STATES
OLYMPIC & PARALYMPIC
COMMITTEE

TO COMPETE IN COLLEGIATE ATHLETICS

TO COMPETE IN THE OLYMPICS

the Corporation

Corporations and companies may establish their own non-profit to provide a tax deductible contribution to, or they may contribute to any registered 501(c)(3) charitable organization known as a Scholarship Provider. The Prize Fund is funded by **Scholarship Funds** because the contributor is recognized either as a donor or sponsor.

MESSAGE MY DONOR

Donor receives tax deduction for their contribution which is 'Without Restrictions'



Sponsor receives tax deduction for their contribution which is 'With Restrictions'



"Grants to individuals must be made in accordance with procedures approved in advance by the Internal Revenue Service. To secure such approval, a private foundation must demonstrate in its request for advance approval that:

- Its procedure awards grants on an objective and non-discriminatory basis
- The procedures is reasonably calculated to result in performance by grantees of the activities that the grants are intended to finance
- The foundation will supervise grants to determine whether grantees have fulfilled the grant terms.

THE POWER OF ENDOWMENTS

Non-profits may be eligible to manage the donor and sponsor funds in an Endowment fund that provides an income source for the business.

PRIZE FUND

Scholarship Funds

(no cash value for grantee)

Prize Money

Generally, prospective student-athletes in high school may accept prize money based on their place finish at a competition, provided the money does not exceed their expenses in those events during a calendar year or sport season.

Best Practices Regarding Prize Money

- Keep a spreadsheet of all tournaments in which you accepted prize money based on your finish. Track how much prize money you accepted (in the currency in which it was received) and the value of all competition-related expenses tied to that event.
- Save documentation (e.g., receipts, credit card statements) of your expenses.

Certifying Prize Money Legislation Compliance

The Eligibility Center requires the following to certify compliance of prize money legislation:

- The name and date of each event/tournament in which you accepted prize money;
- The amount of prize money you received; and
- The value of all your expenses related to each event in which you accepted prize money.



NCAA rules may be different based on division, sport and/or timing (pre- or post-enrollment). If you have questions regarding your amateur status or NCAA legislation, contact the athletics compliance office at the NCAA institution recruiting you or the NCAA's public and legislative line at 877-262-1492.

Need more information? [Click here](#) for additional amateurism-related resources.

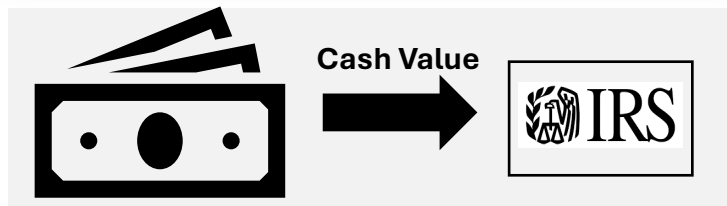
The SCHOLARSHIPS 4 US[®] Program



Since 1950, it's not that the collegiate athletic association's philosophy of Amateurism has prevented students from using Prize Money as a source of funding for their scholarship system, it is that the students never understood what a scholarship 'is' by definition so their system has swayed us from using participants own money to fund their education.

What students need is a third-party Legislative-Compliance enterprise to provide events to award the funds, keep track record of the funds, and to manage the transfer and disbursement of the funds.

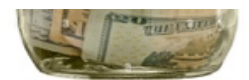
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PRIZE FUND



Prize Money



The Trust of Scholarships 4 Us[®] is an Irrevocable Trust funded with participants Prize Funds. Each participant is assigned to an Enrollment ID to keep track record of their entitled Prize Money in which can be requested as Scholarship Funds (non-taxable income) disbursed to the educational institution or Prize Money (taxable income).



Itemizing a Financial Statement

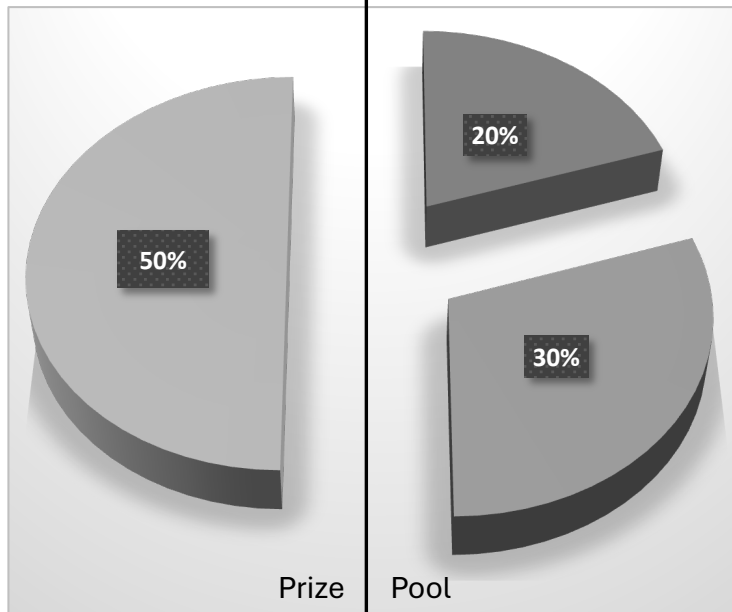
of a **\$100 Prize Fund** in a sanctioned youth bowling league or tournament

Participants

\$50 or 50%

The contributor **DOES NOT** receive a tax-deduction so **The Source of Funding** must be itemized independently as '**Prize Funds**' and not included in the Donor or Sponsor line. It is a misrepresentation in a Financial Statement if the sources of funding are commingled into one itemized line for the reason that it is not true that 100% of the Prize Fund is sourced by a donor or sponsor - only 50% is.

The other 50% is sourced by the participants as Prize Funds to be managed by an organization claiming their purpose is to ensure each of them maintain their eligibility to compete in collegiate athletics because of their philosophy of Amateurism.



Sponsor (with restrictions)

\$20 or 20%

The contributor **DOES** receive a tax- deduction and permits the non-profit league or tournament manager to use the funds **ONLY** for this event.

Donor (without restrictions)

\$30 or 30%

The contributor **DOES** receive a tax-deduction and permits the non-profit league or tournament manager to use the funds either for this event **OR** any other reason.

These are two different business models with separate sources of funding that require distinct accountabilities in the management and use of the funds.

Furthermore, when participants contribute their *own* money into the Prize Fund, just like the donor or sponsor, they are entitled to determine how they want their funds to be used. Not only that, but they are also *entitled* to request their funds either as Scholarship Funds to be disbursed as a Scholarship Award (Non-Taxable Income) or Prize Money (Taxable Income).

BUSINESS MODELS

Scholarship League or Scholarship Tournament

managed by a non-profit Scholarship Provider

Charitable Contributions

The Source of Funding (Scholarship Funds)

Donor	without restrictions	\$30
Sponsor	with restrictions	\$20

A bowling league or tournament that awards Prize Funds based on place finish

managed by a third-party enterprise under Amateurism

Participant Contribution

The Source of Funding (Prize Funds)

Participant	Prize Funds	\$50
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The background is a blurred image of a financial document. It features a line graph with several data points connected by lines. A white pen is positioned in the upper right corner, pointing towards the graph. The overall color palette is light blue and white, with a soft, out-of-focus effect.

Cost of Entry Platforms



ESA

(Earning and Savings Account)

When a student enrolls in The Scholarships 4 Us® Program they establish an ESA, known as their Earning and Savings Account that will follow them through their eligibility time period even if they may be in a social service program. Their ESA is assigned to an Enrollment ID in which Scholarships 4 Us® uses to keep track record of their participation, accrued savings, and accumulate prize funds based on place finish within the S4Us.portal™.

Harmony Avery

Savings Contributions

\$20

Accumulated Prize Funds

\$400



- Account Information
- ESA Account**
- Early Disbursement Request
- Disbursement Request

Savings Contribution		Accumulated Prize Funds			
Date of Event	Event Name	Place Finish	Score	Accumulated Prize Funds	
6/7/24	SwishIs2Sweet	1st	300	\$400.00	
Average:		1st	Average: 300	Total \$400.00	

*editing ESA is only accessible to Scholarships 4 Us administrators

Scholarships 4 Us has three Cost of Entry Platforms: 6-4, 12-8 and 24-16. An Accredited Hosts will select The Platform when they create an event which will determine the ticket price. This uniformed system will ensure that The Program maintains its national standard for Student-Participants Earning and Savings Account.

Required Entrants Per Event: 25

6 - 4

- S4Us™ 'Fee' Per Participant (Expense)
- Hosts 'Fee' Per Participant
- Lineage
- Cost of Entry \$40.00
- 4th & 5th Prize Fund

Cost Of Entry Breakdown-

GOLDEN GUIDELINES

25% - EXPENSE AND LINEAGE.....	(\$10.00)
25% - SAVINGS CONTRIBUTION.....	(\$10.00)
50% - PRIZE FUND.....	(\$20.00)

Top 5 Places Accumulate Prize Funds Based On The Following Percentages Of The Total Money Collected:

1 st -	40%
2 nd -	24%
3 rd -	20%
4 th -	8%
5 th -	8%

1. COST OF ENTRY: \$40.00

2. ENTRANTS: 25

3. TOTAL MONEY COLLECTED:

\$1,000.00

(COST OF ENRTY X NUMBER OF PARTICIPANTS)

4. EXPENSE

\$150.00

(HOSTS FEE PER PARTICIPANT) X (NUMBER OF PARTICIPANTS)

5. LINEAGE

\$100.00

(S4Us FEE PER PARTICIPANT) X (NUMBER OF PARTICIPANTS)

6. SAVINGS CONTRIBUTION

\$250.00

(CONTRIBUTION) X (NUMBER OF PARTICIPANTS)

7. PRIZE FUND

\$500.00

(PRIZE FUND) X (NUMBER OF PARTICIPANTS)

8. ACCUMULATED PRIZE FUND

(%) X (PRIZE FUND)

1ST: 40% \$200.00

2ND: 24% \$120.00

3RD: 20% \$100.00

4TH: 8% \$40.00

5TH: 8% \$40.00

\$10 X 12 MONTHS X
7 YEARS

\$840 SAVINGS CONTRIBUTION



\$200 x 12 months

x

7 years

\$16,800 Accumulated Prize Funds

1. COST OF ENTRY: \$80.00

2. ENTRANTS: 25

3. TOTAL MONEY COLLECTED: **\$2,000.00**
(COST OF ENRTY X NUMBER OF PARTICIPANTS)

4. EXPENSE **\$300.00**
(HOSTS FEE PER PARTICIPANT) X (NUMBER OF PARTICIPANTS)

5. LINEAGE **\$200.00**
(S4Us FEE PER PARTICIPANT) X (NUMBER OF PARTICIPANTS)

6. SAVINGS CONTRIBUTION **\$500.00**
(CONTRIBUTION) X (NUMBER OF PARTICIPANTS)

7. PRIZE FUND **\$1,000.00**
(PRIZE FUND) X (NUMBER OF PARTICIPANTS)

8. ACCUMULATED PRIZE FUND
(%) X (PRIZE FUND)

1 ST :	40%	\$400.00
2 ND :	24%	\$240.00
3 RD :	20%	\$200.00
4 TH :	8%	\$80.00
5 TH :	8%	\$80.00

1. COST OF ENTRY: \$160.00

2. ENTRANTS: 25

3. TOTAL MONEY COLLECTED: **\$4,000.00**
(COST OF ENTRY X NUMBER OF PARTICIPANTS)

4. EXPENSE **\$600.00**
(HOSTS FEE PER PARTICIPANT) X (NUMBER OF PARTICIPANTS)

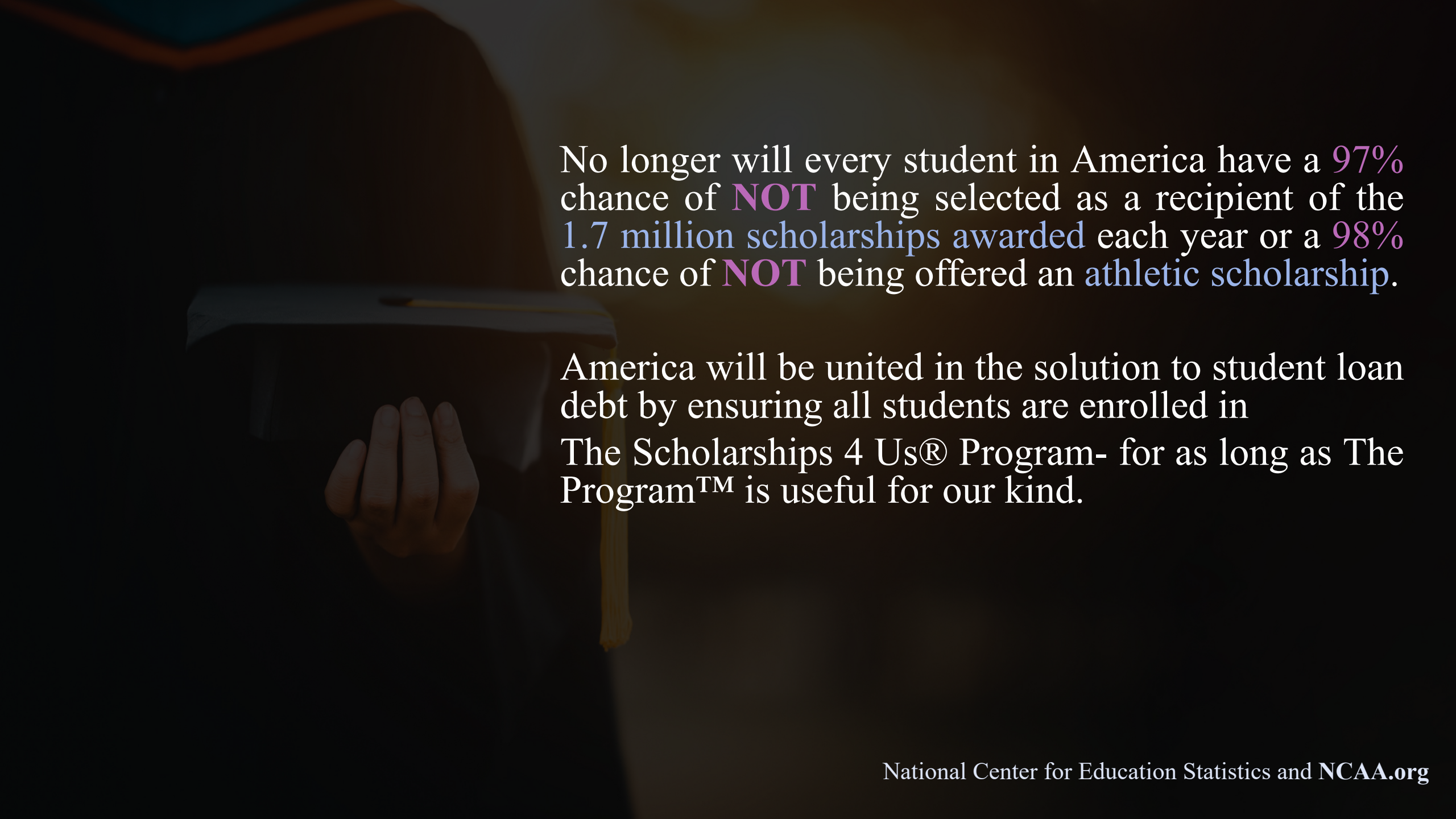
5. LINEAGE **\$400.00**
(S4Us FEE PER PARTICIPANT) X (NUMBER OF PARTICIPANTS)

6. SAVINGS CONTRIBUTION **\$1,000.00**
(CONTRIBUTION) X (NUMBER OF PARTICIPANTS)

7. PRIZE FUND **\$2,000.00**
(PRIZE FUND) X (NUMBER OF PARTICIPANTS)

8. ACCUMULATED PRIZE FUND
(%) X (PRIZE FUND)

1 ST :	40%	\$800.00
2 ND :	24%	\$480.00
3 RD :	20%	\$400.00
4 TH :	8%	\$160.00
5 TH :	8%	\$160.00

A person wearing a graduation cap and gown is holding a diploma. The background is dark, and the text is overlaid on the right side of the image.

No longer will every student in America have a 97% chance of **NOT** being selected as a recipient of the 1.7 million scholarships awarded each year or a 98% chance of **NOT** being offered an athletic scholarship.

America will be united in the solution to student loan debt by ensuring all students are enrolled in The Scholarships 4 Us® Program- for as long as The Program™ is useful for our kind.