

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is entered into between the Attorney General of the State of California (“Attorney General”), Hildreth Walker, Jr. and Bettye Davis Walker (“the Walkers”), and African-American Male Achiever’s Network (“AMAN.”) The Attorney General, the Walkers, and AMAN shall collectively be referred to as the Parties.

I. RECITALS.

1. AMAN is a California nonprofit public benefit corporation formed in 1991 (Corporation No. 1492936) “to promote the Black Male Achievement Project (B-MAP) for elementary school boys” and its current mission is “to develop and implement youth intervention strategies,” primarily through exposure to science, math and computer applications.
2. AMAN’s assets are, and have always been, impressed with a charitable trust. AMAN was granted 501(c)(3) tax-exempt status from the Internal Revenue Service on May 1, 1992. AMAN is registered with the Attorney General’s Registry of Charitable Trusts (Registration No. 081048).
3. The Attorney General is responsible for supervising charitable organizations that operate in California and has a duty to protect charitable assets and donations on behalf of the People of the State of California.
4. In 2017, AMAN paid \$2,401,100 to the Walkers as compensation for “25 years of service” from 1991 to 2017 (such payment shall be referred to as the “2017 Payment”). The Walkers represent that they worked unpaid because AMAN did not have sufficient funding to pay them, but they were promised by the board of directors of AMAN that if funding ever became available, they would be compensated for their work. The Walkers represent that the 2017 Payment was the only compensation they have received from AMAN.
5. The 2017 Payment to the Walkers was funded by the 2017 sale of AMAN’s primary asset, certain real property in the City of Inglewood that sold for \$4,100,000.
6. There is a dispute between the Parties as to whether the 2017 Payment violates California law. The Parties, each of whom desires to avoid the expense, uncertainty, and inconvenience of litigation or other administrative action, agree to resolve their dispute regarding the 2017 Payment to the Walkers upon the terms and conditions stated below.

II. SETTLEMENT TERMS.

7. Within thirty (30) days of the complete execution of the Agreement, the Walkers shall return \$1,700,000 to AMAN and shall provide written confirmation to the Attorney General of the payment to AMAN.
8. The Walkers shall retain \$701,100 as their compensation from AMAN for their services to AMAN for the years 1991 through the date of this Agreement.

9. The Walkers shall not receive any additional compensation, in any form, for their services to AMAN for the years 1991 through the date of this Agreement.

III. GENERAL PROVISIONS

10. In consideration of the Walkers' agreement to return \$1,700,000 to AMAN, the Attorney General hereby releases and forever discharges the Walkers and AMAN, and each of them, their successors and assigns, from all claims, demands, indemnifications and causes of action that the Attorney General may now have or that might subsequently accrue to the Attorney General arising out of, connected with, or otherwise related to the 2017 Payment or the compensation retained by the Walkers pursuant to paragraph 8 above for their years of service to AMAN from 1991 through the date of this Agreement.

11. All AMAN officer and director compensation agreements shall comply with California law, including but not limited to the requirements of Government Code section 12586 and the following:

- a. Compensation shall be reviewed by the board at the time of hiring and whenever the term of employment is renewed or extended;
- b. The Board shall ensure that the compensation is reasonable and in the best interest of the charity;
- c. All compensation agreements must be in writing prior to compensation being earned;
- d. Board meeting minutes approving or denying compensation agreements must specifically include the amount and term for the compensation agreements, along with all documents reflecting the process by which the amount of compensation and its reasonableness were determined.

12. All of AMAN's annual filings with the Registry of Charitable Trusts shall be accurate and approved by the board.

13. All current and future AMAN board members shall, within 30 days, be required to read the Attorney General's Guide for Charities which is available on the Office of the Attorney General's website www.oag.ca.gov/charities

14. Because the release provided by the Attorney General is a specific release, Civil Code section 1542 which pertains to general releases does not apply. This release and discharge shall not be construed to limit or prevent any Party's ability to enforce the terms of this Agreement.

15. This Agreement contains the entire agreement and understanding among the Parties concerning the Attorney General's investigation of the Walker's compensation from 1991 through the date of this Agreement. Each of the undersigned warrants that no promise or inducement has been offered to them except as set forth in this Agreement and that the Agreement is executed without reliance upon any statement or representation by any persons or parties, or their representatives, concerning the nature and extent of injuries damages, and/or legal liability.

16. AMAN is current with all regular filings and, upon signature and payment pursuant to the terms of this Agreement, any delinquent or revoked status with the Attorney General's Registry

of Charitable Trusts will be removed and AMAN will be fully reinstated with the Registry of Charitable Trusts and permitted to fundraise within the State of California. AMAN shall fully comply with its registration and reporting requirements going forward and understands that future failures to comply with the registration and reporting requirements may result in the suspension or revocation of its registration.

17. The Parties acknowledge that they have read the entire Agreement and understand its contents and, in addition, have had an opportunity to discuss the contents with an attorney and make whatever investigation or inquiry such Party may deem necessary or desirable in connection with the subject matter of the Agreement.

18. This Agreement shall be binding upon the heirs, devisees, beneficiaries, affiliates, administrators, successors, assigns, officers, directors, trustees, executors, agents and employees of the Parties.

19. This Agreement is a product of bargained-for, arms-length negotiations among all Parties and their counsel. No Party shall be considered the author of this Agreement.

20. This Agreement and all rights and obligations arising out of it shall be governed and construed in accordance with the laws of the State of California.

21. The effective date of this Agreement shall be the date upon which all Parties have signed it.

22. This Agreement may be executed in counterparts, each of which shall be deemed an original, and said counterparts shall together constitute one Agreement, binding all Parties hereto. All original signatures shall be delivered to Deputy Attorney General Caroline K. Hughes, California Department of Justice, Office of the Attorney General, 300 South Spring Street Suite 1702, Los Angeles, California 90013.

IT IS SO AGREED.

Date: November ____, 2023

Bettye Davis Walker

Date: November ____, 2023

Hildreth Walker, Jr.

Date: November ____, 2023

Randell Maxey, M.D.

Date: November ____, 2023

Patricia McAlpine

Date: November ____, 2023

Allison Walker

Attorney General of the State of California, Rob Bonta

Date: December 29, 2023



Caroline K. Hughes, Deputy Attorney General
Attorneys for the Attorney General of the State of
California

APPROVED AS TO FORM AND CONTENT:

Date: November ____, 2023

Steven M. Aaron
Angela Gonzales
Rimon, P.C.
633 E. 63rd Street, Suite 220
Kansas City, MO 64110
Attorneys for Bettye Davis Walker and Hildreth Walker, Jr.

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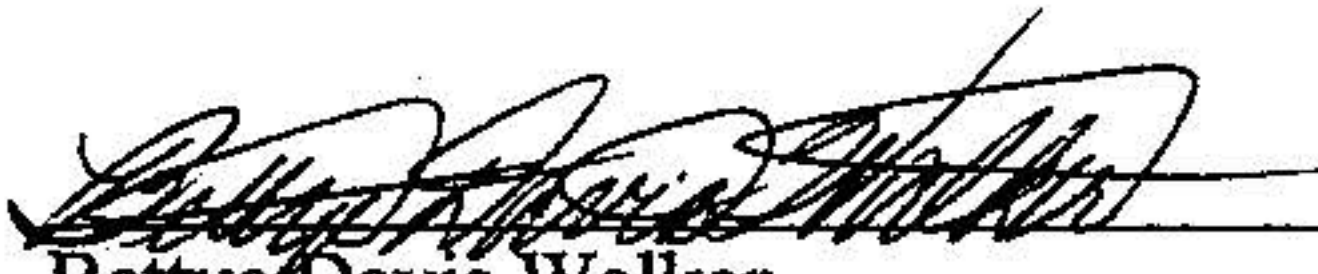
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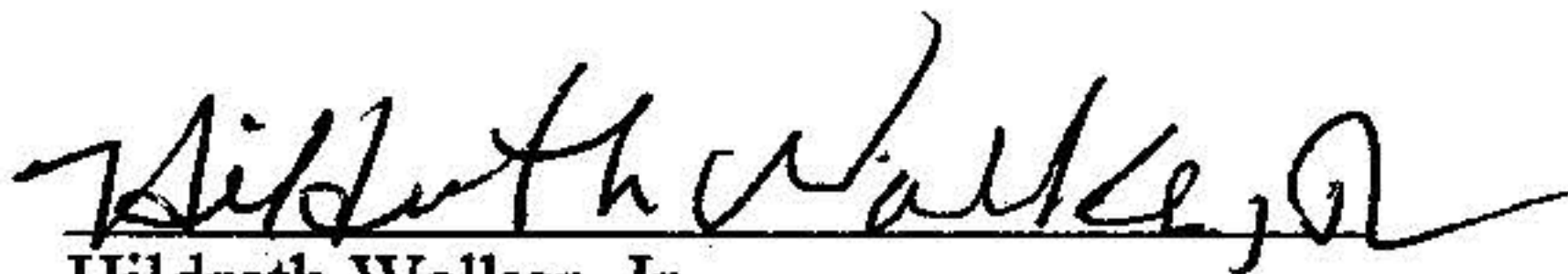
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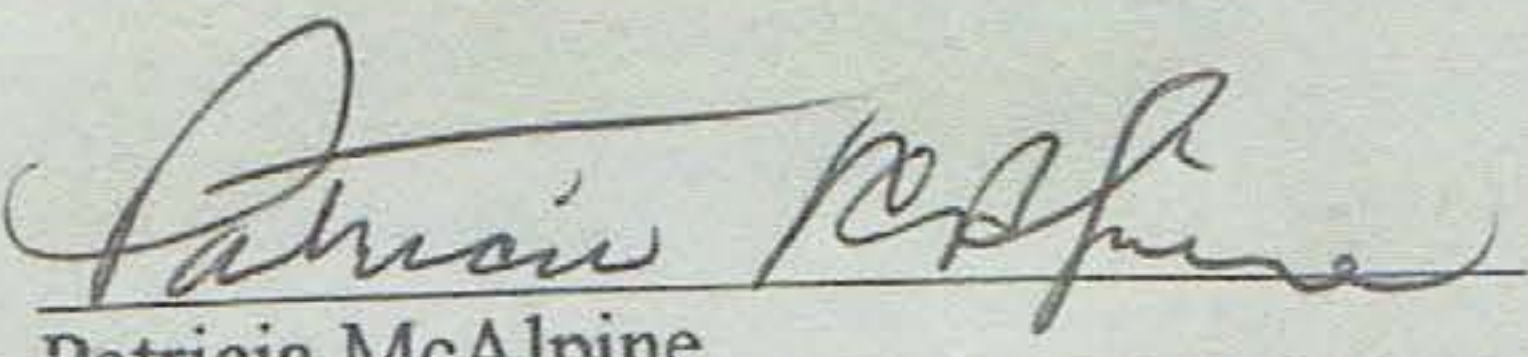
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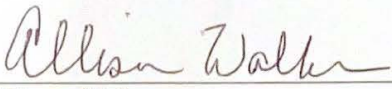
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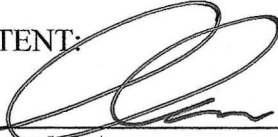
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