



# TBT Introduction and Summary of Splendora Medical System

*Executive  
Summary*

A Complete Health Care System based on economics as if people mattered



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## **Introduction**

TBTMSO1 is a **Medical Services Organization** (MSO) owned by four companies: The Order of Love Peace Truth Tolerance and Cooperation DBA TBT-Tomorrow's Bread Today, Schulte Law, PC, Construction LTD, and Diamond Development.

The goal of the company is to develop complete health care systems in specific locations that will serve the whole population regardless of their income status. The systems require safe and modern facilities, professional medical services, and methods to pay for both. In the absence of a universal public system for health insurance, the company has organized and contracted for a combination of public and private ways in which everyone in a community has the means to get complete and high-quality medical care.

We offer this summary to investors and lenders for their consideration in participating with us in this Splendor Medical System Project. The clinic and services proposed are those that address the medical and social needs of patients throughout their lives: a Primary Care Clinic that is supported by a Multi-Specialty Medical Group. The location was chosen because the properties were already owned by our non-profit partner. In that way we would have the needed equity for proper financing of leasehold improvements, marketing and beginning services.

The project is described in enough detail to allow an interested party to evaluate whether the project matches their investment or lending goals. In each case the populations being served qualify under Federal and State guidelines as low income and in need of better and more complete healthcare systems.

Several public programs are applicable to these projects: New Markets Tax Credits, Grants for medically underserved areas, and tax abatements for improvements in employment and infrastructure. Participation in the ACA, Medicare Plans and ACO programs are in the experience of this group and will be part of the complete health care system. Quality Assurance, Shared Saving and Local Patient Cooperatives are the means to making the projects viable and long lasting.

**Contract Information: Don McCormick 832-599-8449 donmcco@gmail.com**

# Management of TBTMSO1

## **Bret A. Schulte, J.D.**

### **Attorney – Houston Real Estate and Health Care Law**

**Bret Schulte** has been a licensed Attorney for 21 years and handles cases in Health Care, Real Estate. Attended Yale University and Ohio State University Moritz College of Law.  
8700 Commerce Park Drive Ste. 103,  
Houston, Texas 77036 Tel: (+1) 713-551-4961

## **Don McCormick, BA, AAMA**

B.A. Degree from University of St. Thomas in Houston, 1967  
University of Houston and Mills College for advanced studies in Insurance, 1967-1975  
Licensed as a General Lines Insurance Agent, 1967- Present  
Marketing Director for New Communities Service Corporation HMO, 1975  
Executive Director of Texas Health Plans HMO, 1977-1980  
President of Computech (Medical Accounting Software Company), 1980-1984  
President of National Association of Preferred Providers, 1984-1995  
President of Physicians ACO, 2012-2013  
Executive Director of SEMNet, HMINet, PDMP Multi-specialty Group IPAs  
Founder of Senior Patient Association AKA Patient Doctor Medical Plans (PDMP), 2005-Present  
Trustee for TBT, a 501c3 organization and sponsor of PDMP 1995-Present  
921 CR 3704B  
Splendor, Texas 77372 Tel: (+1) 832-599-8449 <https://tbt.org>

## **Blair Korndorffer, AIA**

Thirty+ years' experience as lead design professional in Health Care, Resort, Hospitality, Residential and Industrial Projects throughout the World.  
Managing Partner of a Multi-tiered development group that specializes in Medical, Resort and Hospitality development with projects in Texas, South and Central America and West Africa.  
Completed over 2000 projects representing \$2.8 Billion in Project Cost. Most of these projects are in health care and resort/hospitality facilities.  
In addition to these projects, we have designed over \$30 Billion in master planned developments, including continued care retirement communities (CCRC), Resort, Residential and Town Center Developments.  
700 Gemini St Suite 260  
Houston, TX 77058 Tel: (832) 224-6400 <http://diamonddevelopmentgroup.com>.

## **Tim Dixon of Construction, Ltd. Tim Dixon**

1825 Upland Houston, TX 77043 Tel: (713) 984-9444 <https://cltd.net/>

1981 Founder & owner of Construction LTD, a multi-family, professional, commercial, governmental, healthcare, retail, airport, religious, institutional, industrial and K-12 builder, with \$1.5BB in constructed projects in the greater Houston area.

1996 Founder & General Partner of Dixon Financial Services a private equity, mineral and real estate holding company that does developments in the Houston area.

1999 Founder & owner of Dixon Land & Wildlife Company a wildlife ranching operation consisting of 1,100 acres in Harwood, TX.

2009 Founder & majority shareholder of Qwik Pipe, Inc. a water transfer company for private energy operators in the Delaware, Permian & Eagle-ford Shale regions.

2010 Ordained minister at Encourager Church Houston, TX.

2017 Shareholder & Managing Member of DR3 Supply an oil field supply company.

2018 Shareholder of Heights Hospital which is a 50-bed acute care hospital in the Heights area of Houston.

2019 Co-founder & majority shareholder of Spirit Drilling Fluids a drilling mud company.

## **The Company's Competitive Position**

The Company is unique in its developments, agency organization and services provided to physicians, Medicare, private insurers, and cooperatives.

Our competitors are hospital sponsored ACOs, large Group Medical Practices, and Insurance companies that contract directly with physicians.

The Company believes that:

1. Physicians have and will continue to join local multi-disciplinary medical teams that we organize.
2. Patients continue to enroll in Medicare ACO and HMO plans with the companies we represent.
3. The health care delivery system will change in the direction that feeds our kind of service organization such as the MSO/IPA models in the current federal health laws. This will remain true even if it a single payer system or some compromise of that system is adopted.

## **Changes in Health Insurance System**

As of now, PPACA is the law and it establishes HMOs and ACOs for use by both Medicare and the private sector. The likelihood of a radical change in the current private sector domination of the health insurance system is unlikely. On the contrary, the health care providers will be able to count on an even greater number of patients who may be *required* to purchase health insurance subsidized or not by the government.

We anticipate legislative changes that will cost the patients more out of pocket either in reduced tax deductions or limited benefits, followed by further fixing of physician fees – rollbacks of Medicare rates, and better organization of managed care systems. The Congress could try to further control hospital costs by extension of diagnosis-related group (DRG) contracts to the non-Medicare markets and by reinstatement of certificates of need in building of facilities.

Furthermore, legislation could prohibit physician ownership of hospitals completely except as unit holders of public companies. All these likely strategies play into the strengths of our type of non-profit medical care system and contracted management company.

## **Size of the Market**

There are 50 million people on Medicare, of which 20 million receive their Medicare benefits from private health plans called Medicare Advantage (MA). These private plans have been around since the 1970s but in 1997 they were expanded to include preferred provider organizations (PPOs), provider sponsored organizations (PSOs), and private fee-for-service plans (PFFS). With the Medicare

Prescription Drug, Improvement, and Modernization Act of 2003 these types of plans were expanded to include regional PPOs that would serve patients that were eligible for both Medicare and Medicaid and special needs patients (SNP).

The 2003 Act also increased payments to plans to encourage enrollments and participation. The political motivation for that increase and expansion was that the open fee-for-service system has little price or quality control and did not reach to the most vulnerable parts of our population. Further, there is a bias in our system toward private rather than public health care financing systems.

Since 2003 enrollment in Medicare Advantage plans has increased from 5 million to 20 million by the end of 2020. The higher level of funding for these private health plans has not continued but the growth rate of these plans will as the MA advantage increase their ability to persuade patients to stay with their primary care physicians.

Medicare will not remain an unmanaged system because of the performance requirements. Medicare plans to achieve this by having fewer hospital admissions and less redundancy in professional services. A good way for physicians to capture a larger share of that saving is to be an owner in a physician's IPA and not in a hospital or insurance company IPA.

The financial projections of the company as shown in this summary reflect the expected cost of this development.

#### Payor Composition

The market payor mix is expected to be:

- Medicaid 21%
- Medicare 39%
- PPO/HMO 30%
- Indemnity 5%
- Self-Pay 5%



## Assets of TBTMSO1 Partners

### Information from SBA Loan Applications

Partners in TBTMSO1, managers of TBT	Assets	Liabilities	Net Worth
James Blair Korndorffer	\$ 4,992,000	\$ 1,390,000	\$ 3,302,000
Timothy A. Dixon	\$17,920,484	\$ 68,000	\$17,852,484
Bret Schulte	\$ 529,000	\$ 0	\$ 529,000
Don McCormick	\$ 719,000	\$ 140,000	\$ 579,000
TBT from <b>Audited Financial and on 990</b> 2020	\$ 11,464,617	\$ 4,867,325	\$ 6,597,292

### Financial Strength of the Sponsors (See Assets above)

\$35,625,101

### Commercialization Strategy

By commercialization we mean the exchange of values between the providers of medical care and patients. In medicine these values are usually a combination of cash or insurance payments for services that have been rendered and properly recorded and reported in standardized claims and medical records systems. But that is not the only kind of exchange. Providers are obligated by oath and by law to care for people who are sick and injured, so individual forgiveness of debt, contributions from charity and support from government are all in play. Our strategy in all our projects is to enroll the patient population into health plans that lessen the burden on them and us and do not drive the facility to depend mostly on a beggar's bowl. During the development period we will harness the best contracts possible with government and insurers and support a local cooperative that can solve the problems of paying for care for those who are outside of the usual systems but are our neighbors and patients. We have already addressed that issue in detail and are able to provide healthcare, including hospitalization for about 60% of the market cost.

We are a 501c3 organization and can obtain grants and donations to fill any money shortages in the patient population we will serve.

### Legal and Regulatory Issues

The facilities will require a license and our Developers and Architectural Firm and the Operators have done that many times in the past. In contracting for insurance payments, we have also done that many times, including one of the first ACOs in Texas in 2012

that achieved significant savings. We have had numerous contracts with Medicare Advantage Plans which were profitable since 1995. The law firm which is a sponsor in this plan is also a Title Company and managed a Medical Specialty Group in Houston for ten years whose performance was profitable each year until the practices were purchased by the Hospital and the HMO was sold to a larger group.

While compliance is complex, we have the skill and knowledge to meet the demands.

### **Patents and Intellectual Properties**

Patents and intellectual properties are not parts of this kind of business, at least for us, as the tools and systems we use are either open source or available by license agreement and represent a modest portion of the budget.

### **Business Model**

A non-profit Clinic and Health Care Plan managed by a Medical Service Organization that controls the contracts with payers and can market health plans in the community that are less expensive and more comprehensive and in which patients stay for the long term. Our books have elaborate descriptions of the business model and it finds support in the economic systems described by E.F. Schumacher and the marketing lessons of Henry Ospitia.

### **Long Term Sustainability**

Health care has been required during the whole history and pre-history of mankind. Its need is increasing because of an aging population and the emergence of new diseases. Health Care is not yet a science we understand well which is why the United States in 2021 Ranks 11<sup>th</sup> out of 11 industrial countries according to the Commonwealth Fund. However, the practice of care giving does allow people to survive in less pain and for longer than in the last two centuries. That fact sustains this business. Those who value life will plan and prepare for healthy relationships and environments which will sustain this program and its facilities and providers.

### **Amount and Specific Use of Funds**

See the Cost Sheets on the pages under each project:

### **Financial Capacity to Enter into Retained Relationship**

All the sponsors have retained relationships with both their suppliers and customers for more than thirty years.

## Medical Economics That Support Our Projects

This essay relates to the development of new clinics and insurance systems for low- income areas in the United States. It discusses the economic systems from a fresh point of view. It helps people to organize themselves into local cooperatives that satisfy their wants and needs in health care. It produces a new understanding of how health care economics will work when it is “cooperative” and not “dog eat dog” and not “somebody else’s problem.” It is a guide for how to create cooperatives that are economical and produce good health outcomes within the current laws and regulations. Making it universal can be done. It is not based on faith and hope but cooperative action, education, trust, and love. Faith and hope allow us to work in a joyful way.

Trusteeship and transfer of ownership of health care premiums paid to third parties by members of a health plan for future health care expenses is a core economic problem to solve in the United States. Insurance companies, employer-controlled trusts, and health benefits managers prosper when health care expenses are less than was predicted by premium setting. When saving has occurred, beneficiaries have not shared in those saving but have continuously paid higher premiums and increased out-of-pocket costs for health care services. Consequently, money spent by member patients has not protected their health and welfare as intended. Payments of premiums to private companies which contain funds for payment of future health care services and supplies must not be converted to profits by denial of payment or failure to predict future health care expenses. Payment of taxes and premiums in the Medicare and Medicaid plans in the United States are supposed to be in trust funds and price regulated by types of covered services. However, the methods used to claim and to distribute trust funds result in extraordinary waste in which most of the money goes to non-medical suppliers and facilities and not to providers of medical and surgical services. Less than 20% of claims paid are for professional fees. The result is “no valid accounting” from the point of view of the member who pays taxes, premiums and seeks services.

Patients have been paying twice as much for health care in the United States as is paid in other countries that have universal health care systems. As an example, in 2020 the amount paid per person was **\$10,224**. By comparison, the average in the ten other industrial countries was **\$5,280**. And health outcomes in the United States were worst that all the other industrial countries. Direct payments by members to providers for services not covered by insurance are as much as the total cost of health care services in other industrialized countries. This includes Medicare premiums and out-of-pocket expenses. **It does not have to be that way and a local cooperative can fix the problem.**

Health care as a human right ideal is derived from a basic need for humans to cooperate with each other to survive. Such a right is built on foundations of material and labor, love and respect for each other, honesty, and truth in our interactions. It is difficult to impose a right on any group of people by fiat or force. But it is even harder to deny that right when patients and doctors create it by individual labor and by collectively sharing material goods, teaching each other skills, and cooperating in the welfare of their families, friends, and neighbors. Whether the people in such a “Gathering” are rich or poor is of no consequence in the creation of these rights. What matters is that every human being in a “Gathering” is cared for and everyone who can provide skills and resources is participating.

A Cooperative program is possible in any community of at least a few hundred families. The economic and political systems in which rights can be established are mostly matters of opinion but systems in which universal rights established by participants are denied or become exclusionary are faulty. Capitalism and Socialism have manifested such faults and need not have significant influence on the creation of a health care system by a “Gathering” of people who love and care for each other. “Health care for all” can be built on a “Gathering” in each community everywhere. It should be enabled by honest trusteeship of required resources which must be shared between the communities. Governments, State and Federal, can and often do help in low-income communities with several program Tax Credits and Tax abatement programs which convert into about 25% of the total cost of the projects we have proposed under our 501c3 Non-Profit and in the neighborhoods where the clinics will be located. TBT has applied for this funding. However, the private

sector plans must contribute balance of the funding which can be done by TBTMSO1 and the TBT Multi-specialty Group, LLC. through bank loans and capital investments guaranteed by the owners of the management company (TBTMSO1) and members of the medical groups.

The hospitals and suppliers are the “elephants in the room.” They are big boxes, electrical-mechanical devices, drugs, chemicals, and their investor groups. In the current system with which they compete, they use 40% of all the money available for health care. Patients and physicians use these needed tools and by proper management can reduce the load to 20%. When that happens, patients will not confuse hospitals with medical care providers. It has never been that physicians or patients needed to own these shelters, tools, chemicals, and medicines, they just needed to the best and available when required. It is best to operate hospitals at cost so that the surplus they now drain can expand the supply of medical care providers and restore wealth to those who struggle to get wages and proper support when needed. We are a development of a system in which people matter and they know it because they provide the ways and means to functional and economical health care.

## An Integrated Version of Eastern and Western Medical Oaths

I swear to fulfill, to the best of my ability and judgment, this covenant:

I first must calm my mind and make steadfast my intention.

I shall not give way to idle wishes and desires but should first develop an attitude of compassion.

I vow to help rescue all living beings from their suffering.

Enemies, relatives, good friends, natives or foreigners, foolish and wise, they all are the same to me. I think of each of them as a close and loved relative - or indeed as if it were I who had been struck down by an illness.

I shall not worry about my own life or my fortunes or misfortunes. My purpose is to preserve the life of others.

I will remember that there is art to medicine as well as science, and that warmth, sympathy, and understanding may outweigh the surgeon's knife or the chemist's drug.

I will respect the hard-won scientific gains of those physicians **and others** in whose steps I walk, and gladly share such knowledge as is mine with those who are to follow.

I will apply, for the benefit of the sick, all measures that are required, avoiding either demanding or giving overtreatment and therapeutic nihilism.

I will not be ashamed to say, "I know not," nor will I fail to call in my colleagues when the skills of another are needed for a patient's recovery **including physicians I may not know personally**.

I will respect the privacy of my patients, for their problems are not disclosed to me that the world may know. Most especially must I tread with care in matters of life and death. If it is given me to save a life, all thanks. But it may also be within my power to take a life; this awesome responsibility must be faced with great humbleness and awareness of my own frailty and **such a decision will not be taken alone**.

Above all, I must not play at God.

I, as a physician, will remember that I do not treat a fever chart, a cancerous growth, but a sick human being, whose illness may affect the person's family and economic stability. My responsibility includes these related problems, if I am to care adequately for the sick.

I will prevent disease whenever I can, for prevention is preferable to cure.

**I will teach my patients and their families as much as possible about self-care and prevention by allowing time in my practice for such activity.**

I will remember that I remain a member of society, with special obligations to all my fellow human beings, those sound of mind and body as well as the infirm.

I shall not hide away in the mountains. Day and night, in cold and in heat, in hunger, thirst, and fatigue, I will single mindedly go to the rescue. If I act in this manner, I may approach being a great person for those who are sick or in need. Sometimes people look with contempt on those who suffer with abominable things, such as ulcers and diarrhea, however I shall maintain an attitude of compassion and sympathy. Never in a great person should there arise an attitude of rejection.

I will not glory in my reputation. I will not discredit other people while I praise my own virtues.

Thus, I will fulfill my responsibilities and my destiny as a physician member of the cooperative until I am no longer capable of fulfilling my obligations or until the end of my lifetime.

If I do not violate this oath, may I enjoy life, art, **science, and my work**, be respected while I live and remembered with affection thereafter. May I always act to preserve the finest traditions of my calling and may I long experience the joy of healing and **the relief of suffering**.

## Patient Member Medical Oath

I swear to fulfill, to the best of my ability and judgment, this covenant:

I first must calm my mind and make steadfast my intention to support the cooperative and its caregivers.

I shall not give way to idle wishes and desires but should first develop an attitude of compassion for my fellow members.

I vow to help rescue all living beings from their suffering.

Enemies, relatives, good friends, natives, or foreigners, foolish and wise, they all are the same to me. I think of each of them as a close and loved relative - or indeed as if it were I who had been struck down by an illness and in need of their compassion and help.

I shall not worry about my own life or my fortunes or misfortunes. My purpose is to preserve the life of others.

I will follow all measures required for the benefit of curing my sickness or injury based on what I have been taught by those physicians in whom I have placed my trust and my care, **but I will not undergo treatment which is invasive or dangerous without consulting physicians, and other experts, independent of my chosen physicians.**

I will remember that there is art to medicine as well as science and **I will be mindful and cautious of the care I agreed to receive.**

I will respect the hard-won scientific gains of those physicians and others whose advice and treatment I seek.

**I will respect the humble nature of my physician's call for help and advice in diagnosis and treatment of me and I will cooperate fully in the process.**

**I will respect the privacy of my conversation with my physicians and not gossip about my problems and the care and treatment I have sought because such talk may not be correct and can cause harm to others.**

**I will remember that I and my fellow members of the Cooperative by having chosen a physician or a physician team command their time and dedication to our care and therefore we are responsible for their support materially and spiritually. When, by their oath, they must care for everyone they see without regard to power or wealth or poverty or condition then each of us as cooperative members must bear our share of that expense and burden so that no one should suffer needlessly.**

I will prevent disease whenever I can, for prevention is preferable to cure.

**As a patient, I will study and learn as much as possible about self-care and prevention and have respect the schedule of the teacher when I seek instruction.**

I will remember that I remain a member of society, with special obligations to all my fellow human beings, those sound of mind and body as well as the infirm.

I shall not hide away in the mountains. Day and night, in cold and in heat, in hunger, thirst, and fatigue, I will single mindedly go to the rescue of my caregivers and fellow members. If I act in this manner, I may approach being a great person for those who provide care and for those who are sick or in need.

**Care is given by physicians, nurses, family and friends** and sometimes people look with contempt on those who suffer with abominable things, such as ulcers and diarrhea, however I, as a member and helper, shall maintain an attitude of compassion and sympathy. Never in a great person should there arise an attitude of rejection.

I will not glory in my reputation. I will not discredit other people while I praise my own virtues.

Thus, I will fulfill my responsibilities and my destiny as a fellow member of the cooperative until I am no longer capable of fulfilling my obligations or until the end of my lifetime.

If I do not violate this oath, may I enjoy life, art, **science, and my work**, be respected while I live and remembered with affection thereafter. May I always act to preserve the finest traditions of my calling and may I long experience the joy of healing and **the relief of suffering in others.**

## Benchmark Medical Cost Data from Managed Care Plans

Health Plan Fund Benchmark FFS Costs Expressed as Capitation Rates										
This budget is based on actual experience in managed care plans over a ten year period adjusted for 2019 costs										
Assume 1,500 Pts in 30 practices in Health Plans	7500 Patients		7500 Patients		15000 Patients		15,000 Patients		45,000 Patients	
About 45,000 total in four age groupings:	Dollars	2019	Dollars	2019	Dollars	2019	Dollars	2019	Total All Ages	Weighted
Capitation for Medical Services										
Specialties	Seniors 65+		Ages 0-17		Ages 18-44		Ages 45-64			
Hospital Inpatient and Outpatient	\$2,812,500	\$375.00	\$435,000	\$58.00	\$1,530,000	\$102.00	\$2,325,000	\$155.00	\$7,102,500	\$158.15
Primary Care Physicians	\$375,000	\$50.00	\$123,750	\$16.50	\$450,000	\$30.00	\$570,000	\$38.00	\$1,518,750	\$33.82
Prescription Drugs	\$251,250	\$33.50	\$66,000	\$8.80	\$240,000	\$16.00	\$436,800	\$29.12	\$994,050	\$22.13
Diagnostic Imaging/Radiology	\$165,000	\$22.00	\$74,250	\$9.90	\$270,000	\$18.00	\$270,000	\$18.00	\$779,250	\$17.35
Home Health	\$85,125	\$11.35	\$15,469	\$2.06	\$56,250	\$3.75	\$102,375	\$6.83	\$259,219	\$5.77
Oncology/Hematology	\$77,250	\$10.30	\$15,593	\$2.08	\$56,700	\$3.78	\$91,200	\$6.08	\$240,743	\$5.36
Unlisted Specialties	\$58,125	\$7.75	\$16,875	\$2.25	\$60,000	\$4.00	\$86,850	\$5.79	\$221,850	\$4.94
Ophthalmology	\$86,250	\$11.50	\$12,128	\$1.62	\$44,100	\$2.94	\$80,262	\$5.35	\$222,740	\$4.96
Lab	\$76,875	\$10.25	\$10,931	\$1.46	\$39,750	\$2.65	\$72,345	\$4.82	\$199,901	\$4.45
Anesthesiology	\$43,500	\$5.80	\$12,375	\$1.65	\$45,000	\$3.00	\$81,900	\$5.46	\$182,775	\$4.07
Cardiovascular Disease	\$74,625	\$9.95	\$9,158	\$1.22	\$33,300	\$2.22	\$60,606	\$4.04	\$177,689	\$3.96
Surgery: Orthopedic	\$40,500	\$5.40	\$11,756	\$1.57	\$42,750	\$2.85	\$77,805	\$5.19	\$172,811	\$3.85
Rehab	\$62,325	\$8.31	\$9,488	\$1.27	\$34,500	\$2.30	\$62,790	\$4.19	\$169,103	\$3.77
Out Patient Surgery Centers	\$38,400	\$5.12	\$9,900	\$1.32	\$36,000	\$2.40	\$65,520	\$4.37	\$149,820	\$3.34
Obstetrics & Gynecology	\$11,550	\$1.54	\$20,171	\$2.69	\$73,350	\$4.89	\$35,250	\$2.35	\$140,321	\$3.12
Emergency Medicine	\$46,500	\$6.20	\$7,301	\$0.97	\$26,550	\$1.77	\$48,321	\$3.22	\$128,672	\$2.87
Surgery: General	\$33,750	\$4.50	\$8,003	\$1.07	\$29,100	\$1.94	\$52,962	\$3.53	\$123,815	\$2.76
Hospitalist	\$57,900	\$7.72	\$5,528	\$0.74	\$20,100	\$1.34	\$36,582	\$2.44	\$120,110	\$2.67
Gastroenterology	\$52,125	\$6.95	\$5,775	\$0.77	\$21,000	\$1.40	\$38,220	\$2.55	\$117,120	\$2.61
DME	\$26,850	\$3.58	\$6,806	\$0.91	\$24,750	\$1.65	\$45,045	\$3.00	\$103,451	\$2.30
Long Term Acute Care	\$39,600	\$5.28	\$5,445	\$0.73	\$19,800	\$1.32	\$36,036	\$2.40	\$100,881	\$2.25
Urology	\$40,950	\$5.46	\$5,074	\$0.68	\$18,480	\$1.23	\$33,579	\$2.24	\$98,053	\$2.18
Diagnostic Imaging/ Cardiology	\$58,125	\$7.75	\$3,671	\$0.49	\$13,350	\$0.89	\$24,297	\$1.62	\$99,443	\$2.21
Skilled Nursing Facility	\$34,125	\$4.55	\$5,445	\$0.73	\$19,800	\$1.32	\$36,036	\$2.40	\$95,406	\$2.12
Pulmonary Disease	\$24,300	\$3.24	\$6,188	\$0.83	\$22,500	\$1.50	\$40,950	\$2.73	\$93,938	\$2.09
Ambulance	\$37,875	\$5.05	\$4,950	\$0.66	\$18,000	\$1.20	\$32,760	\$2.18	\$93,585	\$2.08
Addition, Behavior & Mental Health	\$19,125	\$2.55	\$6,394	\$0.85	\$23,250	\$1.55	\$42,315	\$2.82	\$91,084	\$2.03
Radiation Oncology	\$52,875	\$7.05	\$3,094	\$0.41	\$11,250	\$0.75	\$20,475	\$1.37	\$87,694	\$1.95
Dialysis Facility	\$25,500	\$3.40	\$4,043	\$0.54	\$14,700	\$0.98	\$26,754	\$1.78	\$70,997	\$1.58
Physical Medicine & Rehabilitation	\$20,850	\$2.78	\$4,373	\$0.58	\$15,900	\$1.06	\$28,938	\$1.93	\$70,061	\$1.56
Surgery: Cardiothoracic	\$37,725	\$5.03	\$2,681	\$0.36	\$9,750	\$0.65	\$17,745	\$1.18	\$67,901	\$1.51
Physical Therapy	\$21,525	\$2.87	\$3,589	\$0.48	\$13,050	\$0.87	\$23,751	\$1.58	\$61,915	\$1.38
Dermatology	\$15,600	\$2.08	\$3,919	\$0.52	\$14,250	\$0.95	\$25,935	\$1.73	\$59,704	\$1.33
Video & Telemedicine	\$15,000	\$2.00	\$7,500	\$1.00	\$15,000	\$1.00	\$22,500	\$1.50	\$60,000	\$1.34
Otolaryngology	\$12,600	\$1.68	\$3,589	\$0.48	\$13,050	\$0.87	\$23,751	\$1.58	\$52,990	\$1.18
Neurology	\$17,175	\$2.29	\$3,218	\$0.43	\$11,700	\$0.78	\$21,294	\$1.42	\$53,387	\$1.19
Surgery: Bariatric	\$12,075	\$1.61	\$3,506	\$0.47	\$12,750	\$0.85	\$23,205	\$1.55	\$51,536	\$1.15
Nephrology	\$14,775	\$1.97	\$3,094	\$0.41	\$11,250	\$0.75	\$20,475	\$1.37	\$49,594	\$1.10
Urgent Care Facility	\$8,625	\$1.15	\$4,200	\$0.56	\$17,100	\$1.14	\$17,250	\$1.15	\$47,175	\$1.05
Pathology	\$10,200	\$1.36	\$3,135	\$0.42	\$11,400	\$0.76	\$20,748	\$1.38	\$45,483	\$1.01
Surgical Assistant	\$12,375	\$1.65	\$3,000	\$0.40	\$10,500	\$0.70	\$19,110	\$1.27	\$44,985	\$1.00
Surgery: Plastic & Hand	\$8,925	\$1.19	\$3,011	\$0.40	\$10,950	\$0.73	\$19,929	\$1.33	\$42,815	\$0.95
Podiatry	\$11,025	\$1.47	\$2,681	\$0.36	\$9,750	\$0.65	\$17,745	\$1.18	\$41,201	\$0.92
Rheumatology	\$16,650	\$2.22	\$1,856	\$0.25	\$6,750	\$0.45	\$12,285	\$0.82	\$37,541	\$0.84
Allergy	\$4,650	\$0.62	\$2,681	\$0.36	\$9,750	\$0.65	\$17,745	\$1.18	\$34,826	\$0.78
Surgery: Neurological	\$6,750	\$0.90	\$1,898	\$0.25	\$6,900	\$0.46	\$12,558	\$0.84	\$28,106	\$0.63
Vision	\$5,175	\$0.69	\$1,609	\$0.21	\$5,850	\$0.39	\$10,647	\$0.71	\$23,281	\$0.52
Chiropractic	\$5,850	\$0.78	\$1,444	\$0.19	\$5,250	\$0.35	\$9,555	\$0.64	\$22,099	\$0.49
Intensive Care Professional	\$6,300	\$0.84	\$1,320	\$0.18	\$4,800	\$0.32	\$8,736	\$0.58	\$21,156	\$0.47
Pain Management	\$4,425	\$0.59	\$1,238	\$0.17	\$4,500	\$0.30	\$8,190	\$0.55	\$18,353	\$0.41
Endocrinology	\$4,875	\$0.65	\$784	\$0.10	\$2,850	\$0.19	\$5,187	\$0.35	\$13,696	\$0.30
Infectious Diseases	\$5,550	\$0.74	\$495	\$0.07	\$1,800	\$0.12	\$3,276	\$0.22	\$11,121	\$0.25
Optometry	\$900	\$0.12	\$600	\$0.08	\$1,500	\$0.10	\$1,800	\$0.12	\$4,800	\$0.11
	\$4,549,950	\$303.33	\$1,101,953	\$73.46	\$1,990,650	\$132.71	\$3,000,390	\$200.03	\$2,610,875	\$174.06

## Benchmark Plan Administrative Cost Data From Managed Care Plans

Health Plan Fund Benchmark FFS Costs Expressed as Capitation Rates										
This budget is based on actual experience in managed care plans over a ten year period adjusted for 2019 costs										
Assume 1,500 Pts in 30 practices in Health Plans										
About 45,000 total in four age groupings:										
	7500 Patients		7500 Patients		15000 Patients		15,000 Patients		45,000 Patients	Weighted
Capitation for Medical Services	Dollars	2019	Dollars	2019	Dollars	2019	Dollars	2019	Total All Ages	Cap
<b>General Administrative Expenses</b>										
Auditing Actuarial & Consulting	\$8,625	\$1.15	\$2,888	\$0.39	\$10,500	\$0.70	\$15,000	\$1.00	\$37,013	\$0.82
Beneficiary Discovery and Survey	\$13,125	\$1.75	\$2,681	\$0.36	\$9,750	\$0.65	\$17,745	\$1.18	\$43,301	\$0.96
Beneficiary Personal Contact & HRA	\$11,250	\$1.50	\$6,806	\$0.91	\$24,750	\$1.65	\$18,750	\$1.25	\$61,556	\$1.37
Boards Bureaus & Asso. Dues	\$825	\$0.11	\$165	\$0.02	\$600	\$0.04	\$1,092	\$0.07	\$2,682	\$0.06
Care Coordination	\$14,625	\$1.95	\$4,331	\$0.58	\$15,750	\$1.05	\$28,665	\$1.91	\$63,371	\$1.41
Collections and Bank Service Charges	\$3,150	\$0.42	\$578	\$0.08	\$2,100	\$0.14	\$3,822	\$0.25	\$9,650	\$0.21
Commissions	\$285,000	\$38.00	\$52,800	\$7.04	\$192,000	\$12.80	\$349,440	\$23.30	\$879,240	\$19.58
Cost of Depreciation of EDP Equipment	\$4,875	\$0.65	\$949	\$0.13	\$3,450	\$0.23	\$6,279	\$0.42	\$15,553	\$0.35
Equipment	\$2,625	\$0.35	\$536	\$0.07	\$1,950	\$0.13	\$3,549	\$0.24	\$8,660	\$0.19
Insurance on Real estate	\$5,400	\$0.72	\$1,361	\$0.18	\$4,950	\$0.33	\$9,009	\$0.60	\$20,720	\$0.46
Legal	\$7,350	\$0.98	\$1,320	\$0.18	\$4,800	\$0.32	\$8,736	\$0.58	\$22,206	\$0.49
Occupancy, depreciation & Amort.	\$2,850	\$0.38	\$578	\$0.08	\$2,100	\$0.14	\$3,822	\$0.25	\$9,350	\$0.21
Out of Area Stop Loss Insurance	\$6,750	\$0.90	\$1,485	\$0.20	\$5,400	\$0.36	\$9,828	\$0.66	\$23,463	\$0.52
Outsourced Services EDP, Claims	\$61,950	\$8.26	\$11,096	\$1.48	\$40,350	\$2.69	\$73,437	\$4.90	\$186,833	\$4.16
Payroll Taxes	\$10,200	\$1.36	\$2,104	\$0.28	\$7,650	\$0.51	\$13,923	\$0.93	\$33,877	\$0.75
Postage Express & Telephone	\$35,625	\$4.75	\$9,199	\$1.23	\$33,450	\$2.23	\$60,879	\$4.06	\$139,153	\$3.10
Printing & Office Supplies	\$18,750	\$2.50	\$6,146	\$0.82	\$22,350	\$1.49	\$25,200	\$1.68	\$72,446	\$1.61
Regulatory Authority Fees	\$525	\$0.07	\$124	\$0.02	\$450	\$0.03	\$819	\$0.05	\$1,918	\$0.04
Rent	\$15,900	\$2.12	\$4,373	\$0.58	\$15,900	\$1.06	\$28,938	\$1.93	\$65,111	\$1.45
Salaries, Wages & Benefits	\$75,000	\$10.00	\$18,810	\$2.51	\$68,400	\$4.56	\$94,500	\$6.30	\$256,710	\$5.72
Specific Stop Loss @\$75,000	\$187,500	\$25.00	\$61,875	\$8.25	\$225,000	\$15.00	\$330,000	\$22.00	\$804,375	\$17.91
State and Local Taxes	\$48,750	\$6.50	\$9,900	\$1.32	\$36,000	\$2.40	\$65,520	\$4.37	\$160,170	\$3.57
State Premium Taxes	\$45,975	\$6.13	\$8,044	\$1.07	\$29,250	\$1.95	\$53,235	\$3.55	\$136,504	\$3.04
Travel	\$5,625	\$0.75	\$1,856	\$0.25	\$6,750	\$0.45	\$9,750	\$0.65	\$23,981	\$0.53
		\$116.30								
<b>Summary of Costs</b>										
All Professional	\$2,274,975	\$303.33	\$550,976	\$73.46	\$3,484,650	\$232.31	\$5,259,870	\$350.66		
All Hospital Services	\$2,812,500	\$375.00	\$435,000	\$58.00	\$36,000	\$2.40	\$65,520	\$4.37		
All Administration	\$872,250	\$116.30	\$210,004	\$28.00	\$763,650	\$50.91	\$1,231,938	\$82.13		
Sub-Totals	\$5,959,725	\$794.63	\$1,195,980	\$159.46	\$4,284,300	\$285.62	\$6,557,328	\$437.16		
Margin	\$595,973	\$79.46	\$119,598	\$15.95	\$428,430	\$28.56	\$655,733	\$43.72		
Totals	\$6,555,698	\$874.09	\$1,315,578	\$175.41	\$4,712,730	\$314.18	\$7,213,061	\$480.87		
Target Hospital Admits per 1000		250		43	\$930,000	62	\$1,692,600	113		
Target Length of stay		5.26		1.75	\$37,500	2.50	\$68,250	4.55		
Income From Premiums	\$8,250,000	\$1,100.00	\$1,537,500	\$205.00	\$5,250,000	\$350.00	\$8,250,000	\$550.00		
									Totals For Plan	
Gross Shared Savings Potential	\$1,694,303	\$225.91	\$221,922	\$29.59	\$537,270	\$35.82	\$1,036,939	\$69.13	\$3,490,433.70	
25% to MSO	\$423,576	\$56.48	\$55,481	\$7.40	\$134,318	\$8.95	\$259,235	\$17.28	\$872,608.43	
37.5% PCPs	\$635,363	\$84.72	\$83,221	\$11.10	\$100,738	\$13.43	\$194,426	\$25.92	\$1,308,912.64	
37.5% Specialists	\$635,363	\$84.72	\$83,221	\$11.10	\$100,738	\$13.43	\$194,426	\$25.92	\$1,308,912.64	



## TBT Health Loan Request Structure

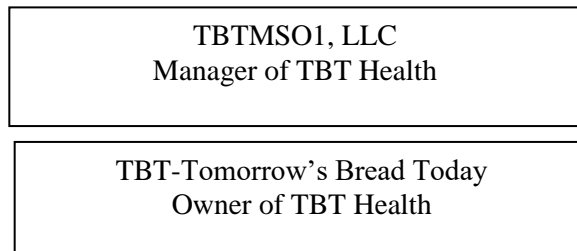
- Borrower: TBT Medical Service Organization (MSO) that will bring health plans to the community that use TBT Health Plans.
- Owners/Managers of TBTMSO1 (TBT, Diamond Development, Schulte Law & Construction LTD)
- Shareholders of each of the above-named companies are owners of this medical system. Don McCormick and Bret Schulte are managers of TBTMSO1.
- Don McCormick, (Health Systems Consultant), James Blair Korndorffer (Architect), Timothy Dixon (General Contractor). & Bret Schulte (Attorney).
- Guarantors are the signers of the notes that pay the contributions to the TBT “Shared Income Fund”
- **Cash Contributed to the “Shared Income Fund” is invested in this project and loans repaid by the contributors are automatically collected by TBTMSO1 and remitted in whole to the lender each month at 7% over 84 months.**
- Amount: \$ 1,000,000
- Uses per the client –
 

\$ 200,000	- Design, Engineering and Construction of the medical facilities
\$ 75,000	- Equipment
\$ 375,000	- Startup of the medical system after construction
\$150,000	- Development and Patient Health Plan Enrollment for Company
\$50,000	- Cost of Professional Fee and Financing
\$150,000	- Reserves

### Term: seven years – Interest Only Payments

- Interest Reserve: - 36 months of interest payments
- Rate: 3.5% with a 1.00% floor
- Collateral: 100% LTV CD on Deposit
- TBT-Tomorrow’s Bread Today chartered in Texas on 9-15-1994 leases the Facility and owns the equipment and TBT Multi-specialty Group is the Medical Provider and owns the practice.
- The leased property is 2,000 sq. ft. and paved parking lot. It is owned by First Baptist Church of Splendora.
- The leasehold improvements will convert the building into a complete and safe medical clinic and will include a medical Van as part of the equipment so that primary care can be delivered in patient’s home as needed 365 days a year.
- The 84-month notes from the contributors to TBT Health’s “Shared Income Fund will be the collateral for a \$750,000 loan to TBT for purchase of the 5 year CDs.
- PRS (Primary Source of Repayment) TBT Fund and the individual notes signed by the contributors.
- 7-year cash flow projection for TBT Health will pay back the interest and all loans.

### Organization Chart



## **TBT Health Medical Care System**

TBT Health is in the Northeast corner of corner of Montgomery County and on the border of Liberty County. The clinic is in Montgomery County and is in the incorporated city limits of Splendora. Numerous census tracts in the service area are within a four-mile radius of the Clinic are in an economically distressed Opportunity Zone listed by the Community Development Financial Institutions Fund (CDFI). The clinic is in a qualified low-income census tract and serves other nearby qualified low-income census tracts: (Zip Code 77372)

Low-income census tracts; 48336963000, 4833962700, 48291700300, 48339692802.

This project will address the needs of the zone by improving an existing building owned by First Baptist Church of Splendora and operating a multi-specialty clinic and comprehensive health plan in which the aims are: (1) better access to care, (2) better health care outcomes and (3) lower professional, hospital, and ancillary costs. The property is in a good location for both the patients and the providers. It is just ¼ of a mile from the intersection of I69 North and FM2090 next door to the Church. The facility as designed will serve populations which currently are medically underserved and lack comprehensive healthcare coverage. The target population in the service area is more than 15,000 with a growth that will add 1,000 more people in the next few years. TBT Health project will benefit the local economy through an increased tax base and more than 10 permanent jobs. The construction will take about 3 months. The hard and soft cost of the completed project will be as much as \$1 million. The property will have a value of \$150,000 before construction and as much as \$400,000 after construction is completed and improvements to the facility are financed and operational. This equity will qualify for conventional construction and operational loans. TBT and First Baptist of Splendora are both non-profit and TBT has contracts with Health Insurance Plans (HIPs) and a Medical Service Organization (MSO) that will use the facilities. Money from patients for health care goes through the HIPs and MSO that pay TBT Health for medical services. TBT health will invest its own capital in the project including the purchase at a 10% discount of the Tax Credits allocated to the CDE. The managers of TBT Health have operated medical practices, facilities, and health plans for over twenty-five years. The long-term experience of our group is a source of trust to create a FQHC look alike Clinic supported by a primary care physician and supported by the TBT Multi-specialty Group of 15 specialty types that we manage.

## **How owners and managers of this project will fulfill their obligations to lenders**

1. The project is expected to have a start-up cost that is greater than the income that can be generated by its operations of the health plans and the medical facilities. That deficit could be \$375,000. The capital contributions from the investors in TBT "Shared Income Fund" Health will be \$1,000,000.
2. The physical assets of the TBT are presently \$6,000,000 and when improvements in these leased facilities are completed will be excess of \$6,200,000. Therefore, the exposure of the lender is less than in most commercial transactions of this type.
3. **Participation in a New Markets Tax Credits plan (39% of the total project cost or \$390,000) by TBT with Community Development Entity further reduces the risk for everyone and makes investments and loans more attractive than opportunities in medical care available in the United States by double.**
4. **In this project the lender is the medical group and the member patients through donations into the "pooled income fund" of TBT. We ask of the outside investor only loans to the medical group and the individual patients to cover their donations to the "pooled income fund." The total of those loans would be \$1,000,000 (\$750,000 from the Leveraged Lender and \$250,000 from the CDE Partner). The bank or outside investor loans would be amortized at 7% interest over 8 years. The collateral for the leveraged lender would be secured by a CD and for the CDE partnership the notes from the investors in the TBT "Shared Income Fund" and the equipment and accounts receivable of the medical practice.**

## Summary of Costs, Loans, and Values

TBTMSG Clinic Budget and Projections								
Patients	\$	1,000						
Encounters		4.00						
Fees Collected Per Encounter	\$	95						
Performance Bonuses Per Pt	\$	170						
Health Plan Admin Income	\$	120						
Total Income	\$	590,000						
One Clinic								
Expenses		PCP		%				
Accounting (MSO)	\$	6,000		1.0169%				
Benefits	\$	1,600		0.2712%				
Communications	\$	3,600		0.6102%				
EMR	\$	3,600		0.6102%				
Equipment	\$	3,600		0.6102%				
Insurance	\$	6,000		1.0169%				
Legal	\$	1,200		0.2034%				
Licenses and Fees	\$	1,200		0.2034%				
Local Support (ACO)	\$	6,000		1.0169%				
Medical Assistants (2)	\$	90,000		15.2542%				
Medical Supplies	\$	25,000		4.2373%				
Office Supplies	\$	1,200		0.2034%				
Reception	\$	36,000		6.1017%				
Rent	\$	36,000		6.1017%				
Taxes	\$	32,600		5.5254%				
Travel	\$	2,400		0.4068%				
Utilities	\$	3,000		0.5085%				
Waste Removal	\$	600		0.1017%				
Physician	\$	180,000		30.5085%				
Total Expenses	\$	439,600		74.5085%				
Profits Before Taxes	\$	150,400		25.4915%				
Development      Operation								
Proforma by Year		1	2	3	4	5	6	7
Income	\$	118,000	\$ 590,000	\$590,000	\$590,000	\$590,000	\$590,000	\$590,000
Expenses	\$	351,680	\$ 439,600	\$439,600	\$439,600	\$439,600	\$439,600	\$439,600
Organization, Equip.& Mktng	\$	350,000						
Net Cash	\$	(583,680)	\$ 150,400	\$ 150,400	\$ 150,400	\$ 150,400	\$ 150,400	\$ 150,400
Shared Income Fund Dividends*	\$	(20,000)	\$ (40,000)	\$ (40,000)	\$ (40,000)	\$ (40,000)	\$ (40,000)	\$ (40,000)
Interest for LL Loan	\$	(18,750)	\$ (41,250)	\$ (41,250)	\$ (41,250)	\$ (41,250)	\$ (41,250)	\$ (41,250)
Interest for NMTC loan	\$	(3,750)	\$ (3,750)	\$ (3,750)	\$ (3,750)	\$ (3,750)	\$ (3,750)	\$ (3,750)
Closing Cost	\$	(50,000)						
Collateral Deposit Fees	\$	(22,500)	\$ (22,500)	\$ (22,500)	\$ (22,500)	\$ (22,500)	\$ (22,500)	\$ (22,500)
Net Cash	\$	(698,680)	\$ 42,900	\$ 42,900	\$ 42,900	\$ 42,900	\$ 42,900	\$ 42,900

\*Dividends are pd to TBT Fund and then to the beneficiaries of the donors

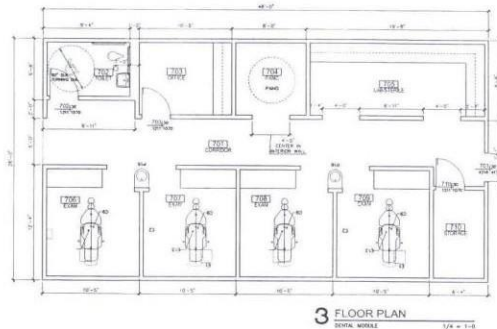
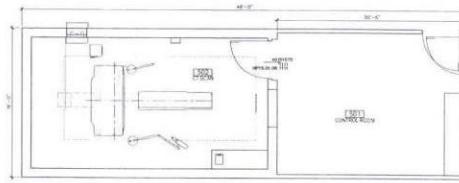
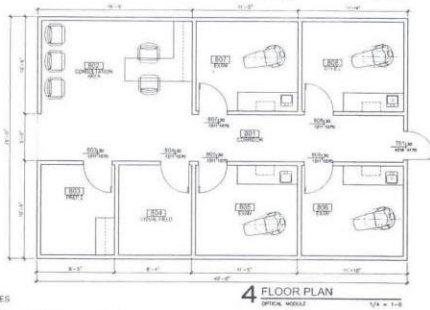
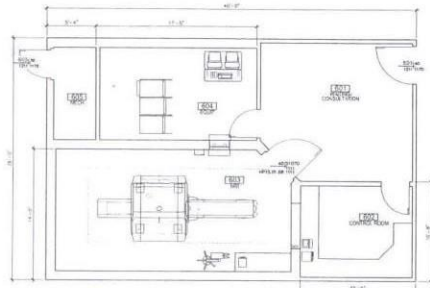
The loan for the purchase if the CDs is paid by TBTMSO1 from the notes that are paid by the Donors not from the clinic income

Schedule of \$750,000 payments

400 units annual Payback	\$	135,840	\$ 135,840	\$ 135,840	\$ 135,840	\$ 135,840	\$ 135,840	\$ 135,840	\$ 950,880
Monthly Notes	\$	11,320							
Monthly Note per Donor Unit	\$	28							
\$750,000 CD Contributor Earning	\$	30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 210,000

Results	Condition of the plan at the end of 7 year term	
	Profits Taken	Debt
The CD Collateralized Note is Pd	\$ 200,880	
The CD can cash in of reinvest in Another Clinic	\$ 210,000	
Clinic		\$0
Beneficiaries Paid	\$ 260,000	
Tax Benefits to Donors	\$ 390,000	
Added Tax Deductions	\$ 100,000	
Total Government Help	\$ 490,000	

# Clinic Floor Plans and Building to be Remolded



**PARTITION TYPE NOTES**

1. ALL PARTITION TYPES SHOWN ON THIS SHEET SHALL BE AS FOLLOWS UNLESS NOTED OTHERWISE.

2. ALL PARTITION WALLS SHALL BE CONCRETE BLOCK WITH 1/2" GYPSUM BOARD ON BOTH SIDES AND FINISH WITH 1/2" GYPSUM BOARD ON BOTH SIDES AND FINISH WITH 1/2" GYPSUM BOARD ON BOTH SIDES AND FINISH WITH 1/2" GYPSUM BOARD ON BOTH SIDES.

3. ALL PARTITION WALLS SHALL BE CONCRETE BLOCK WITH 1/2" GYPSUM BOARD ON BOTH SIDES AND FINISH WITH 1/2" GYPSUM BOARD ON BOTH SIDES.

4. ALL PARTITION WALLS SHALL BE CONCRETE BLOCK WITH 1/2" GYPSUM BOARD ON BOTH SIDES AND FINISH WITH 1/2" GYPSUM BOARD ON BOTH SIDES.

5. ALL PARTITION WALLS SHALL BE CONCRETE BLOCK WITH 1/2" GYPSUM BOARD ON BOTH SIDES AND FINISH WITH 1/2" GYPSUM BOARD ON BOTH SIDES.

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10. ALL PARTITION WALLS SHALL BE CONCRETE BLOCK WITH 1/2" GYPSUM BOARD ON BOTH SIDES AND FINISH WITH 1/2" GYPSUM BOARD ON BOTH SIDES.

**DR. HARDWARE NOMENCLATURE**

1. ALL HARDWARE SHALL BE AS FOLLOWS UNLESS NOTED OTHERWISE.

2. ALL HARDWARE SHALL BE AS FOLLOWS UNLESS NOTED OTHERWISE.

3. ALL HARDWARE SHALL BE AS FOLLOWS UNLESS NOTED OTHERWISE.

4. ALL HARDWARE SHALL BE AS FOLLOWS UNLESS NOTED OTHERWISE.

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10. ALL HARDWARE SHALL BE AS FOLLOWS UNLESS NOTED OTHERWISE.

**DOOR SCHEDULE**

1. ALL DOORS SHALL BE AS FOLLOWS UNLESS NOTED OTHERWISE.

2. ALL DOORS SHALL BE AS FOLLOWS UNLESS NOTED OTHERWISE.

3. ALL DOORS SHALL BE AS FOLLOWS UNLESS NOTED OTHERWISE.

4. ALL DOORS SHALL BE AS FOLLOWS UNLESS NOTED OTHERWISE.

5. ALL DOORS SHALL BE AS FOLLOWS UNLESS NOTED OTHERWISE.

6. ALL DOORS SHALL BE AS FOLLOWS UNLESS NOTED OTHERWISE.

7. ALL DOORS SHALL BE AS FOLLOWS UNLESS NOTED OTHERWISE.

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9. ALL DOORS SHALL BE AS FOLLOWS UNLESS NOTED OTHERWISE.

10. ALL DOORS SHALL BE AS FOLLOWS UNLESS NOTED OTHERWISE.

**HAWTHORNE ARCHITECTS INC.**

2714 46th Street  
Dickinson, Texas  
77539-3339  
281-337-4270

NOT FOR CONSTRUCTION  
OR PERMIT  
FOR REFERENCE ONLY

**T.B.T. CLINIC**

PEARLAND, TEXAS

0722  
Sheet Title: 07/2017  
Scale: 1/4" = 1'-0"  
**FLOOR PLAN ENLARGED**  
Date: 07/2017  
**A3-2**  
Drawn by: Project Manager Project #001

## Demographics

Area Code 77372 (Areas of Montgomery and Liberty Counties, Texas)

**Population** 12,164

**Median Household Income** \$44,896

### Race

**White** 10,766

**Black or African American** 115

**American Indian or Alaskan Native** 73

**Asian** 49

**Native Hawaiian or Other Pacific Islander** 2

**Other race** 930

**Two or More Races** 229

### Gender

**Male** 6,015

**Female** 6,149

### Employment Status

**Full Time** 3,616

**Part Time** 2,116

**No earnings** 3,622

**THE ORDER OF LOVE PEACE TRUTH TOLERANCE AND COOPERATION**  
**STATEMENT OF FINANCIAL POSITION**

December 31, 2020

**ASSETS**

**CURRENT ASSETS**

Cash and cash equivalents	\$ 44,439
Beneficial interest in trust	<u>11,300,000</u>
<b>Total current assets</b>	<u>11,344,439</u>
 Property - net	 <u>120,178</u>
<b>Total Assets</b>	<b>\$ <u>11,464,617</u></b>

**LIABILITIES AND NET ASSETS**

**CURRENT LIABILITIES**

Accounts payable	\$ 3,032,958
Line of credit	48,000
Current portion of long-term debt	1,663,477
Notes payable - net of current portion	<u>122,890</u>
<b>Total liabilities</b>	<u>4,867,325</u>

**NET ASSETS**

Without Donor Restrictions	4,206
With Donor Restrictions	<u>6,593,086</u>
<b>Total net assets</b>	<u>6,597,292</u>
 <b>Total liabilities and net assets</b>	 <b>\$ <u>11,464,617</u></b>

The accompanying notes are an integral part of this statement

**THE ORDER OF LOVE PEACE TRUTH TOLERANCE AND COOPERATION**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR BEGINNING JANUARY 1, 2020 TO**  
**THE YEAR ENDED DECEMBER 31, 2020**

	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>Total</u>
<b>REVENUE AND SUPPORT</b>			
Contributions	\$ 246,826	\$ -	\$ 246,826
Beneficial interest in trust	<u>-</u>	<u>6,650,000</u>	<u>6,650,000</u>
<b>Total revenue and other support</b>	<u>246,826</u>	<u>6,650,000</u>	<u>6,896,826</u>
<b>EXPENSES</b>			
Salaries and wages	71,834	-	71,834
Utilities	64,092	-	64,092
General and administrative expense	58,232	56,914	115,146
Rent	24,402	-	24,402
Professional fees	21,903	-	21,903
Insurance	17,619	-	17,619
Depreciation	13,352	-	13,352
Interest expense	<u>7,181</u>	<u>-</u>	<u>7,181</u>
<b>Total Expenses</b>	<u>278,615</u>	<u>56,914</u>	<u>335,529</u>
Change in net assets	(31,789)	6,593,086	6,561,297
Net assets, beginning of year	<u>35,995</u>	<u>-</u>	<u>35,995</u>
Net assets, end of year	<u>\$ 4,206</u>	<u>\$ 6,593,086</u>	<u>\$ 6,597,292</u>

The accompanying notes are an integral part of this statement



**Return of Organization Exempt From Income Tax**

OMB No. 1545-0047

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

**2020**

Department of the Treasury  
Internal Revenue Service

▶ Do not enter social security numbers on this form as it may be made public.  
▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

**Open to Public Inspection**

**A** For the 2020 calendar year, or tax year beginning                     , 2020, and ending                     , 20

**B** Check if applicable:  
 Address change  
 Name change  
 Initial return  
 Final return/terminated  
 Amended return  
 Application pending

**C** Name of organization The Order of Love Peace Truth Tolerance and Cooperation  
 Doing business as TBT-Tomorrows Bread Today and Sacred Spring Reiki Collective  
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite  
921 CR 3704B  
 City or town, state or province, country, and ZIP or foreign postal code  
Splendira, TX 77372

**D** Employer identification number  
76-0446925

**E** Telephone number  
832-599-8449

**F** Name and address of principal officer:  
Donald H. McCormick

**G** Gross receipts \$                     

**H(a)** Is this a group return for subordinates?  Yes  No  
**H(b)** Are all subordinates included?  Yes  No  
 If "No," attach a list. See instructions

**I** Tax-exempt status:  501(c)(3)  501(c) ( ) ◀ (insert no.)  4947(a)(1) or  527

**J** Website: ▶ tbt.org

**K** Form of organization:  Corporation  Trust  Association  Other ▶

**L** Year of formation: 1994 **M** State of legal domicile: TX

**H(c)** Group exemption number ▶                     

Part I Summary		Prior Year	Current Year
Activities & Governance	<b>1</b> Briefly describe the organization's mission or most significant activities: <u>Doing the corporal works of mercy and providing access to health care for people in low income communities</u>		
	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	<b>3</b> Number of voting members of the governing body (Part VI, line 1a)	<u>3</u>	<u>7</u>
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	<u>4</u>	<u>3</u>
	<b>5</b> Total number of individuals employed in calendar year 2020 (Part V, line 2a)	<u>5</u>	<u>5</u>
	<b>6</b> Total number of volunteers (estimate if necessary)	<u>6</u>	<u>100</u>
	<b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12	<u>7a</u>	<u>0</u>
<b>b</b> Net unrelated business taxable income from Form 990-T, Part I, line 11	<u>7b</u>	<u>0</u>	
Revenue	<b>8</b> Contributions and grants (Part VIII, line 1h)	<u>130905</u>	<u>6896826</u>
	<b>9</b> Program service revenue (Part VIII, line 2g)		
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)		
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		
	<b>12</b> Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	<u>130905</u>	<u>6896826</u>
Expenses	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1–3)		
	<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)	<u>100905</u>	<u>186980</u>
	<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)		
	<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)		
	<b>b</b> Total fundraising expenses (Part IX, column (D), line 25) ▶		
	<b>17</b> Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	<u>30000</u>	<u>148549</u>
<b>18</b> Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	<u>130905</u>	<u>335529</u>	
<b>19</b> Revenue less expenses. Subtract line 18 from line 12		<u>6561297</u>	
Net Assets or Fund Balances	<b>20</b> Total assets (Part X, line 16)	<u>4206</u>	<u>6597292</u>
	<b>21</b> Total liabilities (Part X, line 26)	<u>0</u>	<u>0</u>
	<b>22</b> Net assets or fund balances. Subtract line 21 from line 20	<u>4206</u>	<u>6597292</u>

**Part II Signature Block**  
 Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here** Signature of officer: [Signature] Date: 5 15 21

Type or print name and title:                     

**Paid Preparer Use Only**

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ▶	Firm's EIN ▶			
Firm's address ▶	Phone no.			

May the IRS discuss this return with the preparer shown above? See instructions  Yes  No

For Paperwork Reduction Act Notice, see the separate instructions. Cat. No. 11282Y Form **990** (2020)

### **The Mission We Facilitate with Local Non-Profits**

**Health care services** are either not available or are limited for many people in our communities. This condition has worsened because of lack of insurance for the working poor and no reasonable access to care when people are not eligible for public assistance. Consequently, there are dire predictions by health professionals of possible epidemics of communicable diseases, some of which have already happened. Also, care for poor people, pregnant women, young children, and the elderly is a growing concern. Therefore, **we have obtained physician and nursing care in private practices** for people in need. We do so with community ownership of clinics that serve all the people and by purchasing services through cooperatives created within local groups. **These cooperatives can be as small as 300 households and are able to provide comprehensive services to all members.**

### **Summary of our Rule for our Organizations Members**

As members of Tomorrow's Bread Today, we are committed to:

- \* Love, Peace, Truth, Tolerance, and Cooperation,
- \* Working and ministering within the local community in the service of others and especially the poor,
- \* Performance of Corporal and Spiritual works of mercy within every community where we serve,
- \* Commitment to the construction and operation of facilities and organizations necessary to serve the needs of members of local communities.

### **The Offer to Start Healthcare Services through the local Non-Profit**

Health care services are provided to people who need them without qualification. These services are from people who are trained in the diagnosis and treatment of diseases and injuries and from their assistants. These medical professionals have seen the need to solve our health care access problems and to teach people medicine and care for themselves and their families. A few organizations in the United States have established useful medical services with large networks of qualified providers for groups such as TBT has organized. They do this kind of work: (1) Telemedicine from Board Certified Physicians in every state (2) Dental, Vision, Prescription Drugs for 50% to 75% less than wholesale prices and (3) Roadside Services. They charge TBT \$5 per family per month for access to their benefits. TBT will provide that membership to each family in the non-profit who registers for it with their non-profit sponsor. TBT will also provide Primary Care in the members home and specialty care in clinics to any registered family that needs diagnosis, care, and treatment. TBT and professionals who provide the services will accept whatever TBT pays them from **donations to the non-profit's healthcare fund which is a "Pooled Income Trust"** administered by TBT for development of facilities and for production of income for the beneficiaries of the contributors.

It is possible that through this work of mercy and through donations healthcare, regardless of its extraordinary expense for some people in the community, can be delivered and paid for entirely on a voluntary basis. This has not been accomplished yet by insurance, either public or private, because they are based on economic forces and not on love, education and cooperation which are the proper sources of happiness and comfort.

The problem with health care as it is delivered in most communities in the United States is cost and access to service. There is an assumption that it is 100% dependent on an insurance system to function effectively. Insurance has a proper place and function but it is not health care (diagnosing, treating, and recording of sicknesses and injuries of patients). So, to properly address the cost and access problem we must use the tool as it was intended and purchase it without conditions and unnecessary costs. Insurance is intended to be a pooled fund to pay for unexpected costs of sicknesses and injuries. It is available to us now for \$45 per month per person and pays 100% of the medical and hospital expenses excess of \$80,000 up to \$5,000,000 per person per year with no health questions and no pre-existing conditions exclusions from Partner's Re in a group policy issued to TBT for cooperative members. Ninety-five percent of all the cost for health care is below the \$80,000 per year and it is better addressed with other financial tools like direct payment agreements with health care providers of all types. No insurer needs to be involved in those kinds of transactions. The reason they have been involved is because people have not taken direct action to work in concert to select their health care providers and to learn how to care for themselves and their problems.

There are already electric cooperatives, farm cooperatives, water cooperatives, and transportation cooperatives and day care cooperatives, fire protection cooperatives, education cooperatives, and representative government, but we have given health care to insurance companies ( private and public) at a cost that cannot be paid by government, businesses, or individuals. It is almost 20% of the gross national product. It is more than food, shelter, transportation, education, and taxes. It is out of control. So, why not stop and reform this behavior. There are no legal barriers to solving this problem, but it will not be done

unless we embrace our families and friends and neighbors and cooperate with each other in a common-sense system of contributions, care, and education. First, become a group of at least 300 households, then find the health care providers among your members and bring in the ones you need to address the problems which you have discovered within your group. Record the cost of using the labor of these chosen advisors and caregivers. It can take as many as fifteen different types of health care provider to advise and treat the medical problems manifest in people who are in 300 households. However, the time taken among all these providers is the equivalent of one practice's full-time labor (doctor and staff). Suppose that practice cost \$600,000 per year to operate. How much would each member of the household in the group of 300 pay per month to support that practice? 300 households in most communities have about 1000 individuals of all ages as members. Divide \$600,000 by 1,000 people and the answer is \$600 per year per person or \$50 per month. TBT has done this and it works.

Beyond the direct payment of the chosen medical providers is the cost of medical facilities of all kinds which are less than the \$80,000 threshold of our \$5,000,000 group insurance policy. How can we handle that expense? We have found that a group indemnity policy combined with a health care saving account for the families will fill the gap. The policy cost \$100 per person and the saving account is \$100. The operation of the cooperative which includes patient advocacy is \$50. Therefore, the total cost of healthcare when done cooperatively within a group of 300 households is \$45 ( 5 Mil Insurance)+ \$50 (Direct Payment to practices)+ \$100 ( 80K Indemnity)+ \$100 ( HCS)+ \$50 (Cooperative Management)= \$345 or \$4,140 per year. The cost today in the United States is twice as high as our cost of doing more and doing it better by cooperation. Forethought and organization precede any solutions and the barriers to this are in our hearts and minds and not in laws or actions of government or commercial enterprises.

### **Donor Program**

TBT as a 501c3 operates a "pooled income fund" so that donors can contribute to the Local Non-Profits. We share the assets that come via those donations 80% to the Local and 20% to the TBT Trust Fund. The brochure that explains that program is attached. This donor program is an effort to take usury out of our systems of care and the carry out the best ideas of E.F Schumacher and other Distributist Economists who preceded him.

### **Benefit to the non-profit for organization of the Cooperative and for the Donor "pooled income fund"**

#### **Assumptions:**

1. The non-profit can convince 300 households (including the primary care providers and the specialists who help them) to participate in the Cooperative for their health care either partially or fully. The money to the non-profit is \$30 per month per household or \$9,000.
2. If the non-profit gets donors to contribute to the "pooled income fund" then those contributors can build a state-of-the-art medical clinic, create a functional cooperative, and receive tax deductions, tax credits and income for the life of their two named beneficiaries at a 5% per year return on their donation. The total cost is \$1,000,000 which is divided into 400 Units of \$2500 each. The Units are financed by TBT and payable monthly at a gross cost of \$28.30 for 84 months. At the end of the 84 months the facility is full paid and owned by the community and the cooperative system is fully functional and controlled by the board which is elected by the cooperative members. The tax deductions and credits reduce the gross cost by 50% and the income to the two named beneficiaries is paid from the rents collected on the facilities and operations and the cooperative. Suppose you contributed ten units (\$25,000) the net cost to you over seven years would be \$9,000 ( \$25,000-\$16,000 in tax saving). The income to your named beneficiaries would be \$7,000. That income will continue for their lifetime paid quarterly if the clinic continues in operation and pays its dividends. A complete description of the program is in the Disclosure paper.

## **TBTHCF POOLED INCOME FUNDS**

Tax deductions and a lifetime of income

### **PROVIDING FOR NOW AND IN THE FUTURE**

Supporting access to health care in your community through charity is an important part of our lives. If you want to be especially generous, you may find yourself having to make a choice between giving and maintaining your current lifestyle. With Tomorrow's Bread Today Health Care Fund (TBTHCF), you can repurpose the same asset for both objectives.

A common denominator among donors is a generous spirit: You want to make a difference. Now you can enjoy the power of giving without the hassle of timing, tax concerns, expenses and record keeping.

With TBHCF Pooled Income Funds – which are also known as “life income” funds – offer a significant advantage. When you make your contribution, you gain tax benefits and a continued stream of investment income for life. Your charitable donation can generate income paid monthly to you and/or the beneficiary(ies) you name. Upon the death of the last income beneficiary, the principal passes through the TBTHCF to TBT Medical Development Fund.

### **WHAT ARE YOUR OBJECTIVES?**

To make a charitable gift, but still benefit from a lifetime of income that gift could provide you and/or your beneficiaries?

To avoid capital gains taxes on appreciated investments while benefiting a charity?

To create a legacy of giving through your own foundation for your children and grandchildren?

To offset some of your estate taxes as you help support charity health care?

Charitable giving creates positive change in people, institutions, and communities.

### **EXPLAINING POOLED INCOME FUNDS**

TBTHCF manages your donation with the objective of generating income while protecting the principal value of the account for the charity.

### **DONOR BENEFITS**

Tax deduction

Avoid capital gains taxes on highly appreciated assets

Income stream for up to two beneficiaries until they pass away (you may include yourself)

Gift of principal creates a lasting legacy for your wealth

Donations to the charity gives people access to affordable and quality health care

Once the irrevocable gift is made, up to two designated individuals will receive a lifetime income stream generated by your gift.

Upon the death of the last income beneficiary you have named, the remaining assets will be distributed to the TBT Health Care Fund in one of two ways:

1. Your gift can be invested through our donor advised fund, which seeks to increase the value of your original contribution via prudent investing to benefit charity health care over time.
2. Alternatively, your gift may be distributed directly to non-profit Community Development Entities (CDEs) that expand and improve health care in medically underserved communities.

TBT Health Care Fund board of directors will help qualified CDEs to make qualified investments in medical services among low-income populations without the hassle of timing, tax concerns, expenses and record keeping.

### **CHOOSING THE STRATEGY THAT MEETS YOUR OBJECTIVES**

TBT Healthcare Income Funds are ideal when you want to receive income for life and support a charity yet prefer a less complicated and less expensive strategy.

All gifts to TBTHCF Pooled Income Funds are irrevocable, so it's important for you to consider your long-term needs before making a donation.

## GETTING STARTED

To establish a TBTHCF Pooled Income Funds account, you can contribute as little as \$1,000 in cash or marketable securities. Subsequent contributions can be made in amounts of \$1,000 or more. Note that all gifts to TBTHCF Pooled Income Funds are irrevocable, so it's important to consider your long-term needs before making a donation.

Before you make your initial contribution, you will be asked to complete and sign a Gift Agreement. You will also be asked to name your account. You can honor a cherished family member or highlight your personal charitable goals in health and welfare.

Moreover, the Gift Agreement allows you to name up to two income beneficiaries to receive the lifetime of income that your gift will generate. You can name yourself and another person such as your spouse, a child, grandchild, or sibling. Or you can designate two people other than yourself.

Income is paid monthly and you decide how these monthly payments are issued. Income can be disbursed:

1. Concurrently, with half of every monthly payment paid to each beneficiary, or
2. Consecutively, with all monthly payments going to one person for the remainder of his or her life and then monthly payments going to the second person for the remainder of his or her life.

In most cases, your charitable program can be initiated within 24 hours. For more information, contact TBT. The web TBT.org has more information and personal contact information.

## INVESTING

At the time of your contribution there are two investment objectives:

**INCOME** – Seeks income and the preservation of capital.

**INCOME WITH GROWTH** – Seeks to emphasize income for the donor and the growth of capital, yet growth will be an ever present, albeit secondary, consideration.

There can be no guarantee that any objective will be met.

Because your gift to TBTHCF Income Funds is irrevocable, the objective you choose cannot be changed once your contribution is made.

## SIMPLE GUIDELINES

Minimum irrevocable contribution: \$1,000 in cash or marketable securities

Subsequent contributions:

\$1,000 or more

Complete the Gift Agreement form with your account name

For TBTHCF Income Funds, the board of directors has identified a diverse selection of medical projects from those "Highly Recommended" based on pass performances reported in their medical service organizations, practices, and facilities.

Choosing appropriate medical projects is only part of the process. The board must also continually monitor the funds as part of its fiduciary responsibility. While its main priority is consistent performance over the long term, there is no assurance that this goal will be met.

Any income or appreciation achieved will be reinvested to further benefit the charity organization. To the extent that your gift grows, additional funds will be available for the improvement and availability of health care for everyone in the community.

You should consider the investment objectives, risks, and charges and expenses of carefully. The prospectus contains this and other information about the medical projects. The prospectus is available from your financial advisor and should be read carefully.

When the last income beneficiary passes away, the principal passes to the TBT Health Care Fund to pay for expansion of charitable health care services.

## OFFSETTING TAXES

One of the advantages of charitable giving is that the federal government rewards you for your generosity. With TBTHCF Funds, this reward comes in the form of three key tax advantages:

Tax deduction. One of the most appealing benefits of the TBTHCF Pooled Income Funds is that you can take an immediate tax deduction – up to the maximum allowed by law – for your donation.

Eliminate capital gains taxes. Gifts of long-term appreciated securities avoid capital gains taxes and receive a deduction based on their full market value. This is particularly useful for shares bought at a very low price (or other basis) that have appreciated significantly over the years and enables the larger sum to generate more income for your named beneficiaries.

Full or partial estate tax reduction. Depending on who receives the income, you will save varying amounts on federal estate taxes. If you and/or your spouse are the income beneficiaries, your donation may be removed from your estate for tax purposes. If you name anyone other than your spouse as an income beneficiary, a portion of your donation may be taxable in your estate and a portion will be removed.

Consult with your tax professional about how a donation to the Pooled Income Funds would impact your tax situation.

## SIMPLIFYING WAYS YOU GIVE

While you can't live forever, your passion for helping others can.

The TBTHCF Pooled Income Funds are designed to provide a lifetime income stream for up to two beneficiaries. We invest the money for you with a focus on producing income while protecting the principal value of the account for charity. In short, pooled income funds are one of the simplest ways to make a significant charitable donation while still receiving income.

TBTHCF provides all administration and reporting services, including the documentation you need to calculate and support income tax deductions, in order to keep you apprised of account activity.

## ANSWERING YOUR QUESTIONS

Q. How much income will I receive?

That depends on market conditions. TBTHCF Pooled Income Funds will distribute 100% of the interest, dividends, and other ordinary income it receives to the income beneficiary every month. Short- and long- term capital gains and unrealized appreciation cannot be distributed.

Q. Is the income I receive taxable?

Yes. The income received is taxable to the income beneficiary as ordinary income. A pooled income fund cannot own tax-free municipal bonds. Each year in early March, you will receive a Form K-1 that will give you the information needed for your tax return.

Q. Can I add to my account and will that affect my income?

Yes. You may make additional contributions of at least \$1,000 in cash or marketable securities at any time. Your income will increase proportionately with every donation.

Q. What is the current monthly payment from the medical project investments?

The current rate of return is 4% which is \$3.33 per month per \$1,000 contribution.

Because the investment is a donation to charity the \$1,000 is deductible. Additionally, some investment in medical facilities and services and in programs that are eligible for tax credits which will improve the value of the income received by the Pooled Income Fund. Under these conditions the return could be greater than the current rate of 4%.

### Examples of Medical Projects in which we invest

Type Project	Invested Capital	Estimated Net Annual Profit	Estimated Dividend to Donor (\$10,000 = \$400 Annual Income)
1. Primary Care Clinic	\$1,000,000	\$80,000 (8%)	4% of donation paid to beneficiaries

**APPLICATION FORM**

**The Order of Love Peace Truth Tolerance and Cooperation(DBA TBT) Pooled Income Fund.**

**Donors**

Name of Donor	Name of Co-Donor
Date of Birth	Date of Birth
Social Security Number	Social Security Number
Street Address	Street Address
Apartment #	Apartment #
PO Box	PO Box
City	City
State	State
Zip Code	Zip Code
Email Address	Email Address
Telephone Number	Telephone Number

**Income Beneficiary(ies)**

If income beneficiary(ies) is (are) same as donor(s) above, check here: \_\_\_\_  
If not, supply information below:

<b>Beneficiary #1.</b> Name	<b>Beneficiary # 2.</b> Name
Date of Birth	Date of Birth
Social Security Number	Social Security Number
Street Address	Street Address
Apartment #	Apartment #
PO Box	PO Box
City	City
State	State
Zip Code	Zip Code
Email Address	Email Address
Telephone Number	Telephone Number

The Gift Cash (amount) \$	(Please make check payable to the TBT)
Securities (Please describe)	
Broker Name:	
Phone Number:	
Acquisition Date:	
Cost Basis:	

Please send completed application form to: TBT P.O Box 1838 Splendor, TYX 77372

Tel: 832-599-8449 Email: donation@tbt.org Website: www.tbt.org

Payment Sequence (Please check one)

- a. Check payable to individual for his/her life.
- b. Joint and Survivor Check payable to [a] and [b] jointly, then one check payable to the survivor.
- c. Successive Interests Check payable to
  - [a] for his/her life, then one check payable to
  - [b] if [a] predeceases [b]. TBT's obligation to make annuity payments will terminate with the payment preceding the surviving annuitant's death.

Distribution of Charitable Amount With the death of the last income beneficiary, please distribute my share of units in the Pooled Income Fund to TBT health care cooperatives projects.

Signature of Donor \_\_\_\_\_ Date \_\_\_\_\_





**TBT Health  
CREDIT APPLICATION**

**APPLICANT INFORMATION**

Name:		
Date of birth:	SSN:	Phone:
Current address:		
City:	State:	ZIP Code:
Own    Rent    (Please circle)	Monthly payment or rent:	How long?
Previous address:		
City:	State:	ZIP Code:
Owned   Rented   (Please circle)	Monthly payment or rent:	How long?

**EMPLOYMENT INFORMATION**

Current employer:		
Employer address:		How long?
Phone:	E-mail:	Fax:
City:	State:	ZIP Code:
Position:	Hourly   Salary   (Please circle)	Annual income:
Previous employer:		
Address:		How long?
Phone:	E-mail:	Fax:
City:	State:	ZIP Code:
Position:	Hourly   Salary   (Please circle)	Annual income:
Name of a relative not residing with you:		
Address:		Phone:
City:	State:	ZIP Code:
Relationship:		

I authorize TBT Health to verify the information provided on this form as to my credit and employment history.

Signature of applicant	Date
Signature of co-applicant, if for joint account	Date



## Promissory Note

Date: \_\_\_\_\_ Borrower \_\_\_\_\_ Account Number \_\_\_\_\_  
Borrower's Mailing Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP: \_\_\_\_\_

Lender's Name: The Order of Love Peace Truth Tolerance and Cooperation DBA TBT-Tomorrow's Bread Today

### Place for Payment,

Street Address 921 CR374B City: Splendora State: TX ZIP 77372  
Mailing Address: P.O Box 1838 City: Splendora, State: TX ZIP 77372

Principal Amount: \$ \_\_\_\_\_ Annual Rate of Interest: 7 % Monthly Payment is \$ \_\_\_\_\_

### Terms of payment of principal and interest

The Principal Amount and the Interest due are payable within 84 months of the date of this note. Payments of interest will be made monthly until principal balance is paid in full

Borrower promises to pay to the order of the Lender the principal amount plus interest at the annual interest. This note is payable at the Place for payment and according to the terms of payment. All unpaid amounts are due by the maturity date.

If the borrower defaults in the payment of this note or in the performance of any obligation in any instrument securing or collateral to this note, lender may declare the unpaid principal balance, earned interest, and any other amounts owed on this note immediately due. Borrower and each surety, endorser, and guarantor waive all demand for payment, presentation for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, protest, and notice of protest, to the extent permitted by law.

Borrower also promises to pay reasonable attorney fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the annual interest rate on matured unpaid amounts. Borrower will pay lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

Interest on the debt evidenced by this note will not exceed the maximum rate or amount of non-usurious interest that may be contracted for, taken, reserved, charged, or received under law. Any interest in excess of that amount will be credited on the principal amount or, if the principal amount has been paid, refunded. On any acceleration or required or permitted prepayment, any excess interest will be canceled automatically as of the acceleration or prepayment or, if the excess interest has already been paid, credited on the principal amount or, if the principal amount has been paid, refunded. This provision overrides any conflicting provisions in this note and all other instruments concerning the debt.

Lender has the right to transfer this note to another Lender.

Borrower is responsible for all obligations represented by this note. When the context requires, singular nouns and pronouns include the plural.

Name of the Borrower: \_\_\_\_\_

Name of the Business: \_\_\_\_\_

Signature of the Borrower \_\_\_\_\_ Date \_\_\_\_\_

TBT Form

