

THE AMERICAN HERITAGE DEFENSE CORPORATION (AHDC)

Corporate Purposes:

(Ref. Section 1.4 of Bylaws) - AHDC is organized exclusively for charitable, scientific, and educational purposes, including for such purposes: (1) The making of distributions to organizations that qualify under 501(c)(3) of the Internal Revenue Code, or any corresponding section of any future federal tax code; (2) The engagement in, assistance and contribution to the support of scientific activities and projects for, and performance and engagement in research, development and advisory services to or for, the United States Government; (3) The development and implementation of academic curricula in collaboration with educational organizations and other institutions of learning. (Ref. Section 1.5 of Bylaws) - Consistent with its charitable, scientific and educational status; (a) AHDC shall not participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office; (b) No part of AHDC net earnings shall inure to the benefit of its officers, directors or other private persons; however, it is authorized to pay reasonable compensation for services rendered and otherwise make payments and distributions in furtherance of its purposes; (c) AHDC shall only take actions permitted an organization exempt from taxation under paragraph 501(c)(3) of the Internal revenue Code and pertinent Income Tax Regulations, as they are amended.

Corporate Objectives:

AHDC Corporate Objectives are to Create, Fund and Implement Engineering Projects for Expediting National Defense and Homeland Security and to accelerate the Production of Higher Quality American Engineers in Sufficient Quantities for the Defense and Advancement of America. AHDC proposes to establish a network of Engineering Centers with endowment funding from Philanthropic Foundations as well as other public and private partnerships. These projects will include the development, demonstration and prototyping of advanced Defense and Homeland Security Systems. Funding for the Projects will be sought via contracts and/or grants from the Department of Defense, The Homeland Security Agency, National Aeronautics and Space Administration (NASA) and other public and private organizations that share the commitment for development of Science, Engineering and Technology Workforce for America's Security (SETWAS). In addition to project specific funding, other resources will be secured from governmental and philanthropic sources to support faculty exchanges, student internships, fellowships, assistantships and endowed faculty chairs. Technical staff of the Engineering Centers will offer courses and supervise dissertations in their areas of specialization in order to supplement the offerings at the participating Institutions affiliated with the centers. These courses and dissertations will be coordinated with the Institutions as part of the credits earned by students towards their Engineering degrees.

AHDC approach towards the accomplishment of these objectives will be to organize Universities, Schools, Industry, Government Laboratories (Centers) and Private Foundations into Regional Partnerships with a shared commitment to Science, Engineering and Technology (SE&T) Workforce Development. These Regional Partnerships will collaborate within a National Alliance to expand their Outreach to the Diverse Heritage of the American Homeland. The Partnerships will Establish and Implement Programs that engage Teams of Students, Teachers, Scientists, Engineers and Technologists in Year-round Value Added Science, Engineering and Technology (VASET) Projects in support of National Defense and Homeland Security. Effective VASET Projects will stimulate and sustain interest of students in SE&T by exposing them continuously to Teamwork, Competition and Productivity, much the same way Athletes are developed. VASET Projects will be based on Real World Technical Challenges.

Justification for 501(c)3 Certification:

The purposes and objectives of AHDC are achievable most effectively by a Non Profit Organization certified to solicit and receive contributions from public and private sources on a tax-exempt basis. AHDC will be seeking grants and donations from both Philanthropic Foundations and Government Agencies. It will also be acting as the Corporate Organ of a network of Regional Partnerships between Academia, Schools, Industry, Government Laboratories and Centers, and other Philanthropic Organizations that share a commitment to the development of Science, Engineering and Technology Workforce for America's Security. Such a role cannot

be played by a profit-making organization without conflicts of interest. The mechanisms that will be available for AHDC operation also require that the organization operate on a Non-Profit basis. For example, there are categories of Government grants for educational and research purposes which are available only to Non-Profit applicants. AHDC will be seeking such grants. As another example, there will be opportunities in the future for AHDC to be designated a Federally Funded provider of Systems Engineering and Technical Assistance Services to the Government, for which AHDC can best qualify as a Non-Profit Organization. AHDC will also be soliciting donations from private sources on a tax-exempt basis. This requires the organization to be certified as a 501(c)3 Organization. The activities of AHDC are targeted towards the solution of a major national crisis – that of the impending shortage of Science, Engineering and Technology Workforce (see attached letter from Senator Daniel Inouye (Hawaii) to General Ronald Kadish – Director of the Missile Defense Agency). AHDC will work very hard to develop and promote new initiatives that will help the Government to allocate resources for addressing these and related problems. In order to be able to act effectively without economic conflicts on interest, AHDC will need to be certified as a Non Profit 501(c)3 Organization.