



COACHES 101 A NJ NONPROFIT

CRYPTO RETIREMENT FUND COMPLIANCE FRAMEWORK

APRIL 2024

MY PLAN CHALLENGE FOUNDATION FUND

SEP IRA RETIREMENT PROGRAM

Board Packet: Crypto Retirement Fund Compliance Framework

Prepared For: Board of Trustees – Coaches 101 A NJ Nonprofit

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Section I: Executive Overview

The following materials outline the regulatory framework and internal controls necessary to ensure that Coaches 101 remains compliant with federal and state nonprofit laws during the incubation of its crypto-powered retirement platform.

- **Program Classification:** SEP IRA-style stablecoin fund
 - My Plan Challenge Foundation Fund
 - My Plan Challenge Initiative (Spearheaded by Coaches 101 PAC)
 - **Blockchain Status:** Incubation stage
 - **Annual Revenue:** <\$500,000 (NJ), <\$1 million (SEC threshold)
 - No registration required for both state and federal
 - **SEC Status:** Unregistered; under Howey Test exemption
 - Monitored by an Angel Investor, must meet requirements
 - Monitored by Broker Dealer (Citizens Securities INC)
 - **Audit Requirement:** Not triggered under current thresholds
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Section II: Governance Approvals

Call Warrant Resolution

Authorizes the Board to repurchase tokens if:

- Misuse of tokens occurs
- Holder becomes legally ineligible
- Volatility threatens nonprofit operations

✅ **Call Put Notice Protocol**

Empowers token holders to request voluntary buyback. Terms include:

- Submission via smart contract
- Valuation based on 30-day trailing average
- Executed upon board approval

✅ **Call Option Statement**

The nonprofit reserves right to call back tokens at fixed strike rate:

- Triggered during shutdown, reorg, or legal review
- Managed through foundation's multiset wallet

✅ **Promissory Note Standard**

Used for deferred crypto payments. Includes:

- Token amount and timestamp
- Fiat equivalent and repayment schedule
- Dispute handling via arbitration clause

⚖️ **Section III: Federal & State Disclosure Strategy**

SEC (Federal Compliance)

- Stablecoin unlikely to meet **Howey Test** = not a security
- Maintain voluntary disclosures:
 - Token mint/burn protocols
 - Smart contract audit summaries
 - Conflict-of-interest statements
- Monitor annual activity to ensure exemption status
- IRS Compliance with 990PF and 990T or 990
 - 1023 Notice of Tax Exemption

New Jersey State Guidelines

- Below \$500k = exempt from mandatory audit
 - Maintain annual registration with NJ Charities Bureau
 - Include crypto disclosure appendix for:
 - Tech status
 - Revenue attribution
 - Risk mitigation strategies
 - State Trademark Licensing
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Section IV: Internal Controls & Agreements

Disqualified Person Waiver Clause

Affirms that insiders:

- Will not receive private inurement
- Are not entitled to profit from token activity
- Agree to board-reviewed compensation only

Disqualified Person Contract Template

Used when engaging disqualified individuals for blockchain development:

- Work scope defined
 - Fee schedule reviewed by independent officer
 - Subject to public disclosure in Form 990-PF
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Section V: Token Governance & Use Policy

- Use restricted to **mission-aligned objectives**
- No speculative trading permitted
- Minting/burning tracked in blockchain ledger
- Custodial access via board-controlled multi-signature wallets
- All language avoids “investment returns” or “dividends”