



Non-binding Letter of Intent between the Cascade Bicycle Club and the Bicycle Alliance of Washington (doing business as Washington Bikes)

This Letter of Intent is intended merely as a guide in the negotiations and preparation of the Merger Agreement on terms and conditions satisfactory to the Parties, and nothing contained in this Letter of Intent shall be construed to preclude other provisions from being included in the Merger Agreement, provided that such other provisions are consistent with the content of this Letter of Intent and otherwise satisfactory to the Parties. While the Parties intend to proceed promptly to complete and execute the Merger Agreement, it is expressly understood that this is a Letter of Intent only, and no liability or obligation of any nature whatsoever is intended to be created between either of the Parties.

Whereas the Cascade Bicycle Club is a regional non-profit organization comprised of affiliated 501(c)(3) and 501(c)(4) entities with the vision of "Bicycling for All" and goals of increasing the number and diversity of people who bike and of increasing safe bicycling infrastructure; and

Whereas Washington Bikes is a state-wide 501(c)3 non-profit organization whose mission includes growing bicycling statewide and making bicycling accessible to everyone; and

Whereas both organizations are known for their strong and effective advocacy efforts; and

Whereas duplicative administrative functions of the two organizations (e.g., fundraising, HR, and finance/operations) divert resources from bicycle constituent advocacy work and delivery of mission related programs; and

Whereas the two organizations serve the same overall constituency, but do so within different geographic scale (e.g., regional versus statewide); and

Whereas the two organizations align along mission, goals and constituency, while within each there exist certain elements of expertise, staff, resources, and relationships that the other lacks; and

Whereas combining expertise, staff, resources, and relationships will result in an organization with more reach, effectiveness, and efficiency than either organization alone, it is hereby

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between Washington Bikes and Cascade Bicycle Club
August 20, 2015

(a) Resolved: that Cascade Bicycle Club and Washington Bikes shall be merged into a single not for profit organization containing separate 501(c)(3) and 501(c)(4) entities; and

(b) Resolved: that Cascade Bicycle Club shall change its mission, vision statement, and strategic plan to include statewide advocacy and the promotion of bicycling statewide to reflect the continuation of the Washington Bikes mission; and

(c) Resolved: that the governance structure of the combined organizations shall be unchanged from the existing Cascade Bicycle Club structure except with respect to board member composition (e.g., actively recruiting and including board members from regions across the state of Washington); and

(d) Resolved: that the brand of Washington Bikes shall be maintained by using it as the name of the 501(c)(4) entity controlled by the Cascade Bicycle Club (pending CBC's reorganization); and

(e) Resolved: that the relevant staff of Washington Bikes shall be offered employment by the Cascade Bicycle Club (or of entities controlled by same); and

(f) Resolved: that the financial assets and liabilities of Washington Bikes shall only accrue to the 501(c)3 entity of the Cascade Bicycle Club in accordance with IRS regulations; and

(g) Further Resolved: that the existing Washington Bikes separate 501(c)(3) entity shall cease operations upon transfer of relevant staff and assets and satisfactory resolution of statutory authority for the Share the Road license plate revenues and obligations;

Each of WA Bikes and CBC should acknowledge that this Letter of Intent correctly sets forth non-binding intentions at this point by countersigning the duplicate original of this Letter of Intent in the space provided below and returning one fully executed original to the other Party.

[Signature page follows]

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August 20, 2015

Understood, agreed, and accepted:

Catherine Hennings, Chair, CBC

Brian Foley, Chair WA Bikes