



# Sonnenberg & Company, CPAs

A Professional Corporation

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Leonard C. Sonnenberg, CPA

## AUTISM RESEARCH INSTITUTE Audited Financial Statements Year Ended December 31, 2019

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
**AUTISM RESEARCH INSTITUTE**

We have audited the accompanying financial statements of Autism Research Institute (a nonprofit organization), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Autism Research Institute as of December 31, 2019 and the changes in its net assets and its cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

***Report on Summarized Comparative Information***

We have previously audited Autism Research Institute's December 31, 2018 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated May 31, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.



March 27, 2020

Sonnenberg & Company, CPAs

**AUTISM RESEARCH INSTITUTE**  
Statement of Financial Position  
December 31, 2019  
(With Comparative Information for December 31, 2018)

ASSETS:	<u>2019</u>	<u>2018</u>
Cash & cash equivalents	\$ 689,624	\$ 439,614
Accounts and contributions receivable	-	53,859
Prepaid expenses	3,363	1,172
Inventory	4,215	4,313
Investments	2,881,834	2,401,913
Property & equipment (net)	<u>23,161</u>	<u>15,279</u>
Total Assets	<u>\$ 3,602,197</u>	<u>\$ 2,916,150</u>
LIABILITIES:		
Accounts payable & accrued liabilities	\$ <u>59,852</u>	\$ <u>33,682</u>
Total Liabilities	59,852	33,682
NET ASSETS:		
Without donor restrictions	3,527,957	2,808,547
With donor restrictions	<u>14,388</u>	<u>73,921</u>
Total Net Assets	<u>3,542,345</u>	<u>2,882,468</u>
Total Liabilities & Net Assets	<u>\$ 3,602,197</u>	<u>\$ 2,916,150</u>

The Accompanying Notes are an Integral Part of the Financial Statements

**AUTISM RESEARCH INSTITUTE**  
Statement of Activities  
For the Year Ended December 31, 2019  
(With Summarized Comparative Information for the Year Ended December 31, 2018)

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2019 Totals</u>	<u>2018 Totals</u>
<b>SUPPORT &amp; REVENUE:</b>				
Contributions	\$ 1,072,653	\$ 5,415	\$ 1,078,068	\$ 727,550
Special event	89,561		89,561	74,881
Less: direct special event expenses	(35,262)		(35,262)	(38,286)
Membership dues	6,284		6,284	5,293
Book sales	225		225	739
Interest & dividends	50,183		50,183	25,722
Gain (loss) on investments	430,059		430,059	(134,902)
Other income	3,888		3,888	366
Net assets released from restrictions:				
Satisfaction of program restrictions	<u>64,948</u>	<u>(64,948)</u>	<u>-</u>	<u>-</u>
 Total Support & Revenue	 <u>1,682,539</u>	 <u>(59,533)</u>	 <u>1,623,006</u>	 <u>661,363</u>
 <b>EXPENSES:</b>				
Program Services	853,173		853,173	805,431
Supporting Services				
Management & general	68,914		68,914	79,428
Fund raising	<u>41,041</u>		<u>41,041</u>	<u>38,287</u>
 Total Supporting Services	 <u>109,955</u>	 <u>-</u>	 <u>109,955</u>	 <u>117,715</u>
 Total Expenses	 <u>963,129</u>	 <u>-</u>	 <u>963,129</u>	 <u>923,146</u>
 Change in Net Assets	 719,410	 (59,533)	 659,877	 (261,783)
 Net Assets, Beginning of Year	 <u>2,808,547</u>	 <u>73,921</u>	 <u>2,882,468</u>	 <u>3,144,251</u>
 Net Assets, End of Year	 <u>\$ 3,527,957</u>	 <u>\$ 14,388</u>	 <u>\$ 3,542,345</u>	 <u>\$ 2,882,468</u>

The Accompanying Notes are an Integral Part of the Financial Statements

**AUTISM RESEARCH INSTITUTE**  
Statement of Functional Expenses  
For the Year Ended December 31, 2019  
(With Summarized Comparative Information for the Year Ended December 31, 2018)

		<u>SUPPORTING SERVICES</u>				
	<u>Program Services</u>	<u>Management &amp; General</u>	<u>Fund Raising</u>	<u>2019 Totals</u>	<u>2018 Totals</u>	
Personnel & Related						
Salaries & wages	\$ 266,849	\$ 24,823	\$ 18,617	\$ 310,289	\$ 304,326	
Payroll taxes	18,438	1,715	1,286	21,439	16,564	
Employee benefits	5,354	498	374	6,225	5,205	
Total Personnel & Related	<u>290,641</u>	<u>27,036</u>	<u>20,277</u>	<u>337,953</u>	<u>326,095</u>	
Other Expenses						
Accounting & payroll services	2,405	22,030	168	24,603	28,060	
Bank & merchant fees	4,766	146		4,912	6,547	
Contract services	52,419		7,837	60,256	28,635	
Insurance		7,325		7,325	8,146	
Legal fees		3,476		3,476	6,816	
Miscellaneous	4,619	1,002		5,621	11,098	
Special projects	349			349	9,322	
Office expenses	13,337	1,241	930	15,508	17,367	
Physicians' training program	24,257			24,257	28,096	
Postage & delivery	3,666	524	1,047	5,237	7,682	
Printing & dissemination	16,277	650	4,365	21,292	26,534	
Rent	21,156	1,968	1,476	24,600	24,600	
Research grants	287,091			287,091	257,923	
Retreat	904			904	8,300	
Sponsorships	5,100			5,100	-	
Storage	6,871	639	479	7,989	5,520	
Telephone/internet/utilities	8,171	760	570	9,501	10,991	
Think tanks	37,354			37,354	37,929	
Travel	17,164		3,891	21,055	18,713	
Webinars	6,919			6,919	6,653	
Website	49,709			49,709	46,002	
Total Other Expenses	<u>562,533</u>	<u>39,760</u>	<u>20,764</u>	<u>623,058</u>	<u>594,934</u>	
Depreciation		<u>2,118</u>		<u>2,118</u>	<u>2,118</u>	
Total Expenses	<u>\$ 853,173</u>	<u>\$ 68,914</u>	<u>\$ 41,041</u>	<u>\$ 963,129</u>	<u>\$ 923,147</u>	

The Accompanying Notes are an Integral Part of the Financial Statements

**AUTISM RESEARCH INSTITUTE**  
Statement of Cash Flows  
For the Year Ended December 31, 2019  
(With Comparative Information for the Year Ended December 31, 2018)

	<u>2019</u>	<u>2018</u>
<b>CASH FLOWS FROM:</b>		
Operating Activities:		
Change in net assets	\$ 659,877	\$ (261,783)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	2,118	2,118
(Gain) Loss on investments	(429,738)	134,915
(Increase) / Decrease in:		
Contributions receivable	53,859	(51,909)
Prepaid expenses	(2,191)	211
Inventory	98	269
Increase / (Decrease) in:		
Accounts payable	26,170	298
Net Cash Provided (Used) by Operating Activities	<u>310,193</u>	<u>(175,881)</u>
Investing Activities:		
Reinvestment of interest	(50,183)	(25,457)
Sale of investments	-	118,000
Purchase of property & equipment	(10,000)	(3,141)
Net Cash Provided (Used) by Investing Activities	<u>(60,183)</u>	<u>89,402</u>
Net Increase (Decrease) in Cash & Cash Equivalents	250,010	(86,479)
Cash & Cash Equivalents at:		
Beginning of Year	<u>439,614</u>	<u>526,093</u>
End of Year	<u>\$ 689,624</u>	<u>\$ 439,614</u>
Cash paid for interest	<u>\$ 33</u>	<u>\$ 91</u>

The Accompanying Notes are an Integral Part of the Financial Statements

## **AUTISM RESEARCH INSTITUTE**

Notes to Financial Statements  
Year Ended December 31, 2019

### **Note 1.      Nature of Organization**

The Autism Research Institute (ARI), a non-profit organization, is the hub of a worldwide network of parents and professionals concerned with autism. ARI was founded in 1967 to conduct and foster scientific research designed to improve the methods of diagnosing, treating, and preventing autism. This is accomplished by the following activities:

- Funding, conducting and facilitating cutting-edge research on underlying cause(s) and effective treatments.
- Maintaining autism.org website, that provides medical, biomedical, nutritional, and educational information on autism.
- Maintaining the ARI data bank, one of the world's largest, contains over 42,000 detailed case histories of autism from over 60 countries.
- Collaborating with the National Institute of Child Health and Human Development Brain and Tissue Bank and Massachusetts General Hospital gastrointestinal tissue bank to provide research material for scientists investigating the systemic causes and effects of autism.
- Informing the medical community about best-practice treatments. ARI offers, in joint providership with the Cleveland Clinic, complimentary AMA PRA Category1 Credit™ to physicians. Connecting physicians to improved standards of care is crucial to amplifying understanding of the medical nature of the disorder.
- Sponsoring popular Internet webcasts focused on cutting-edge research and evidence-based interventions, with over 435,000 views on YouTube.
- Compiling parent surveys to determine which treatments for autism may be beneficial and which are ineffective or even harmful.
- Publishing several e-newsletters with over 125,000 subscribers and a quarterly (hardcopy) science newsletter.
- Creating and “growing” a powerful network of parents and professionals involved in identifying and exploring new treatment avenues.
- Sponsoring a national multidisciplinary think tank involving researchers and experienced clinicians.
- Running the Autism Resource Call Center. This service provides free information and support for parents.
- Translating materials into 22 different languages.
- Investigating accurate ways to diagnose autism and its relationship to treatment efficacy.

ARI is supported primarily by contributions.

### **Note 2.      Summary of Significant Accounting Policies**

*Basis of Presentation:* The accompanying financial statements are prepared on the accrual basis of accounting in accordance with U.S generally accepted accounting principles. Essentially, all revenue is recognized when earned and expenses are recognized when incurred. Promises to give are recorded when received.

## AUTISM RESEARCH INSTITUTE

Notes to Financial Statements  
Year Ended December 31, 2019

### **Note 2. Summary of Significant Accounting Policies, continued**

Net Assets: Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* - Net assets available for use in general operations and not subject to donor restrictions. These generally result from revenues generated by receiving unrestricted contributions, providing services, and receiving interest from investments less expenses incurred in providing program-related services, raising contributions, and performing administrative functions.

*Net Assets With Donor Restrictions* - Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Cash and Cash Equivalents: ARI has defined cash and cash equivalents as cash in banks and highly liquid investments with an initial maturity of three months or less.

Inventories: Inventories, which consist primarily of Autism Spectrum Disorder books, are valued at lower of cost or net realizable value.

Fair Value Measurements: ARI measures fair value at the price that would be received upon sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Authoritative guidance establishes a hierarchy for ranking the quality and reliability of the information used to determine fair values, requiring that assets and liabilities carried at fair value be classified and disclosed in one of the following three categories:

Level 1: Unadjusted quoted market prices for identical assets or liabilities in active markets.

Level 2: Unadjusted quoted market prices for similar assets and liabilities in active markets, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs other than quoted prices that are observable for the asset or liability.

Level 3: Significant unobservable inputs for the asset or liability.

Property and Equipment: Property and equipment is recorded at cost if purchased or at fair value at the date of donation if donated. Maintenance and repair costs are charged to expense as incurred. Property and equipment is capitalized if the cost of an asset is greater than or equal to \$2,000 and the useful life is greater than one year. Depreciation is computed using the straight-line method over the useful lives of the assets, which are seven years for furniture and five years for equipment. Depreciation expense for the year ended December 31, 2019 amounted to \$2,118.

Compensated Absences: Compensated absences for vacation and personal time off have not been accrued since they cannot be reasonably estimated. ARI's policy is to recognize these costs when actually paid.

## AUTISM RESEARCH INSTITUTE

Notes to Financial Statements  
Year Ended December 31, 2019

### Note 2. Summary of Significant Accounting Policies, continued

Contributions: Contributions are recognized when the donor makes a promise to give to ARI that is in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Donated Assets and Services: Assets received as donations are recorded at their fair market value. Donated services are recognized as contributions, if the services (a) create or enhance non-financial assets, or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by ARI. Volunteers provide services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met.

Functional Allocation of Expenses: The costs of providing various services and other activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Directly identifiable expenses are charged to programs and supporting services benefited. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of ARI.

Comparative Financial Information: The accompanying financial statements include certain prior year summarized comparative information in total but not by asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. generally accepted accounting principles. Accordingly, such information should be read in conjunction with ARI's audited financial statements for the year ended December 31, 2018 from which the summarized information was derived. Some items may have been reclassified for purposes of overall comparability and consistency of presentation.

Adoption of New Accounting Pronouncement: During the year ended December 31, 2018, ARI adopted the Financial Accounting Standards Board's Accounting Standards Update (ASU) No. 2016-14 - *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. This update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return between not-for-profit entities. The changes required by the update have been applied retrospectively to all periods presented. A key change required by ASU 2016-14 are the net asset classes used in these financial statements. Amounts previously reported as unrestricted net assets are now reported as net assets without donor restrictions and amounts previously reported as temporarily restricted net assets and permanently restricted net assets, if applicable, are now reported as net assets with donor restrictions.

## AUTISM RESEARCH INSTITUTE

Notes to Financial Statements  
Year Ended December 31, 2019

### Note 2. Summary of Significant Accounting Policies, continued

*Use of Estimates:* The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Management believes that these estimates and assumptions provide a reasonable basis for the fair presentation of the financial statements.

### Note 3. Income Tax Status

ARI is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701d of the California State Revenue and Taxation Code. ARI may be subject to tax on income which is not related to its exempt purposes.

ARI's tax returns are subject to examination by Federal taxing authorities for a period of three years from the date they are filed and a period of four years for California taxing authorities.

### Note 4. Liquidity and Availability of Financial Assets

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

Financial Assets at year end:

Cash	\$ 689,624
Investments	<u>2,881,834</u>
Total financial assets	<u>3,571,458</u>
Funds subject to donor-imposed restrictions	<u>(14,388)</u>
Financial assets available to meet general expenditures within one year	<u><u>\$ 3,557,070</u></u>

ARI receives contributions with donor restrictions to be used in accordance with the associated purpose restrictions. ARI must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditures within one year.

As part of ARI's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. ARI invests cash in excess of daily requirements in money market funds as well as fixed income and equity securities.

# **AUTISM RESEARCH INSTITUTE**

## **Notes to Financial Statements Year Ended December 31, 2019**

### **Note 5. Cash and Cash Equivalents**

At December 31, 2019, cash and cash equivalents consisted of the following:

Petty Cash	\$ 300
Cash in Checking Accounts	663,187
Bank Deposit Sweep	26,137
Total	<u>\$ 689,624</u>

### **Note 6. Concentrations**

Financial instruments that potentially subject ARI to concentrations of credit risk consist principally of cash deposits. Cash balances at each financial institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2019, ARI's uninsured cash balance was \$282,345.

Concentration of credit risk with respect to contributions receivable is limited due to the large number of contributors comprising ARI's contributor base and their dispersion across different geographic areas.

For the year ended December 31, 2019, approximately 15% of ARI's support and revenue was from one donor.

### **Note 7. Investments**

Investments consist primarily of assets invested in marketable equity and debt securities. Cash and cash equivalents that are not used for operations are treated as investments due to their nature as long-term investments. Investments are carried at fair value based on quoted market prices in active market (all level 1 measurements). The realized and unrealized gains and losses on investments are reflected in the statement of activities. Investment revenues are reported net of related investment expenses.

Investments are exposed to various risks such as significant world events, interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the fair value of investments will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

At December 31, 2019, investments consisted of the following:

Equities	\$ 1,462,660
Fixed income	1,419,174
Total	<u>\$ 2,881,834</u>

**AUTISM RESEARCH INSTITUTE**

Notes to Financial Statements  
Year Ended December 31, 2019

**Note 8. Property and Equipment**

Property and equipment consist of the following at December 31, 2019:

Leasehold improvements	\$ 18,018
Media equipment	58,451
Office equipment	8,698
Vehicle	24,500
Domain name	10,000
	<u>119,667</u>
Less: accumulated depreciation	<u>(96,506)</u>
Net property and equipment	<u>\$ 23,161</u>

**Note 9. Net Assets With Donor Restrictions**

Net assets with donor restrictions at December 31, 2019 are as follows:

	January 1, 2019	Addition	Released	Dec 31, 2019
Oxalate Study	\$ 8,465	\$ 5,030	\$ (4,920)	\$ 8,575
Think Tanks		285		285
Webinars	12,347	100	(6,919)	5,528
Time restrictions-pledges receivable	53,109		(53,109)	-
Total	<u>\$ 73,921</u>	<u>\$ 5,415</u>	<u>\$ (64,948)</u>	<u>\$ 14,388</u>

**Note 10. Contributions from Charitable Lead Trust**

ARI is a beneficiary of two irrevocable trusts. Trust distributions of \$1,000 and \$500 are to be received annually from the trusts. No receivable has been recorded in the accompanying financial statements in relation to the trusts.

**Note 11. Operating Leases**

ARI leases its office space at 4182, 4184, 4186, and 4186 1/2 Adams Avenue under a month to month operating lease agreement. The monthly rent was \$2,800 during the year ended December 31, 2019 for a total of \$33,600. ARI received \$9,000 for sublease of the office space.

## **AUTISM RESEARCH INSTITUTE**

Notes to Financial Statements  
Year Ended December 31, 2019

### **Note 12.      Employee Benefits**

ARI maintains 403(b)(7) retirement plan for its employees. Employees may defer part of their compensation each year up to a maximum amount allowed by the Internal Revenue Code. No employer contributions to the plan were made during the year ended December 31, 2019.

ARI also maintains Section 125 Premium Only Plan. The plan allows employees to pay health insurance premiums on a pre-tax basis.

### **Note 13.      Functionalized Expenses**

Expenses related to more than one function are charged to programs and supporting services based on periodic time and expense studies. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include personnel and related expenses, office expenses, postage, occupancy, telephone, internet, and utilities, which are allocated on the basis of estimates of time and effort.

### **Note 14.      Service Contracts**

Under a joint project agreement for physicians' training webcast program with The Cleveland Clinic Foundation, ARI reimburses The Cleveland Clinic Foundation for expenses related to the production of training videos. Physicians receive continuing medical education credit for viewing online videos produced by ARI. The videos are available on Cleveland Clinic Center for Continuing Education website. ARI paid \$20,174 to The Cleveland Clinic Foundation in 2019. As of December 31, 2019, ARI's future obligations are \$21,553 under the November 12, 2019 amended agreement to be fulfilled in accordance with the budget and payment schedule.

### **Note 15.      Related Parties**

ARI paid \$7,250 in 2019 to the Board Chair for developing curriculum and moderating several continuing education webcasts for licensed medical professionals. The Board Chair also serves as Activity Director for physicians' training webcast program (see Note 14).

### **Note 16.      Fundraising Event**

ARI organizes an annual fundraising event, "Zoowalk for Autism Research" jointly with the Autism/Asperger's Research Program at Arizona State University (the Program). Under the agreement, ARI handles all the accounting. The Program is in charge of all aspects of organizing and running the event. Ninety percent of the event's profit is to be used for autism/Asperger's research at Arizona State University and ten percent for ARI's administrative costs. In 2019, the event raised \$89,561. Direct fundraising expenses were \$35,262 excluding administrative costs.

## **AUTISM RESEARCH INSTITUTE**

Notes to Financial Statements  
Year Ended December 31, 2019

### **Note 17.      Contingencies and Subsequent Events**

ARI's management has evaluated subsequent events through March 25, 2020, the date the financial statements were available to be issued.

Subsequent to the year end, ARI entered into an employment agreement for Executive Director services. The agreement is for one year commencing February 1, 2020 and continuing through January 31, 2021 and may be renewed for successive one-year period. An annual base compensation in accordance with the agreement is \$172,165 plus \$15,000 for disability, life insurance, and retirement contributions and \$4,200 for the cost of medical, vision and dental insurance.

On April 2, 2019, in accordance with a binding contract, ARI agreed to purchase all rights to the Internet Domain Name, autism.org from the Executive Director for \$10,000 and lease Internet Domain Name autism.com exclusively for its use as a re-direct to autism.org for one year at \$500 per month. Subsequent to the year end, the lease was extended for an additional six months through October 2020 at \$500 per month.

In June 2019, ARI entered into a contract for hotel rooms, meeting space, and food and beverage services for the April 2020 Annual Scientific Meeting. In accordance with the contract, liquidated damages were between 10% and 80% of total revenue and food and beverage minimum depending on the date of decision to cancel. ARI's management cancelled the meeting on March 12, 2020 due to the Coronavirus pandemic with the estimated liquidated damages of \$12,019 in accordance with the contract. ARI management believes ARI will be released from the financial obligation under the Force Majeure clause.