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Office of the Minnesota Secretary of State
Minnesota Public Benefit Corporation / Annual Benefit Report
Minnesota Statutes, Chapter 304A



Read the instructions before completing this form
Must be filed by March 31
Filing Fee: \$55 for expedited service in-person, \$35 if submitted by mail

The Annual Benefit Report covers the 12 month period ending on December 31 of the previous year.
Notice: Failure to file this form by March 31 of this year will result in the revocation of the corporation's public benefit status without further notice from the Secretary of State, pursuant to Minnesota Statutes, Section 304A.301

- 1. Corporate Name: (Required) Clip Different, GBC.
- 2. The public benefit corporation's board of directors has reviewed and approved this report.
- 3. In the field below, enter the information required by section 304A.301 subd. 2 or 3 for the period covered by this report, (see instructions for further information): Note: Use additional sheets if needed. (Required)

see attached !!

4. I, the undersigned, certify that I am the chief executive officer of this public benefit corporation. I further certify that I have signed this document no more than 30 days before the document is delivered to the secretary of state for filing, and that this document is current when signed. I further certify that I have completed all required fields, and that the information in this document is true and correct and in compliance with the applicable chapter of Minnesota Statutes. I understand that by signing this document I am subject to the penalties of perjury as set forth in Section 609.48 as if I had signed this document under oath.

Thomas J. McMullen III

Signature of Public Benefit Corporation's Chief Executive Officer

03/26/2020

Date (Must be dated within 30 days before the report is delivered to the Secretary of State for Filing)

Email Address for Official Notices

Enter an email address to which the Secretary of State can forward official notices required by law and other notices:

tj@clipdifferent.com

Check here to have your email address excluded from requests for bulk data, to the extent allowed by Minnesota law.

List a name and daytime phone number of a person who can be contacted about this form:

T.J. McMullen III

612 237 8700

Contact Name

Phone Number

Entities that own, lease, or have any financial interest in agricultural land or land capable of being farmed must register with the MN Dept. of Agriculture's Corporate Farm Program.

Does this entity own, lease, or have any financial interest in agricultural land or land capable of being farmed?
Yes No



2019 Public Benefit Report for ClipDifferent a GBC incorporated in the state of Minnesota

As stated in our 2018 filing as a General Benefit Corporation, ClipDifferent designs, manufactures and distributes automatic nail clippers to the underserved population. The newly engineered trimming process is unlike any traditional clipper on the market. Because of the unique characteristics, these devices can be used, and enjoyed, by people who normally would struggle with this routine task while using traditional methods. Those people range from very young kids to seniors in their twilight years and everyone between them. Often, people living with hand or dexterity issues and healthcare workers find these devices remarkable.

For example, a school system distributed devices throughout their district allowing not only those living with autism or down syndrome but all kids, faculty, and staff a safe solution, or departments within nationwide Veteran Affairs offices who see the need for the many aging Veterans, or the healthcare workers within care facilities being freed up by allowing their client's independent nail care options, or Occupational Therapist who are not allowed to trim clients nails before physical therapy. Behind each of these groups, and so many others, there is a person who connects with the device on an individual level - we're here for them.

Responses to specific questions required for a Minnesota Public Benefit Corporations annual report for 2019.

(A) how the corporation has pursued general public benefit;

2019 Impact Highlights:

1. Won the [2019 Edison Award](https://edisonawards.com/winners2019.php) for a "game changer" in the Personal Care category (<https://edisonawards.com/winners2019.php>)
2. International orders to Australia, Canada, Ireland, UK, France, and Belgium
3. Introduced our 2nd product - ClipDifferent Junior for kids 6+
4. Was pulled into new markets
 - a. Autism
 - b. Down Syndrome
 - c. Kids (ages 6-12)
 - d. Dementia
 - e. Muscular Dystrophy
5. Through expanded partnerships, ClipDifferent users are allowed the opportunity to have assistance covering product costs. Below are a few examples.
 - a. Multiple Sclerosis Navigator Program - The MS Navigator Program offers resources to individuals to live more independently and nail care is one of their activities supported. Before recent discussions with people from the MS Society, ClipDifferent didn't know there was nail care money available for the many



people living with this disease. It was also brought to our attention most non-profit organizations serving specific needs also have resources available.

- b. Minnesota Waiver Program - Minnesota Medicaid-eligible people who have specific needs or diagnosis can receive ClipDifferent products to help them live more independently. APA Medical and Cadan are our two state-approved suppliers for Waiver requests.
- c. Veterans Affairs - ClipDifferent receives multiple requests from Veterans and recognizes the need to work closely with the many Veteran Affairs offices throughout the country. Currently, the "adaptive nail clipper" has been approved and covered fully at a few isolated VA locations. ClipDifferent provides necessary information for Veterans when requesting or New Vendor information to VAs when purchasing or vendor-approved 3rd party purchasing options.

B) the extent to which and the ways in which the corporation has created general public benefit

ClipDifferent pursues its stated general public benefit at the 100% level because the product itself meets an important need, because we subsidize the price for individuals or groups unable to pay and we provide donations when requested by underserved individuals. We make the product at a local US manufacturer who provides living wage jobs. We use volunteers as much as possible to spread the word about our product.

(C) any circumstances that hindered efforts to pursue or create general public benefit;

1. It is harder to reach those who need our product the most: It is difficult to reach people who could benefit most from our products as the organizations they are connected to have extensive review processes or the reverse, no processes at all which results in blockages to access.
In addition, we find that reaching new customers and building trust for a new trimming process has created unique challenges requiring one on one attention. We have learned that often dedicated user-base extra care and attention has been required before most customers purchase. However, once the person becomes a user they are loyal. This has caused slower than desired product reach.
2. Lower than projected sales increases the cost of production: Our contract with the manufacturer is based on the volume of orders. Smaller batches are all that is needed at this time resulting in higher costs of production per unit. Despite this slowdown, there have been no short-cuts taken in the design, manufacturing, and now getting the product to clients.



ClipDifferent

3. Access to potential partner institutions takes significant time: We believe partnering with existing organizations already serving populations that could benefit from our project the most is a strong approach, gaining their interest and approval has taken significant time. With a very small staff team building partnerships has been slow going.

D) state whether the third-party standard is being applied in a manner consistent with the third-party standard's application in the prior reports; and

ClipDifferent uses the acceptance into the Government funded Veteran Affairs as the third-party standard. Meeting their strict requirements and protocol ensures ClipDifferent is meeting the needs of its customers.

As a General Benefit Corporation, this annual benefit report has been accepted as submitted by the Board of Directors of ClipDifferent. That entity uses the following standard for verification of public benefit: acceptance into Veteran Affairs is the third-party standard being used to verify the ClipDifferent products are meeting the intended needs.

Signed

Thomas J. Miller 3/26/20
date

type name here

President, ClipDifferent



ClipDifferent, GBC.
4827 Culver Road
Minneapolis, MN 55422

03/26/2020

Attention Kristina,

Please see ClipDifferent, GBC. Annual Benefit Report. Please reach out if there are any questions regarding this filing or other questions I can help with.

Sincerely,

A handwritten signature in black ink, appearing to read 'TJ McMullen III'.

TJ McMullen III
612 237 8700
tj@clipdifferent.com



Work Item 1152194800025
Original File Number 952903000027

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
FILED
03/31/2020 11:59 PM

Steve Simon

Steve Simon
Secretary of State