July 27, 2010

Dear Members of the Unification Church,

I am Treasurer of UCI and would like to set the record straight regarding the July 22, 2010 letter sent by the key church leaders denouncing UCI and its chairman. This letter was the latest in a series of what appears to be a concerted effort by the current church leadership over the last year to distort reality in order to mount a campaign against UCI and its chairman. In response, I am providing some of what should be a sufficient set of records in UCI's possession that shows that the top church leaders are not acting in good faith but are instead misleading the church members with half-truths.

Here are the facts, with supporting information at the end as appendices:

- The Washington Times has been supported for the last 28 years with the financial donations and support from the Unification movement, particularly the church in Japan. The donations from the Unification Church of Japan stopped abruptly and completely on July 13, 2009, soon after Mr. Kook Jin Moon took the helm of the church of Japan. The church letter claims that the funding was stopped after August of 2009 because of the donor's supposed "loss of trust" in UCI. This is disingenuous at best, since the emails below clearly show that Mr. Kook Jin Moon was intentionally withholding the donations from dates well before that (Appendix 1). Furthermore, the claim that "funds were made available in August 2009 for UCI to support The Times operations for several months" seems to be referring to unrelated loan repayments that HSA-UWC has made to UCI, however, the fact is, all donations completely stopped on July of 2009 in an unprecedented manner, which is a matter of financial record.

- Instead of closing The Washington Times, UCI, for the first time in its history, continues to support it until now with its own resources. This is also a matter of financial record. On the subject of violating one's trust, I would urge Unification Church members and leaders to demand that Mr. Kook Jin Moon, who controls Japan's donations, to disclose the records of the whereabouts of [redacted] of [redacted] of dollars he has collected since last August under the pretext of "saving the Washington Times," during which time no funds were ever received by UCI for the Times.

- The July 22nd letter accuses UCI of not using the funds for The Washington Times operations, but instead setting it aside for "shut-down costs." The creation of this reserve became a necessity that was thrust upon us due to the very funding stoppage in July of 2009. Under legal, fiduciary, and ethical constraints, any business is obligated to have a sufficient cash reserve to satisfy creditors (vendors, lenders, employees, etc), especially for a perennial money-losing operation such as the Times, as soon as one identifies the risk of external funds being no longer made available. For example, it would be improper to receive goods and services knowing that you may not be able to pay them, unless you have enough reserves to cover the liability. As it

was made abundantly clear that Mr. Kook Jin Moon would not be sending any more donations, the reserve had to be created immediately, as opposed to just being spent on the operations, because the company could not rightfully keep receiving the services of the employees and suppliers knowing that the funding would cease. The Times had not created this reserve previously because financial support had always been forthcoming. However, this was no longer the case as evidenced by the emails below where funds were willfully held back. Therefore, to place blame on UCI for setting up the required reserve after shutting off the funding is hypocritical.

- Please see Mr. Peter Kim's letter to UCI on August 14, 2009 (Appendix 2) that reveals the underlying agenda of Mr. Kook Jin Moon (who controls the Mission Foundation). By stopping the funding, he wanted to force changes to the UCI board, or as he put it, to rectify "the issues triggering the funding reduction" in order for him to seize the control by ousting UCI chairman, who happens to be his older brother and who was brought on in 2006 at the recommendation of the founder.

Any thoughtful individual would find it insulting that someone would not only cut off the funding that supported the Times all these years in order to create the initial crisis, but then goes on to blame the management of trying to "shut down" the Times. Is there anything else a responsible organization could do whose funding has abruptly ceased, other than to restructure and to explore sale or closure?

Mr. Kook Jin Moon and his collaborators have orchestrated the plans to first deny the funding and then use it as a weapon to demand what they are really after, which is control of UCI. However, UCI will not disregard its legal, ethical, and moral obligations and be bullied by someone whose only agenda is wresting control over everything in his path, by resorting to any tactic or stooping down to any level. UCI has the responsibility to fulfill its stated purposes. Although the current politics being played by the church leadership is disheartening, I am proud to say that the current UCI management has been fulfilling and will continue to fulfill those purposes with integrity, professionalism and fiscal responsibility.

Victor Walters

Treasurer
UCI

Appendix 1: Email records of Mr. Kook Jin Moon withholding donations from Japan from the onset

----- Original Message -----
보낸 사람: Keith Cooperrider <<[ ]@[ ].com>
제목: Please help
받는 사람: <[ ]@[ ].com
참조: "Douglas Joo" <<[ ]@[ ].com>
날짜: 2009 년 5 월 28 일 (목요일) 오전 3:42

Dear Mr. Kim,

Greetings from Washington, D. C.

There are so many hopeful things happening at the Washington Times and the other media properties. The Times is increasingly infusing a family perspective into the national debate as our audience grows, through the pickups in other media and the increase of our website viewers. The launch of our morning radio show will enhance the impact around the country.

One Up told me today that they are unable to send the scheduled funds this week to News World because the May budget has not arrived. If funds do not arrive by Friday, it will be very difficult.

Please help.

With Warmest Regards,

Keith Cooperrider
News World Treasurer

----- Original Message -----
보낸 사람: Keith Cooperrider <[ ]@[ ].com>
제목: Please help
받는 사람: "[ ]@[ ].com" <[ ]@[ ].com>
참조: "Douglas Joo" <[ ]@[ ].com>
날짜: 2009 년 7 월 14 일 (화요일) 오전 7:18

Dear Mr. Kim,

Greetings from Washington, D. C.

Thank you very much for what was received today. Unfortunately, what arrived wasn't the whole amount expected.

We are under extreme financial pressure. More is needed this week to get by—up to the level of what was budgeted.

We are facing the reality of having to declare bankruptcy very soon, which will mean the liquidation of the company. That would be such a shame to happen now with the future looking so bright here.

Please help.

With Warmest Regards,

ITPN,
Keith Cooperrider

----- Original Message -----
From: Peter Kim
[mailto: [ ]@[ ].com]
To: Keith Cooperrider
[mailto: [ ]@[ ].com], Sonoko [mailto: [ ]@[ ].com]
Sent: Mon, 13 Jul 2009 18:34:56 -0400
Subject:
답장: Please help

Dear Keith and Sonoko san,

Though I keep putting pressure on Japan, it is still very difficult for them to raise enough $ in time.
Please take $1m from the $10m I had reserved in your account for now.

I also want you to call Japan directly when you need funding from now on. KJ nim is in charge of Japan. The person you should contact is Joon ho Moon at the HQ of Japan. I am sure that Sonoko san can find a way to contact him.

ITN,
Peter Kim

----- Original Message -----
보낸 사람: Keith Cooperrider <[ ]@[ ].com>
제목: Please help
받는 사람: "Peter Kim ([ ]@[ ].com)" <[ ]@[ ].com>
참조: "Douglas Joo" <[ ]@[ ].com>, "Tom McDevitt"
<[ ]@[ ].com>
날짜: 2009 년 7 월 22 일 (수요일) 오전 7:14

Hello Peter,

As you instructed, I tried to communicate with Junho 3 ways —email, phone, text message—but got no response at all.
We are really on the edge here. This is payroll week and we didn't get all of last week's funds yet and this week's funds are not at all clear. Should we start closing the doors? We are a month overdue on health insurance, which could be cut off at any time. Our internet provider hasn't been paid for many months—soon will stop our internet service serving 25m page views a month. Etc., etc. Payroll starts leaving the account tomorrow, Wednesday.

We are meeting with Mr. Joo tomorrow morning to explain the situation in detail.

Please help.

ITPN,
Keith Cooperrider

----- Original Message -----
From: Peter Kim [mailto: [ ]@[ ].com]
Sent: Thursday, July 23, 2009 3:07 AM
To: Keith Cooperrider
Subject: RE: Please help

Dear keith,

Not including the month of July, $14.5m sound correct. I am pushing Japan everyday to send enough fund to UCI.

However, you should contact Kook jin nim and discuss the matter of UCI budget or WT budget. I can do only so much. Kook Jin nim manages Japanese finalcial issues now.

ITN,

Peter Kim

----- Original Message -----
보낸 사람: Keith Cooperrider <[ ]@[ ].com>
제목: Update
받는 사람: "Peter Kim" <[ ]@[ ].com>
참조: "Douglas Joo" <[ ]@[ ].com>
날짜: 2009 년 7 월 24 일 (금요일) 오전 1:49

Dear Peter,

UCI and therefore, News World, is significantly behind on receiving investment and the companies are about to have to shut down. TWT doesn't have funds to make the payroll tax withholding payment to the IRS tomorrow. That will be catastrophic. Many vendors have cut off services.

You advised that we contact KJN. We don't have a connection at this time. It would take several days or weeks to establish that connection and we don't have time.

Should TWT close their doors? Has the Founder instructed that should happen?

For the sake of America and the world.

ITPN,

Keith Cooperrider

News World Treasurer

----- Original Message -----
From: Peter Kim [mailto: [ ]@[ ].com]
To: Keith Cooperrider [mailto: [ ]@[ ].com], Sonoko [mailto:[ ]@[ ].com]
Sent: Fri, 24 Jul 2009 06:33:59 -0400
Subject: 답장: Update

Dear Keith,

As I have told you I have been pushing Japan as hard as I can. I, however, do not have the final call for any monetar transactions in or out of Japan.

I, therefore, strongly encourage you to keep trying to hold either Joon-ho Moon or Kook-Jin nim directly. The worest cenario is that Japan may directly loan $3m to TWT every month for a while. That means every other organizations funded by UCI will have to close down one way or another?

ITN,
Peter Kim

_____

PS: Dear Sonoko san,
For the last time, please give another $1m out of the reserved fund in your account to the New World Communications(TWT) to take care of the urgent situations. [……].

ITN,
Peter Kim

-----Original Message-----
From: Thomas Walsh [mailto: [ ]@[ ].org]
Sent: Wednesday, August 05, 2009 4:46 PM
To: [ ]@[ ].com; [ ]@[ ].net; [ ]@[ ].com
Subject: Two Things: DMJ and NWC

Greetings,

1. DMJ called me again. He mentioned that he sent a letter to HJN. He says he and PK will be going to LV tomorrow. As before he re-states his fear of a terrible explosion in LV when UCI news is reported.

He asked me about the incident in Paraguay. He had heard some things, but he seems not to know much. I did not say too much. He asked me who he could speak to about it. I mentioned that [ ] may be the best person.

DMJ asked me to try to reach [ ] to ask if he could provide a report to DMJ on what happened in Paraguay.

Also, DMJ was hoping to have a chance to speak to HJN.

2. If K does not send money, it is my understanding that this may be the last week for TWT, and a serious legal, financial and PR narrative will unfold rapidly. It is important that NWC begin convening some emergency meetings to address this crisis and prepare for the worst.

Tom W

-----Original Message-----
From: Thomas Walsh [mailto: [ ]@[ ].org]
Sent: Tuesday, August 18, 2009 11:24 PM
To: [ ]@[ ].com; [ ]@[ ].com; [ ]@[ ].com; [ ]@[ ].net
Subject: DMJ's report

As stated in the letter that was sent recently to PK, the cessation of funding to UCI has created a very serious legal and public relations problem for UCI and News World Communications and its properties. If funding does not resume this week, UCI will be forced to inform News World Communications and its properties that there

is no funding available to continue. This very terrible and almost unthinkable situation is the result of the fact that funding to UCI has stopped.

[note: you may want to use some of the text in the letter to PK, to explain the legal and public relations problems]

In order to protect UCI, News World Communications, and News World Communications properties, very serious decisions are being made both to prepare for the possibility that the properties may have to stop operating by the end of this week, and to protect the directors, and even the Founder from law suits.

Given the urgency of this financial and legal emergency, every effort is being made to protect News World and its properties.

On a variety of levels, and in accordance with the best legal and financial advisors, and in order to tighten up our corporate governance to prepare for the crisis that may come, some changes in the directors of News World and the Washington Time have been made. [……].

Every decision that is being made is in order to serve the long term best interests of News World and its properties.

Thomas G. Walsh, Ph.D.
Secretary General
UPF

Appendix 2: Mission Foundation letter showing the funding has been cut in order to force UCI board change

August 14, 2009

Dr. Hyun Jin Moon
Chairman, Board of Directors
Unification Church International
[.....]

Dear Dr. Moon:

As you know, the Unification Church of Japan has provided financial support to Unification Church International (UCI) for many years, to help UCI achieve its various purposes and objectives as a supporting organization for the international Unification Church Movement.

Recently, the Church in Japan donated $10 million to UCI. This donation was to be reserved exclusively for certain projects of the Movement, as recommended by the Mission Foundation, whose function is to provide advice on such matters. We understand approximately $4.5 million was used as recommended.

We recently heard that two important projects under UCI -- The Washington Times and UPI -- now urgently need funds, due to a recent reduction in donations from the Church in Japan, which reduction occurred in response to changes in UCI governance that were contrary to what UCI's Founder had indicated.

To alleviate this financial distress, we ask that UCI temporarily loan the remaining $5.5 million of this reserve to The Washington Times and UPI, as needed to cover their operations. We also ask that UCI promptly act to satisfactorily address the issues triggering the funding reduction, so the Church in Japan can replenish that reserve fund, and continuously support UCI again.

Please advise us regarding your consideration of these matters as soon as possible.

Yours truly,

Dr. Peter H. Kim
Secretary General
Mission Foundation