Application for Recognition of Exemption

Under Section 501(c)(3) of the Internal Revenue Code

Contents:
Form 1023 and Instructions
Form 872-C

Note: For the addresses for filing Form 1023, see Form 8718, User Fee for Exempt Organization Determination Letter Request.

For obtaining an employer identification number (EIN), see Form SS-4, Application for Employer Identification Number.

Package 1023
(Rev. September 1998)
Instructions for Form 1023
(Revised September 1998)
Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code

Note: A copy of the completed Form 1023 is the organization's permanent record. See Public Inspection of Form 1023 for public inspection of approved applications.

General Instructions
Section references are to the Internal Revenue Code, unless otherwise noted.

User Fee—In order to apply for recognition of exemption under Section 501(c)(3) of the Internal Revenue Code, you must pay a user fee of $330 for a large tax-exempt organization with total assets of $10 million or more and $320 for all other organizations. See the IRS website for detailed instructions.

User fee must be submitted with Form 1023 application.

User fee is not refundable. For audited applications, if the IRS determines that the organization is not entitled to exemption, the user fee will be refunded for a nine-month period.

Purpose of Form
1. Complete Form 1023 for each section 501(c)(3) organization.
2. Organizations not required to file Form 1023—The following organizations are not required to file Form 1023:
   a. Any organization that is a private foundation (as defined in Section 509(a)(1), (3), or (4)).
   b. A private operating foundation (as defined in Section 509(a)(2)) that is not classified as a private foundation in any year.
   c. Any organization that is a tax-exempt organization (as defined in Section 501(a)) and is not a private foundation (as defined in Section 509(a)(1), (3), or (4)).
3. The purpose of filing Form 1023 is to request recognition of exemption under Section 501(c)(3) of the Internal Revenue Code.

What To File
1. Organization must submit complete copy of Form 1023 along with all attachments.
2. The organization must include the following information:
   a. Purpose of the organization.
   b. Description of the organization's activities.
   c. Description of the organization's financial statements.
   d. List of officers and directors.
   e. Financial statements.

When To File
1. Application must be filed no later than 18 months after the end of the taxable year in which the organization was organized.
2. The organization must file Form 1023 no later than 18 months after the end of the taxable year in which the organization was organized.

Signature Requirements
An officer, director, or authorized agent of an organization may sign Form 1023 on behalf of the organization. The signature must be witnessed by a notary public.

Where To File
The application must be filed with the IRS at the address shown on the applicable form.
Deductibility of Contributions

Donors may take an income tax deduction if their gift or bequest is made to a section 501(c)(3) organization.
The effective date of an organization's section 501(c)(3) status determination determines the date that contributions to it are deductible by donors.

Conclusions by U.S. residents to foreign organizations generally are not deductible. The model between the U.S. and certain foreign countries provides limited exceptions. Foreign organizations (other than those in Canada or Mexico) that claim eligibility to receive contributions deductible by U.S. residents must attain an English copy of the U.S. tax return that provides for such deductibility.

Appeal Procedures

The organization’s application will be considered by the IRS, which will allow:

1. Issue a favorable determination letter.
2. Issue a proposed adverse determination letter denying the exempt status requested.
3. Refer the case to the National Office.

If the IRS denies you a proposed adverse determination, it will advise you of your appeal rights at that time.

Language and Currency Requirements

Language requirements—The Form 1023 and attachments in English. Provide an English translation if the organizational documents or bylaws are in any other language.

You may be asked to provide English translations of foreign language publications that the organization produces or distributes, and that are submitted with the application.

Financial requirements—Report all financial information in U.S. dollars. Any conversions to dollars must use current exchange rates. Include amounts from foreign accounts and outside the United States and report the total for each account on the financial statements.

For example:

- Gross Investment Income
  - From U.S. sources
  - From non-U.S. sources

- Amount to report on income statement

Annual Information Return

If an annual information return is due to the organization’s application for recognition of exempt status is pending with the IRS, include any changes, amendments, or revocations of the organization’s status. The organization should be used at the following address:

Internal Revenue Service
Ogden Service Center
Ogden, Utah 84403-0007

- Form 990, Return of Organization Exempt From Income Tax, or Form 990-PF, Return of Organization Exempt From Income Tax and
- Schedule A (Form 990), Organization Exempt Under Section 501(c)(3), or Form 5020-FF, Return of Private Foundation, if the organization acknowledges it is a private foundation, and indicates that an application is pending.

The organization has unissued ownership of more than $5,000. The Form 990-T, Exempt Organization Business Income Tax Return.

Public Inspection of Form 1023

Cautions: Note the discussion below for the potential effect of the Taxpayer v. IRS (G. B. S.) decision on the instructions. IRS responsibilities for public inspection—If the organization’s application for section 501(c)(3) status is approved, the following items will be open to public inspection in your District office and at the National Office of the IRS (section 6104).

1. The organization’s application and any supporting documents.
2. Any letter or other document issued by the IRS with regard to the application.

Note that the following items are not available for public inspection:

1. Any information relating to a trade secret, patent, style of work, or appearance that, if disclosed, would adversely affect the organization or
2. Any other information that would adversely affect the national defense.

Important: Applicants must identify the information by category. MUST SUBJECT: PUBLIC INSPECTION? and must attach a statement to explain why the organization believes that the information be withheld if the IRS decides the information will be withheld.

Organization’s responsibilities for public inspection—The organization must make available a copy of its approved application and supporting documents, along with any document or letter issued by the IRS for public inspection.

These documents must be available during regular business hours at the organization’s principal office and at all of its regional or district offices having at least three full-time employees. See Section 5100-22 J-2, IRS Guide to???.

A penalty of $50 a day will be imposed on any person under a duty to comply with the public inspection requirements for each day a failure to comply continues.

Furnishing copies of documents under 15671—The Taxpayer Bill of Rights (15671) requires that a person faces the penalties if he or she requests a copy of an organization’s Form 990, Form 990-PF, or an exemption application, and certain related documents, if a request is made in writing or person.

For a request made in person, the organization must make an immediate response.

For a response to a written request, the organization must provide the requested copies within 30 days.

The organization must furnish copies of its Form 990 or Form 990-PF, or any of its 3 most recent taxable years. No change to the organization’s status is changing a reasonable time for reproduction and actual postage costs.

No organization need provide copies if:

- The organization has made the required documents widely available in a manner prescribed in Taxpayer regulations,
- The Secretary of the Treasury determined, upon application by the organization, that the organization was subject to a substantial campaign such that a waiver of the obligation to provide copies would be in the public interest.
- Penalties for failure to supply inspection agreements are provided.
- The Secretary of the Treasury determined that an application by the organization was subject to a substantial campaign such that a waiver of the obligation to provide copies would be in the public interest.

Special Rule for Canadian Colleges and Universities

A Canadian college or university that met the requirements of Form 1023, Application for Recognition of Exempt Status under 501(c)(3), and financial statements, must file a Form 1023 to claim exempt status.

The information in the application must be as complete as possible.

The filing of a Form 1023 does not mean the organization is automatically exempt.

Specific Instructions

The following instructions are keyed to the text of the application form.

Part 1. Identification of Applicant

List 1. Full name and address of organization.

Enter the organization’s name as it appears on its legal documents, including amendments. Show the other name or names if the organization will be operating under another name.

Page 2
For a longer address, enter the information in the following order: city, province or state, and country. Follow the country’s practice in placing the postal code in the address. Do not obscure the country name.

Line 2. Employer identification number (EIN): All organizations must have an EIN. Enter the number that the IRS assigned to the organization. If the organization was not assigned an EIN, enter the number assigned you for tax purposes. Ask your organization to provide you with the EIN number. You may obtain the number by calling 1-888-950-TAX4. The organization must sign the form at the office where it was filed. Do not apply for an EIN more than once.

Line 3. Person in control (list the name and telephone number of the person in control of the business off the line if more information is needed). List the person with power of attorney who is familiar with the organization’s activities and is authorized to act on its behalf. Attach Form 4845 or other power of attorney if necessary.

Line 4. Month the annual accounting period ends: Enter the month the organization’s annual accounting period ends. The statutory accounting period is the 12-month period that is the organization’s tax year. The organization’s tax year depends on the accounting period shown. The first tax year could be less than 12 months.

Line 5. Date formed: Enter the date the organization became a legal entity. For a corporation, this is the date that the articles of incorporation were approved by the appropriate state office. For an unincorporated association, it is the date its constitution or articles of association were adopted.

Line 6. Institution of the organization is one of the following:

□ 1098 Cooperation hospital service organization
□ 1279 Cooperative service organization of educational organization
□ 1319 Organization providing child care
□ 1371 Charitable use horse race

If none of the above applies, mark none on line 6.

Line 7. Description of the organization that has elected a tax-exempt purpose: Enter Form 1023 or Form 1191, Application for Recognition of Exemption Under Section 501(c)(3) of the Code.

Line 8. If the organization is a charity as defined in section 509(a)(1) or 509(a)(2), check the appropriate box on line 12.

Line 9. If the organization has not filed Form 990, Form 990-EZ, or any other applicable form (e.g., Form 1023 or Form 1191), indicate if the organization has filed Form 990 with the IRS, but is not a private foundation, assurance of IRS record, or a 501(c)(4) organization.

Line 10. Type of organization and organizational documents: Organize the organization and any additional information about the organization of the instrument if the organization does not have an organizational instrument or they will not qualify for exempt status.

A. Conformed copy is one that agrees with the original and all amendments to it. The conformed copy may be:

□ A photocopy of the original and signed original.

B. A copy of the organization that has not been indicated in text with a written declaration to an IRS-approved state office, if it is sufficient by itself.

If an untitled copy of the entire organization is included, it must be accompanied by a written statement indicating that the organization, its constitution, or articles of organization, or any other organization documents must indicate, in the description of the organization, that the organization was formed by the adoption of the document by two or more persons.

Bylaws—If the organization has adopted bylaws, include a current copy. The bylaws do not need to be signed if they are authorized as necessary. The bylaws of a qualified charity are one of the organization’s reasons for being a qualified charity. They are merely the facts and rules of the organization. Bylaws are not a governing document.

Trust—In the case of a trust, a copy of the signed and dated trust instrument must be furnished.

Exempt organization—If the organization is exempt for any purpose other than an organization meeting the requirements of section 501(c)(3) of the Code and the regulations, file a copy of the exemption ruling with the organization.

Part II. Activities and Operational Information

Line 1. It is important that you report all activities that are in support of the organization’s exempt status.

Line 2. It is anticipated that the organization will provide support to the organization’s general support, an exempt and not-for-profit organization.

Line 3. For purposes of determining the organization’s expenses and like functions, do not include any expenses and functions that are like functions, but directly related to the organization’s activities. Include a description of the nature and magnitude of the activities.

Line 4. Furnishes the mailing address of the organization’s principal officers, directors, or trustees. Do not give the address of the organization.

Line 5. The organization’s principal officers, directors, or trustees.

Line 6. The organization must file an annual information return for each year that it is in existence and uses the information provided by the organization.

Line 7. The organization must file an annual information return for each year that it is in existence and uses the information provided by the organization.

Line 8. The organization must file an annual information return for each year that it is in existence and uses the information provided by the organization.

Line 9. The organization must file an annual information return for each year that it is in existence and uses the information provided by the organization.

Line 10. The organization must file an annual information return for each year that it is in existence and uses the information provided by the organization.

Line 11. The organization must file an annual information return for each year that it is in existence and uses the information provided by the organization.

Line 12. The organization must file an annual information return for each year that it is in existence and uses the information provided by the organization.

Line 13. The organization must file an annual information return for each year that it is in existence and uses the information provided by the organization.
Box (a) A governmental unit—This category includes a state, a political subdivision of any of the foregoing, in the United States or the District of Columbia.

Box (b) Organizations operated in connection with or agency—An organization described in section 501(c)(4), (5), or (6) is organized and operated specifically for the promotion of social welfare; or a social welfare organization operated by an organization otherwise described in section 501(c)(4), (5), or (6). However, if a social welfare organization is operated by an organization described in section 501(c)(4), (5), or (6), the organization must be operated on the basis of the organization’s good faith belief that the operation is consistent with the organization’s charitable purpose.

Box (c) Exempt organizations operated by a governmental unit—An organization described in section 501(c)(4), (5), or (6) is operated by a governmental unit if the organization is operated by a governmental unit as an instrumentality or as a part of the governmental unit.

Box (d) Organizations not operated by governmental units—A governmental unit must be operated by governmental units to qualify for the benefit of its members or otherwise to qualify as a governmental unit.

Box (e) An exempt organization operating under section 501(c)(3) of the Code and operated by a governmental unit—An exempt organization described in section 501(c)(3) of the Code is operated by a governmental unit if the organization is operated by a governmental unit as an instrumentality or as a part of the governmental unit.

Box (f) Organizations operated by a governmental unit—An organization described in section 501(c)(3) of the Code is operated by a governmental unit if the organization is operated by a governmental unit as an instrumentality or as a part of the governmental unit.

Box (g) An exempt organization operating under section 501(c)(3) of the Code and operated by a governmental unit—An exempt organization described in section 501(c)(3) of the Code is operated by a governmental unit if the organization is operated by a governmental unit as an instrumentality or as a part of the governmental unit.

Box (h) A governmental unit—This category includes a state, a political subdivision of any of the foregoing, in the United States or the District of Columbia.

Box (i) Organizations operated in connection with or agency—An organization described in section 501(c)(4), (5), or (6) is organized and operated specifically for the promotion of social welfare; or a social welfare organization operated by an organization otherwise described in section 501(c)(4), (5), or (6). However, if a social welfare organization is operated by an organization described in section 501(c)(4), (5), or (6), the organization must be operated on the basis of the organization’s good faith belief that the operation is consistent with the organization’s charitable purpose.

Box (j) Exempt organizations operated by a governmental unit—An organization described in section 501(c)(4), (5), or (6) is operated by a governmental unit if the organization is operated by a governmental unit as an instrumentality or as a part of the governmental unit.

Box (k) Organizations operated by a governmental unit—An organization described in section 501(c)(3) of the Code is operated by a governmental unit if the organization is operated by a governmental unit as an instrumentality or as a part of the governmental unit.

Box (l) An exempt organization operating under section 501(c)(3) of the Code and operated by a governmental unit—An exempt organization described in section 501(c)(3) of the Code is operated by a governmental unit if the organization is operated by a governmental unit as an instrumentality or as a part of the governmental unit.
Part IV. Financial Data

Complete the Statement of Revenue and Expenses for the current year and each of the 3 years immediately preceding it for the years the organization has been in existence. If less than 3 years, complete the current year and each of the 3 years necessary to establish a full 3-year period.

Any individual that has existed for less than 1 year must give financial information for the current year and each of the 3 years preceding the current year.

Line 14—You may list as a separate category any information that is required to be reported in the statement of revenue and expenses, and any other information that is required to be reported in the financial statements of the organization.

A. Statement of Revenue and Expenses

Line 1—Do not include amounts received from the general public or a governmental unit for the exercise or performance of an organization's line of business. However, these amounts may be included in the financial statement for the organization's general purpose.

Line 3—Include amounts received from members for the purpose of providing services and support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 5—Include amounts received from the sale of products or services, except those amounts included in line 4.

Line 6—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 7—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 8—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 9—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 10—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 11—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 12—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 13—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 14—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 15—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 16—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 17—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 18—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 19—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 20—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 21—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 22—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 23—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 24—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 25—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 26—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 27—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 28—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 29—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 30—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 31—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 32—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 33—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 34—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 35—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 36—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 37—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 38—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 39—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 40—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 41—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 42—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 43—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 44—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 45—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 46—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 47—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 48—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 49—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 50—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 51—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 52—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 53—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 54—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 55—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 56—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 57—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 58—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 59—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 60—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.

Line 61—Include amounts received from governmental units for the provision of services or support of the organization. These amounts are considered contributions. Do not include amounts purchased for purchases, subscriptions, services, or use of facilities.
<table>
<thead>
<tr>
<th>Name of borrower</th>
<th>Description of obligation</th>
<th>Rate of return</th>
<th>Due date</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home Savers Corporation</td>
<td>Residential loan for senior issue outstanding</td>
<td>8%</td>
<td>Jan 2004</td>
<td>$37,500</td>
</tr>
<tr>
<td>Big Bank Company</td>
<td>Unsecured note</td>
<td>10%</td>
<td>Jan 2002</td>
<td>$20,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Name of corporation</th>
<th>Capital structure (as on exchange on which traded)</th>
<th>Shares</th>
<th>Book amount</th>
<th>Par value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Little Corp Corporation</td>
<td>Preferred (nonvoting and noncumulative)</td>
<td>1000</td>
<td>$20,000</td>
<td>$20,000</td>
</tr>
<tr>
<td></td>
<td>Common</td>
<td>10,000</td>
<td>$25,000</td>
<td>$25,000</td>
</tr>
<tr>
<td>Normal Corporation</td>
<td>Class A common</td>
<td>1000</td>
<td>$6,000</td>
<td>$6,000</td>
</tr>
</tbody>
</table>

Paperwork Reduction Act Notice—We ask for the information on this form to carry out the internal Revenue laws of the United States. If you want your organization to be recognized as an exempt by the IRS, you are required to give us this information. We need it to determine whether the organization needs the legal requirements for tax-exempt status.

The organization is not required to provide the information requested on a form unless the form displays a valid OMB control number. You are not required to respond to a form that does not display a valid OMB control number as long as their consents may become material in the administration by any third party in any form. If the information is required by Form 1099, the Form 1099 instructions are found in the Code section of 1914. The IRS may use this information to verify that the forms will vary depending on individual circumstances. The estimated average time is 6.

<table>
<thead>
<tr>
<th>Form</th>
<th>Recurring</th>
<th>Learning about the form or filing the form</th>
<th>Preparing, and submitting the form of IRS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1031</td>
<td>Yes</td>
<td>5 min</td>
<td>3 hr</td>
</tr>
<tr>
<td>1053</td>
<td>&amp; 10 C.</td>
<td>7 hr</td>
<td>10 min</td>
</tr>
<tr>
<td>1021</td>
<td>&amp; 20</td>
<td>4 hr</td>
<td>20 min</td>
</tr>
<tr>
<td>1021 Sn.</td>
<td>7 hr</td>
<td>20 min</td>
<td>42 min</td>
</tr>
<tr>
<td>1021 Sn.</td>
<td>5 hr</td>
<td>20 min</td>
<td>42 min</td>
</tr>
<tr>
<td>1021 Sn.</td>
<td>7 hr</td>
<td>20 min</td>
<td>42 min</td>
</tr>
<tr>
<td>1021 Sn.</td>
<td>5 hr</td>
<td>20 min</td>
<td>42 min</td>
</tr>
<tr>
<td>1021 Sn.</td>
<td>7 hr</td>
<td>20 min</td>
<td>42 min</td>
</tr>
<tr>
<td>1021 Sn.</td>
<td>5 hr</td>
<td>20 min</td>
<td>42 min</td>
</tr>
<tr>
<td>1021 Sn.</td>
<td>7 hr</td>
<td>20 min</td>
<td>42 min</td>
</tr>
</tbody>
</table>

If you have comments concerning the accuracy of these estimates or suggestions for making these forms simpler, we would be happy to hear from you. You can comment electronically via the IRS Internet site. See Where To File on page 1.
Procedural Checklist

Make sure the application is complete.

If you do not complete all applicable parts or do not provide all required attachments, we may return the incomplete application to your organization for resubmission with the missing information or attachments. This will delay the processing of the application and may delay the effective date of your organization’s exempt status. The organization may also incur additional user fees.

Have you ...

- Attached Form 8718 (User Fee for Exempt Organization Determination Letter Request) and the appropriate fee?
- Prepared the application for mailing? (See Where To File addresses on Form 8718.) Do not file the application with your local Internal Revenue Service Center.
- Completed Parts I through IV and any other schedules that apply to the organization?
- Shown the organization’s Employer Identification Number (EIN)?
  a. If your organization has an EIN, write it in the space provided.
  b. If this is a newly formed organization and does not have an Employer Identification Number, obtain an EIN by telephone. (See Specific Instructions, Part I, Line 2, on page 3.)
- Described your organization’s specific activities as directed in Part II, line 1, of the application?
- Included a conforming copy of the complete organizing instrument? (See Specific Instructions, Part I, Line 10, on page 3.)
- Had the application signed by one of the following?
  a. An officer or trustee who is authorized to sign (e.g., president, treasurer); or
  b. A person authorized by a power of attorney (Submit Form 2848, or other power of attorney).
- Enclosed financial statements (Part IV)?
  a. Current year (must include period up to within 60 days of the date the application is filed) and 3 preceding years.
  b. Detailed breakdown of revenues and expenses (no lump sums).
  c. If the organization has been in existence less than 1 year, you must also submit proposed budgets for 2 years showing the amounts and types of receipts and expenditures anticipated.

Note: During the technical review of a completed application, it may be necessary to contact the organization for more specific or additional information.

Do not send this checklist with the application.
Application for Recognition of Exemption
Under Section 501(c)(3) of the Internal Revenue Code

Read the instructions for each Part carefully. If the required information and appropriate documents are not submitted along with Form 8218 (with payment of the applicable user fee), the application may be returned to you.

Complete the Procedural Checklist on page 8 of the Instructions.

Part I - Identification of Applicant

1a. Full name of organization (as shown in organizing documents):
Creative Commons Corporation
1b. C/O Name of applicant:
c/o Berkman Center for Internet & Society
1c. Address (number and street):
1543 Massachusetts Avenue
Room/Suite: P509
1d. City, town, or post office, state, and ZIP + 4. If you have a foreign address, see Specific Instructions for Part I, page 3.
Cambridge, MA 02139
1e. Web site address:
http://www.creativecommons.org
1f. Check here if applying under section:
☐ 501(a) ☐ 501(d) ☐ 501(e) ☐ 501(f) ☐ 501(g) ☐ 501(h)
2. Employer Identification number (EIN):
If first time 501(c)(3) of the Specific Instructions:
☐ 26-6663019
3. Name and telephone number of person to be contacted if additional information is needed:
☐ 617 526-6217 Linda Sherman
4. Month the annual accounting period ends:
December
5. Date incorporated or formed:
December 19, 2001
6. Check here if applying under section:
☐ 1021 ☐ 1201 ☐ 1024 ☐ 1026 ☐ 1029 ☐ 501(h)
7. Did the organization previously apply for recognition of exemption under this Code section or under any other section of the Code? ☐ Yes ☐ No
If "Yes," attach an explanation:
☐ NA ☐ Yes ☐ No
If "No," attach an explanation (see page 3 of the Specific Instructions):
☐ NA ☐ Yes ☐ No
8. Has the organization filed Federal income tax returns or exempt organization information returns? ☐ Yes ☐ No
If "Yes," state the form numbers, years filed, and Internal Revenue office where filed:
☐ NA ☐ Yes ☐ No

10. Check the box for the type of organization. ATTACH A CONFORMING COPY OF THE CORRESPONDING ORGANIZING DOCUMENTS TO THE APPLICATION BEFORE MAILING. (See Specific Instructions for Part I, Line 10: 6b on page 1.) See also Pub. 163 for examples of organizational documents.)
☐ Corporation - Attach a copy of the Articles of Incorporation (including amendments and restatements) showing approval by the appropriate state official, including a copy of the bylaws.
☐ Trust - Attach a copy of the Trust instrument or agreement, including all pertinent signatures and details.
☐ Association - Attach a copy of the Articles of Association, Constitution, or other creating document, with a declaration (see instructions) or other evidence that the organization was formed by adoption of this document by more than one person, who include a copy of the bylaws.
☐ Foundation - Attach a copy of the Articles of Incorporation, Declaration of Trust, Trust Agreement, Articles of Organization, or other creating document, with a declaration (see instructions) or other evidence that the organization was formed by adoption of this document by more than one person, who include a copy of the bylaws.
☐ Governmental Instrumentality - Attach a copy of the instrumentality, including all pertinent signatures, that the applicant is an instrumentality of the United States or any State or any political subdivision thereof.
☐ Other - Attach a copy of the organizational documents pertinent to the organization, including all pertinent signatures.
If the organization is a corporation or an unincorporated association that has not yet adopted bylaws, check here ☐ Yes ☐ No
I declare under penalty of perjury that I am authorized to sign this application on behalf of the above organization and that I have examined this application, including the accompanying schedules and statements, and to the best of my knowledge it is true, correct, and complete.

Please sign here:

(Signature) Type or print name and title or capacity of signer

For Exemptee Reduction Act Notice, see page 7 of the Instructions.
Cat. No. 17132K
Part II Activities and Operational Information

1. Provide a detailed narrative description of all the activities of the organization—past, present, and planned. Do not merely refer to or repeat the language in the organizational document. List each activity separately in the order of importance based on the relative time and other resources devoted to the activity. Indicate the percentage of time for each activity. Each description should include, as a minimum, the following: (a) a detailed description of the activity including its purpose and how each activity furthers your exempt purpose. (b) when the activity was or will be initiated, and (c) where and by whom the activity will be completed.

See attachment #1.

2. What are or will be the organization’s sources of financial support? List in order of size.
   a. Gifts or grants from grant-making foundations or corporations
   b. Gifts from individuals
   c. Government grants

3. Describe the organization’s fundraising program, both actual and planned, and explain to what extent it has been put into effect. Include details of fundraising activities such as solicitation efforts, formation of fundraising committees, use of volunteers or professional fundraisers, etc. Attach representative samples of solicitations for financial support.

   Creative Commons has a start-up grant of $50,000 from the Center for the Public Domain and expects to receive an additional $100,000 from the Center for Public Domain. Otherwise, the fundraising program has not yet been put into effect. Planned fundraising includes submission of grant applications to grant-making foundations, corporations and government agencies. Such applications have not yet been prepared. Contributions may also be solicited on the Creative Commons website, which has not yet been completed.
Part II Activities and Operational Information (Continued)

4. Give the following information about the organization's governing body:

<table>
<thead>
<tr>
<th>Name(s), addresses, and titles of officers, directors, trustees, etc.</th>
<th></th>
</tr>
</thead>
</table>

5. Does the organization control or is it controlled by any other organization?  
   - Yes  
   - No

6. Does the organization receive, directly or indirectly, any of the following transactions with any political organization or other exempt organization (other than a 501(c)(3) organization):  
   - Grants  
   - Purchases or sales of assets  
   - Loans or loan guarantees  
   - Exchange of services, membership or fundraising solicitations  
   - Sharing of facilities, equipment, mailing lists or other assets  
   - Paid employees  
   - Yes  
   - No

7. Is the organization financially accountable to any other organization?  
   - Yes  
   - No

8. Annual compensation  
   - Only the President is currently compensated at a rate of $5,000 per month  

   - Yes  
   - No

9. In the case of any listed officers, directors, trustees, or key employees, who are being paid less than the average salary for their job category in the organization, explain why the compensation is below average.  

   - Yes  
   - No

10. Are any members of the organization’s governing body “disqualified persons” with respect to the organization (other than by reason of being a member of the governing body) or do any of the members have either a business or family relationship with “disqualified persons”? (see Specific Instructions for Part II, Lines 6d, on page 31)  
   - Yes  
   - No

   If “Yes,” explain.

11. Does the organization control or is it controlled by any other organization?  
   - Yes  
   - No

   If either of these questions is answered “Yes,” explain.

   Two of Creative Commons’ Directors are also Directors of the Center for the Public Domain, which is a private foundation under 501(c)(3). Creative Commons receives institutional support and shares office space and personnel with Stanford Law School.

12. Does the organization directly or indirectly engage in any of the following transactions with any political organization or other exempt organization (other than a 501(c)(3) organization):  
   - Grants  
   - Purchases or sales of assets  
   - Loans or loan guarantees  
   - Exchange of services, membership or fundraising solicitations  
   - Sharing of facilities, equipment, mailing lists or other assets  
   - Paid employees  
   - Yes  
   - No

   If “Yes,” explain fully and identify the other organizations involved.

13. Is the organization financially accountable to any other organization?  
   - Yes  
   - No

   If “Yes,” explain and identify the other organization. Include details concerning accountability or attach copies of reports if any have been submitted.

   Creative Commons will report to the Center for the Public Domain regarding a start-up grant of $65,000, and an expected additional grant of $750,000.
### Part II  Activities and Operational Information (continued)

8. What assets does the organization have that are used in the performance of its exempt function? (Do not include property producing investment income.) If any assets will not be fully operational, explain their status, what additional steps remain to be completed, and when such final steps will be taken. If none, indicate "N/A." One laptop computer and several Internet domain names.

9. Will the organization be the beneficiary of tax-exempt bond financing within the next 2 years?  □ Yes □ No

10a. Will any of the organization’s facilities or operations be managed by another organization or individual under a contractual agreement?  □ Yes □ No  □ N/A

b. Is the organization a party to any leases?  □ Yes □ No  □ N/A

If either of above questions is answered “Yes,” attach a copy of the contracts and explain the relationship between the applicant and the other parties. 

Creative Commons will share office space and receive institutional support from Stanford Law School. No contracts have yet been negotiated.

11. Is the organization a membership organization?  □ Yes □ No

If “Yes,” complete the following:

a. Describe the organization’s membership requirements and attach a schedule of membership fees and dues.

b. Describe the organization’s present and proposed efforts to attract members and attach a copy of any descriptive literature or promotional material used for this purpose.

c. What benefits do (or will) the members receive in exchange for their payment of dues?

12a. If the organization provides benefits, services, or products, are the recipients required, or will they be required, to pay for them?  □ N/A □ Yes □ No

If “Yes,” explain how the charges are determined and attach a copy of the current fee schedule.

12b. Does or will the organization limit its benefits, services, or products to specific individuals or classes of individuals?  □ N/A □ Yes □ No

If “Yes,” explain how the recipients or beneficiaries are or will be selected.

13. Does or will the organization attempt to influence legislation?  □ Yes □ No

If “Yes,” explain. Also, give an estimate of the percentage of the organization’s time and funds that it devotes or plans to devote to this activity.

14. Does or will the organization intervene in any way in political campaigns, including the publication or distribution of statements?  □ Yes □ No

If “Yes,” explain fully.
1. Are you filing Form 1023 within 15 months from the end of the month in which your organization was created or formed? Yes ☐ No ☐

If you answer "Yes," do not answer questions on lines 2 through 6 below.

2. If one of the exceptions to the 15-month filing requirement shown below applies, check the appropriate box and proceed to question 7.

   a. Is a church, interchurch organization of local units of a church, convention or association of churches, or an integrated auxiliary of a church. See Specific Instructions, Line 2a, on page 4.
   b. Is not a private foundation and normally has gross receipts of not more than $5,000 in each tax year, or
   c. Is a subordinate organization covered by a group exemption letter, but only if the parent organization timely files Form 1024-EX.

   ☐ Yes ☐ No

3. If the organization does not meet any of the exceptions on line 2 above, are you filing Form 1023 within 27 months from the end of the month in which the organization was created or formed? ☐ Yes ☐ No

If "Yes," your organization qualifies under Regulation section 301.9821-2, for an automatic 12-month extension of the 15-month filing requirement. Do not answer questions 4 through 6.

If "No," answer question 4.

4. If you answer "Yes" to question 3, does the organization wish to request an extension of time to apply under the "reasonable action and good faith" requirements of Regulations section 301.1023-3?

   ☐ Yes ☐ No

If "Yes," give the reasons for not filing this application within the 27-month period described in question 3. See Specific Instructions, Part II, Line 4, before completing this item. Do not answer questions 5 and 6.

If "No," answer questions 5 and 6.

5. If you answer "Yes" to question 4, your organization's qualification as a section 501(c)(3) organization can be recognized only from the date this application is filed. Therefore, do you want us to consider the application as a request for recognition of exemption as a section 501(c)(3) organization from the date the application is received and not retroactively to the date the application was created or formed? ☐ Yes ☐ No

6. If you answer "Yes" to question 5 above and wish to require recognition of section 501(c)(4) status for the period beginning with the date the organization was formed and ending with the date the Form 1023 application was received, check here ☐, and attach a completed page 1 of Form 1024 to this application.
Part III Technical Requirements (Continued)

7. Is the organization a private foundation?
   □ Yes (Answer question 8.)
   ☑ No (Answer question 9 and proceed as instructed.)

8. If you answered "Yes" to question 7, does the organization claim to be a private operating foundation?
   □ Yes (Complete Schedule F.)
   □ No

After answering question 8 on this line, go to line 14 on page 7.

9. If you answered "No" to question 7, indicate the public charity classification the organization is requesting by checking the box below that most appropriately applies.

   THE ORGANIZATION IS NOT A PRIVATE FOUNDATION BECAUSE IT QUALIFIES:
   a. ☑ As a church or a convention or association of churches (Schedules B, C, and D must be completed.)
   b. ☑ As a school (must complete Schedule B)
   c. ☑ As a hospital or a cooperative hospital service organization, or a medical research organization operated in conjunction with a hospital (those organizations except for hospital service organizations must complete Schedule F.)
   d. ☑ As a governmental unit described in section 170(c)(1)
   e. ☑ As being operated solely for the benefit of, or in connection with, one or more of the organizations described in paragraphs a, b, c, or d. (must complete Schedule F)
   f. ☑ As being organized and operated exclusively for testing for public safety.
   g. ☑ As being operated for the benefit of a college or university that is named or operated by a governmental unit.
   h. ☑ As receiving a substantial part of its support from contributions by governmental units or from the general public.
   i. ☑ As normally receiving not more than one-third of its support from gross investment income and more than one-third of its support from contributions, membership fees, and gross receipts from events related to its exempt functions (subject to certain exceptions).
   j. ☑ The organization is a publicly supported organization but is not sure whether it meets the publicly supported test of § 519(c)(3). The organization would like the IRS to provide the proper classification.

Sections 509(a)(1) and 170(b)(1)(A)(i)
Sections 509(a)(1) and 170(b)(1)(A)(ii)
Sections 509(a)(1) and 170(b)(1)(A)(iii)
Sections 509(a)(1) and 170(b)(1)(A)(iv)
Sections 509(a)(1) and 170(b)(1)(A)(v)
Sections 509(a)(1) and 170(b)(1)(A)(vi)
Sections 509(a)(1) and 170(b)(1)(A)(vii)
Sections 509(a)(1) and 170(b)(1)(A)(viii)
Sections 509(a)(1) and 170(b)(1)(A)(ix)
Sections 509(a)(1) and 170(b)(1)(A)(x)

If you checked one of the boxes a through j in question 9, go to question 14. If you checked box j in question 9, go to questions 11 and 12. If you checked box h, i, or j in question 9, go to question 10.
Part III Technical Requirements (Continued)

10 If you checked box H, I, or J in question 5, has the organization completed a tax year of at least 6 months?
   □ Yes—indicate whether you are requesting:
   □ A definitive ruling (Answer question 11 through 14)
   □ An advance ruling (Answer questions 11 through 14 and attach two Forms 872-C, completed and signed)
   □ A ruled package—You must request an advance ruling by completing and attaching two Forms 872-C and attaching them to the Form 1023.

11 If the organization received any unusual grants during any of the tax years shown in Part IV-A, Statement of Revenue and Expenses, attach a list for each year showing the name of the contributor, the date and the amount of the grant, and a brief description of the nature of the grant. Creative Centers seeks to receive an unusual grant in 2002 in the amount of $750,000 from the Center for the Public Domain to support its expenses.

12 If you are requesting a definitive ruling under section 170(b)(1)(A)(vi) or (vii), check here □ and:
   a. Enter 2% of line 8, column (a), Total of Part IV-A.
   b. Attach a list showing the name and amount contributed by each person (other than a governmental unit or a publicly supported organization) whose total gifts, grants, contributions, etc., were more than the amount entered on line 12a above.

13 If you are requesting a definitive ruling under section 501(c)(3), check here □ and:
   a. For each of the years included on lines 1, 2, and 9 of Part IV-A, attach a list showing the name of and amount received from each “disqualified person” (a definition of “disqualified person” see Specific Instructions, Part II, Line 12 on page 3.)
   b. For each of the years included on line 9 of Part IV-A, attach a list showing the name of and amount received from each person other than a “disqualified person” who received more than $5,000.

14 Indicate if your organization is one of the following. If so, complete the required schedule. (Submit only those schedules that apply to your organization. Do not submit blank schedules.)

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td></td>
</tr>
<tr>
<td>B</td>
<td></td>
</tr>
<tr>
<td>C</td>
<td></td>
</tr>
<tr>
<td>D</td>
<td></td>
</tr>
<tr>
<td>E</td>
<td></td>
</tr>
<tr>
<td>F</td>
<td></td>
</tr>
<tr>
<td>G</td>
<td></td>
</tr>
<tr>
<td>H</td>
<td></td>
</tr>
<tr>
<td>I</td>
<td></td>
</tr>
</tbody>
</table>

Is the organization a church?
Is the organization, or any part of it, a school?
Is the organization, or any part of it, a hospital or medical research organization?
Is the organization a section 501(c)(3) supporting organization?
Is the organization a private operating foundation?
Is the organization, or any part of it, a home for the aged or handicapped?
Is the organization, or any part of it, a child care organization?
Does the organization provide any education or academic scholarships, student aid, etc.?
Is the organization taken over, or will it take over, the facilities of a "for profit" institution?
<table>
<thead>
<tr>
<th>Description</th>
<th>(d) TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Gifts, grants, and contributions</td>
<td>756,908</td>
</tr>
<tr>
<td>2. Membership fees received</td>
<td>0</td>
</tr>
<tr>
<td>3. Gross investment income (less deductions for obligations)</td>
<td>15,000</td>
</tr>
<tr>
<td>4. Other income from the sale of capital assets</td>
<td>0</td>
</tr>
<tr>
<td>5. Tax revenues from the sale of immovable property</td>
<td>0</td>
</tr>
<tr>
<td>6. Other income (less deductions for obligations)</td>
<td>0</td>
</tr>
<tr>
<td>7. Total income</td>
<td>766,009</td>
</tr>
<tr>
<td>8. Total expenses</td>
<td>766,009</td>
</tr>
<tr>
<td>9. Fundraising expenses</td>
<td>0</td>
</tr>
<tr>
<td>10. Total expenses (less line 8 and 9)</td>
<td>766,009</td>
</tr>
<tr>
<td>11. Total expenses</td>
<td>766,009</td>
</tr>
<tr>
<td>12. Total revenue (line 10 through 11)</td>
<td>766,009</td>
</tr>
<tr>
<td>13. Total expenses</td>
<td>766,009</td>
</tr>
<tr>
<td>14. Total expenses</td>
<td>766,009</td>
</tr>
<tr>
<td>15. Total expenses</td>
<td>766,009</td>
</tr>
<tr>
<td>16. Total expenses</td>
<td>766,009</td>
</tr>
<tr>
<td>17. Total expenses</td>
<td>766,009</td>
</tr>
<tr>
<td>18. Total expenses</td>
<td>766,009</td>
</tr>
<tr>
<td>19. Total expenses</td>
<td>766,009</td>
</tr>
<tr>
<td>20. Total expenses</td>
<td>766,009</td>
</tr>
<tr>
<td>21. Total expenses</td>
<td>766,009</td>
</tr>
<tr>
<td>22. Total expenses</td>
<td>766,009</td>
</tr>
<tr>
<td>23. Total expenses</td>
<td>766,009</td>
</tr>
<tr>
<td>24. Total expenses</td>
<td>766,009</td>
</tr>
</tbody>
</table>
### Part IV  Financial Data (Continued)

#### a. Balance Sheet (at the end of the period shown)

<table>
<thead>
<tr>
<th>Assets</th>
<th></th>
<th>Liabilities</th>
<th></th>
<th>Fund Balances or Net Assets</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Cash</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Accounts receivable, net</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Inventories</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Bonds and notes receivable (attach schedule)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Corporate stocks (attach schedule)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Mortgage loans (attach schedule)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Other investments (attach schedule)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Depreciable and depreciable assets (attach schedule)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Land</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Other assets (attach schedule)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. Total Assets (add lines 1 through 10)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. Accounts payable</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13. Contributions, gifts, grants, etc., payable</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14. Mortgages and notes payable (attach schedule)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15. Other liabilities (attach schedule)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16. Total Liabilities (add lines 12 through 15)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17. Total fund balances or net assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

If there has been any substantial change in any aspect of the organization’s financial activities since the end of the period shown above, check the box and attach a detailed explanation.
Creative Commons Corporation
04-3585301
Form 1023 Application
Attachment #1. Response to Part II, line 1.

Creative Commons ("CC") is not yet operational. At this time all of CC's time and
resources are devoted to planning for Corporation's future activities.

Summary: Creative Commons is a non-profit organization founded on the notion that
some creators do not want to exercise all of the intellectual property rights the law makes
available to them. For a variety of reasons, they would like to share their work (and the
power to reuse, modify, and distribute their work) with the public for no fee. Creative
Commons intends to plan and create intellectual frameworks which will help those
creators express their preference for sharing.

Background: Until 1976, creative works were not protected by U.S. copyright law unless
their authors took the trouble to put a copyright notice on them. Other works fell into the
"public domain"—the realm of unprotected material available for unlimited copying,
redistribution, and modification. Congress eliminated the notice requirement in 1976, so
that creative works are now automatically copyrighted whether their creators intend for
them to be or not. We believe that many creators—especially the amateurs who are now
trying to share their work with the world via the Internet—would not choose this
"copyright by default" if they had an easy mechanism for indicating that they intend for
their work to be in the public domain, or that they intend to exercise some but not all of
the rights to which they are entitled under copyright law. We hope to provide such a
mechanism and thereby to help enrich the public domain and the stock of works that are
available for reuse on generous terms.

Activities: Since its incorporation, 90% of CC’s time and resources have been devoted
to planning and developing a free Internet website that will help artists, scholars, and
other creators of intellectual works create licenses that announce that their work is in the
public domain or that it is available for certain types of copying, redistribution, and
modification. For example, the site could help a digital artist create a license that
permits anyone to copy, redistribute, or modify her work so long as it was done for
non-commercial purposes and the original artist was given credit for her initial creation.
CC also plans to create mechanisms for associating licenses with creative works in a
"machine-readable" way; that is, in a way that computers can interpret so that, for
example, a search engine could perform a search for ‘‘musical works available for any
non-commercial use.’’ When complete, the website will function like a virtual library
that users can search to find creative works that are in the public domain or otherwise
available for copying, redistribution, and modification.

The CC Board of Directors and President are planning the website, with the assistance of
volunteers and paid consulting experts on web design and computer interfaces.

This activity will promote CC’s charitable and educational purposes by encouraging
creators to make their intellectual works available on terms that enable users to copy,
distribute, and even modify the works; and by enabling students, educators, artists,
Future Activities: At this time approximately 10% of CC’s time and resources are devoted to planning the achievement of longer-term activities.

Future activities may include the development of additional incentives and applications to encourage access to and increased usage of creative and scientific works.

CC may also create or acquire specific works (or partner with other organizations that have done so) and make those works available to the public under CC licenses. In addition to its direct contribution of new material, such an effort would demonstrate both the effectiveness of making works publicly available and also the utility of CC licensing tools. CC may also support centralized and decentralized CC communities through additional activities designed to encourage individuals and organizations to make works publicly available through the CC licensing schemes.
Creative Commons Corporation
94-35815301
Form 1023 Application
Part IV. A 17. Schedule of compensation of officers, directors, and trustees

<table>
<thead>
<tr>
<th></th>
<th>2002</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>President</td>
<td>$0,000</td>
<td>$0,000</td>
</tr>
<tr>
<td>Chairman of Board of Directors</td>
<td>0</td>
<td>100,000</td>
</tr>
<tr>
<td>Total</td>
<td>$0,000</td>
<td>100,000</td>
</tr>
</tbody>
</table>

Part IV. A. 22. Schedule of “Other” Expenses

<table>
<thead>
<tr>
<th></th>
<th>2002</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technical consulting, web design, and maintenance</td>
<td>100,000</td>
<td>110,000</td>
</tr>
<tr>
<td>Publicity</td>
<td>29,660</td>
<td>22,000</td>
</tr>
<tr>
<td>Travel and meetings</td>
<td>50,000</td>
<td>52,000</td>
</tr>
<tr>
<td>Legal</td>
<td>20,000</td>
<td>22,008</td>
</tr>
<tr>
<td>Insurance</td>
<td>10,300</td>
<td>11,000</td>
</tr>
<tr>
<td>Accounting</td>
<td>5,000</td>
<td>5,500</td>
</tr>
<tr>
<td>Total</td>
<td>265,000</td>
<td>225,519</td>
</tr>
</tbody>
</table>

Part IV. B. If there has been any substantial change in any aspect of the organization's financial activities since the end of the period shown above, check the box and attach a detailed explanation.

After receiving a grant of $65,000 from the Center for the Public Domain in 2002, Creative Commons has $44,652 in cash on hand as of February 26, 2002.
Under section 6501(d)(1) of the Internal Revenue Code, and as part of a request filed with Form 11225 that the organization named below be treated as a publicly supported organization under section 170(b)(1)(A)(vi) or section 4940A(c)(2) during an advance ruling period.

Creative Commons Corporation

District Director of Internal Revenue or Assistant Commissioner (Employee Plans and Exempt Organizations)

consent and agree that the period for assessing tax imposed under section 4940 of the Code for any of the 5 tax years in the advance ruling period will extend 8 years, 4 months, and 11 days beyond the end of the first tax year.

However, if a notice of deficiency in tax for any of these years is sent to the organization before the period expires, the time for making an assessment will be further extended by the number of days the assessment is protested, plus 60 days.

Ending date of first tax year: 12/31/01

Name of organization (as shown in organizing document): Creative Commons, Inc.

Officer or trustee having authority to sign: Date

Signature:

Type of organization (if known): Nonprofit Corporation

For IRS use only

District Director of Assistant Commissioner (Employee Plans and Exempt Organizations): Date

By:

For Paperwork Reduction Act Notice, see page 7 of the Form 11225 Instructions.
You must complete Form 872-C and attach it to the Form 1023 if you checked box h, i, or j of Part III, question 9, and the organization has not completed a tax year of at least 8 months.

For example: If the organization incorporated May 15 and its year ends December 31, it has completed a tax year of only 71/2 months. Therefore, Form 872-C must be submitted.

(a) Enter the name of the organization. This must be entered exactly as it appears in the organizing document. Do not use abbreviations unless the organizing document does.

(b) Enter the current address.

(c) Enter the ending date of the first tax year.

For example:

(1) If the organization was formed on June 15 and it has chosen December 31 as its year end, enter December 31.

(2) If the organization was formed June 15 and it has chosen June 30 as its year end, enter June 30. In this example, the organization's first tax year consists of only 15 days.

(d) The form must be signed by an authorized officer or trustee, generally the president or treasurer. The name and title of the person signing must be typed or printed in the space provided.

(e) Enter the date that the form was signed.

DO NOT MAKE ANY OTHER ENTRIES.
1. Provide a brief history of the development of the organization, including the reasons for its formation.

2. Does the organization have a written creed or statement of faith? □ Yes □ No
   If "Yes," attach a copy.

3. Does the organization require prospective members to renounce other religious beliefs or their membership in other churches or religious orders to become members? □ Yes □ No

4. Does the organization have a formal code of doctrine and discipline for its members? □ Yes □ No
   If "Yes," describe.

5. Describe the form of worship and attach a schedule of worship services.

6. Are the services open to the public? □ Yes □ No
   If "Yes," describe how the organization publicizes its services and explain the criteria for admittance.

7. Explain how the organization attracts new members.

8. (a) How many active members are currently enrolled in the church?

     (b) What is the average attendance at the worship services?

9. In addition to worship services, what other religious services (such as baptisms, weddings, funerals, etc.) does the organization conduct?
<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>10 Does the organization have a school for the religious instruction of the young?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11 Were the current deacons, minister, and/or pastor formally ordained after a prescribed course of study?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12 Describe the organization's religious hierarchy or ecclesiastical government.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13 Does the organization have an established place of worship?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If &quot;Yes,&quot; provide the name and address of the owner or lessor of the property and the address and a description of the facility.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If the organization has no regular place of worship, state where the services are held and how the site is selected.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>14 Does (or will) the organization license or otherwise ordain ministers or their equivalent, or issue church charters?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If &quot;Yes,&quot; describe in detail the requirements and qualifications needed to be so licensed, ordained, or chartered.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15 Did the organization pay a fee for a church charter?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If &quot;Yes,&quot; state the name and address of the organization to which the fee was paid, attach a copy of the charter, and describe the circumstances surrounding the chartering.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16 Show how many hours a week the minister/pastor and officers each devote to church work and the amount of compensation paid to each of them. If the minister or pastor is otherwise employed, indicate by whom employed, the nature of the employment, and the hours devoted to that employment.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
17. Will any funds or property of the organization be used by any officer, director, employee, minister, or pastor for his or her personal needs or convenience?  □ Yes  □ No

If "Yes," describe the nature and circumstances of such use.

18. List any officers, directors, or trustees related by blood or marriage.

19. Give the name of anyone who has assigned income to the organization or made substantial contributions of money or other property. Specify the amounts involved.

**Instructions**

Although a church, its integrated auxiliaries, or a convention or association of churches is not required to file Form 1023 to be exempt from Federal income tax or to receive tax-deductible contributions, such an organization may find it advantageous to obtain recognition of exemption. In this event, you should submit information showing that your organization is a church, synagogue, association or convention of churches, religious order or religious organization that is an integral part of a church, and that it is carrying out the functions of a church.

In determining whether an admittedly religious organization is also a church, the IRS does not accept any and every assertion that such an organization is a church because beliefs and practices vary so widely, there is no single definition of the word "church" for tax purposes. The IRS considers the facts and circumstances of each organization applying for church status.

The IRS contains two basic guidelines in determining that an organization meets the religious purposes test:

1. That the particular religious beliefs of the organization are pure and sincerely held, and
2. That the practices and rituals associated with the organization's religious beliefs or creed are not illegal or contrary to clearly defined public policy.

In order for the IRS to properly evaluate your organization's activities and religious purposes, it is important that all questions in Schedule A be answered.

The information submitted with Schedule A will be a determining factor in granting the "church" status requested by your organization. In completing the schedule, consider the following points:

1. The organization's activities in furtherance of its beliefs must be exclusively religious, and
2. An organization will not qualify for exemption if it has a substantial nonreligious purpose of serving the private interests of its founders or the founders' family.
### Schedule B. Schools, Colleges, and Universities

1. Does or will the organization maintain any: (a) a regularly scheduled curriculum; (b) a regularly scheduled extracurricular body; and (c) facilities where instruction or activities are regularly carried on? ——
   - Yes
   - No

2. If yes, does or will the organization maintain an instrumentality of a state or local government that is primarily a service to students? ——
   - Yes
   - No

3. Does the organization forbid the admission, promotion, or participation in any way on the basis of race, color, national origin, or sex? ——
   - Yes
   - No

4. Does the organization include a statement in its charter, bylaws, or other governing instrument, or in a resolution of the governing body, that it has a non-discriminatory policy as to students? ——
   - Yes
   - No

   Attach whatever corporate resolutions or other official instruments the organization has made on this subject.

   5. Has the organization made an official announcement of its policy as to students? ——
   - Yes
   - No

   If "Yes," describe how these policies have been publicized and how often relevant student or administrative representatives have been made of these policies.

   6. If applicable, attach copies of any relevant newspaper notices in advertising, or copies of reports or brochures used for this purpose. Also attach copies of catalogues and catalogues dealing with students, admissions, programs, and scholarships, as well as representative copies of any written advertising used as a means of informing prospective students of the organization's programs.

   7. Attach a numerical schedule showing the number, by sex, of (a) the faculty, and (b) the students, enrolled in each sex for the month immediately preceding the date of the report.

   8. Attach a list showing the amount of any scholarship and other funds awarded to students, divided into the racial composition of the students who have received such funds.

   9. Enter in the public school district and county in which the organization is located.

   10. Has the organization ever been determined by a state or Federal administrative agency or judicial body to be racially discriminatory? ——
       - Yes
       - No

   If "Yes," attach a detailed explanation identifying the policies or practices or the reason in which the case was heard, the issues involved, the holding in the case, and the directions, if any, to the case. Also describe in detail what changes in the organization's operation, if any, have occurred since then.

   For more information, see back of Schedule B.
Instructions

A "school" is an organization that has the primary function of providing formal instruction, normally maintains a regular faculty and curriculum, normally has a regularly enrolled student body, and has a place where educational activities are carried on.

The term generally corresponds to the definition of an "educational organization" in section 170(b)(1)(A)(ii). Thus, the term includes primary, secondary, preparatory and high schools, and colleges and universities. The term does not include organizations engaged in both educational and noneducational activities unless the latter are merely incidental to the educational activities. A school for handicapped children is included within the term. But an organization merely providing handicapped children with custodial care is not.

For purposes of Schenck v. Proctor B. "Sunday schools" that are conducted by a church and not included in the term "schools," but separately organized schools (such as parochial schools, universities, and similar institutions) are included in the term.

A private school that otherwise meets the requirements of section 501(c)(3) as an educational institution will not qualify for exemption under section 501(c)(3) unless it has a policy nondiscriminatory policy as to students.

This policy means that the school admits students of any race to all the rights, privileges, programs, and activities generally accorded or made available to students at that school and that the school does not discriminate on the basis of race in the administration of its educational policies, admission policies, financial aid policies, scholarship and loan programs, and athletics or other school-administered programs.

The IRS considers discrimination on the basis of race to include discrimination on the basis of color and national or ethnic origin. A policy of a school that favors racial minority groups in admissions, scholarships, programs, and financial assistance will not constitute discrimination on the basis of race when the purpose and effect is to promote the establishment and maintenance of that school's racially nondiscriminatory policy as to students.

See Rev. Proc. 76-20, 1976-2 CB 587 for guidelines and recommendation requirements for determining whether private schools that are applying for recognition of exemption have racially nondiscriminatory policies as to students.

Line 2

An instrumentality of a state or political subdivision of a state may qualify under section 501(c)(3) if it is organized as a separate entity from the governmental unit that created it and if it otherwise meets the organizational and operational tests of section 501(c)(3). See Rev. Rul. 69-66, 1969-2 CB 127. Any such organization that is a school is not a private school and, therefore, is not subject to the provisions of Rev. Proc. 75-40.

Schools that incorrectly answer "yes" to line 2 will be considered to furnish the information called for by lines 3 through 10 in order to establish that they meet the requirements for exemption. To prevent delay in the processing of your application, we urge you to answer line 2 correctly and complete lines 3 through 10 if applicable.
Schedule C. Hospitals and Medical Research Organizations

Check here if claiming to be a hospital, and complete the questions in section I of this schedule and write "NA" in section II.

Section I  Hospitals

19. How many doctors are on the hospital's staff? 

20. Are any doctors employed in the community eligible for staff privileges?  

21. Does the hospital maintain a full-time emergency room? 

22. Does the hospital have its own clinic? 

23. Does the hospital have any arrangements with police, fire, and voluntary ambulance services for the delivery of persons in cases of emergency? 

24. Does the hospital require a deposit from persons covered by Medicare or Medicaid? 

25. Does the hospital have any arrangements with police, fire, and voluntary ambulance services for patients without apparent means to pay? 

26. Does the hospital follow the policy on admitting emergency patients to persons without apparent means to pay? 

27. Does the hospital have any arrangements with police, fire, and voluntary ambulance services for the delivery of persons in cases of emergency? 

Section II  Medical Research Organizations

1. Name the hospitals with which the organization has a relationship and describe the relationship. 

2. Describe the activities of the organization and indicate which hospital or hospitals are involved in conducting research. 

3. Describe the statement of assets showing the fair market value and the portion of the assets directly devoted to medical research. 

For more information, see note of Schedule C.
Hospitals
To be entitled to status as a "hospital," an organization must have, as its principal purpose or function, the
providing of medical or hospital care or medical
education or research. "Medical care" includes the
treatment of any physical or mental disability or
condition. The costs of which may be taken as a
reduction under section 213, whether the treatment is
performed on an inpatient or outpatient basis. Thus, a
rehabilitation institution, outpatient clinic, or community
mental health or drug treatment center may be a
hospital if its principal function is providing the
above-described services.
On the other hand, a convalescent home or a home
for children or the aged is not a hospital. Similarly, an
institution whose principal purpose or function is to
train handicapped individuals to pursue some vocation
is not a hospital. Moreover, a medical education or
medical research institution is not a hospital, unless it
is also actively engaged in providing medical or
hospital care to patients on its premises or in its
facilities for an important part of its activities.

Cooperative Hospital Service Organizations
Cooperative hospital service organizations (section
501(c)(4)) should not complete Schedule C.

Medical Research Organizations
To qualify as a medical research organization, the
principal function of the organization must be the
direct, continuous, and active conduct of medical
research in conjunction with a hospital that is
defined in section 213(c)(3), a Federal hospital, or an
instrumentality of a governmental unit referred to in
section 1102(b)(1).

For purposes of section 1102(b)(1)(A)(ii), only the
organization must be set up to use the funds it
receives to the active conduct of medical research by
January 1 of the first calendar year after receipt. The
arrangement it has with clients to ensure use of the
funds within the five-year period must be legally
enforceable.

As used here, "medical research" means
investigations, experiments, and studies to discover,
develop, or verify knowledge relating to the causes,
diagnosis, treatment, prevention, or control of human
physical or mental diseases and impairments.
For further information, see Regulations section
1.1704-1(b)(2).
## Schedule D. Section 509(a)(3) Supporting Organizations

### a. Organizations supported by the applicant organization:

<table>
<thead>
<tr>
<th>Name and address of supported organization</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### b. Has the supported organization received a ruling or determination letter that it is not a private foundation by reason of section 509(a)(1) or (2)?

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### c. If "No" for any of the organizations listed in (a), explain.

#### 2. Does the supported organization have tax-exempt status under section 501(c)(3), 501(c)(4), or 501(c)(6)?

Yes | No
---|---

If "Yes," attach (a) a copy of a ruling or determination letter and (b) an analysis of its record for the current year and the preceding 3 years. Provide the financial data using the formula in Part I.A (items 1-13) and Part II, items 11, 12, and 13).

#### 3. Does your organization's governing document indicate that the majority of its governing board is elected or appointed by the supported organizations?

Yes | No
---|---

If "Yes," skip to line 9.

If "No," you must answer the questions on lines 4 through 8.

#### 4. Does your organization's governing document indicate the extent of supervision or control that it and the supported organizations exercised?

Yes | No
---|---

If "Yes," give the article and paragraph numbers. If "No," explain.

#### 5. To what extent do the supported organizations have a significant voice in your organization's investment policies, in the making and limiting of grants, and in otherwise directing the use of your organization's income for grants?

#### 6. Does the mention of the supported organization in your organization's governing instrument make it obvious that the supported organization can exercise under state law and custom to maintain an accounting?

Yes | No
---|---

"Yes." Skip.

#### 7a. What percentage of your organization's income does it pay to each supported organization?

#### b. What is the total annual income of each supported organization?

#### c. How much does your organization contribute annually to each supported organization?

---

For more information, see back of Schedule D.
Schedule D. Section 509(a)(3) Supporting Organizations (Continued)

8 By what extent does your organization conflict activities that would otherwise be carried on by the supported organizations? Explain why these activities would otherwise be carried on by the supported organizations.

9 Is the supported organization controlled directly or indirectly by one or more "disqualified persons" other than one that is a disqualified person only because he or she is a manager of by an organization that is not described in section 509(a)(1) or (2)?

Instructions

For an explanation of the types of organizations defined in section 509(a)(3) as being excluded from the definition of a private foundation, see Pub. 557, Chapter 3.

Line 1
List each organization that is supported by your organization and indicate in item 1b if the supported organization has received a letter recognizing exempt status as a section 501(c)(3) public charity as defined in section 509(a)(1) or 509(a)(2). If you answer "Yes" in 1a to any of the listed organizations, please explain in 1c.

Line 3
Your organization's governing document may be articles of incorporation, articles of incorporation, certificate, trust indenture, or joint agreement.

Line 9
For a definition of a "disqualified person," see Specific Instructions, Part II, Line 9d, on page 3 of the application's instructions.
## Schedule E Private Operating Foundations

### Income Test

| Description                                                                 | Most recent year | Percentage
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1a. Adjusted net income, as defined in Regulations section 53.4942(a-7-1)</td>
<td>1a</td>
<td></td>
</tr>
<tr>
<td>1b. Minimum investment return, as defined in Regulations section 53.4942(a-7-2)</td>
<td>1b</td>
<td></td>
</tr>
<tr>
<td>2. Qualifying distributions:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Amounts (including administrative expenses) paid directly for the active conduct of the activities for which the organization and operated under section 501(c)(3) (attach schedule)</td>
<td>2a</td>
<td></td>
</tr>
<tr>
<td>b. Amounts (including administrative expenses) paid directly for the active conduct of the activities for which the organization and operated under section 501(c)(3) (attach schedule)</td>
<td>2b</td>
<td></td>
</tr>
<tr>
<td>c. Amounts (including administrative expenses) paid directly for the active conduct of the activities for which the organization and operated under section 501(c)(3) (attach schedule)</td>
<td>2c</td>
<td></td>
</tr>
<tr>
<td>3. Percentage:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>d. Total qualifying distributions (see lines 2a, 2b, and 2c)</td>
<td>3d</td>
<td></td>
</tr>
<tr>
<td>4. Percentage of qualifying distributions to adjusted net income (divide line 2 by line 1a)</td>
<td>4a</td>
<td></td>
</tr>
<tr>
<td>5. Percentage of qualifying distributions to minimum investment return (divide line 2 by line 1b)</td>
<td>5a</td>
<td></td>
</tr>
</tbody>
</table>

### Assets Test

| Description                                                                 | Most recent year | Percentage
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Value of organizations assets used in activities that directly carry out the exempt purposes</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>2. Value of assets used in activities not used in carrying out exempt purposes</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>3. Percentage of total assets held for purposes described in section 501(c)(4)</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>4. Percentage of total assets held for purposes described in section 501(c)(5)</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>5. Percentage of total assets held for purposes described in section 501(c)(6)</td>
<td>5</td>
<td></td>
</tr>
</tbody>
</table>

### Endowment Test

| Description                                                                 | Most recent year | Percentage
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Endowment for purposes described in section 501(c)(7)</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>2. Percentage of endowment for purposes described in section 501(c)(7)</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>3. Percentage of endowment for purposes described in section 501(c)(8)</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>4. Percentage of endowment for purposes described in section 501(c)(9)</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>5. Percentage of credit balance of endowment (attach schedule)</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>6. Percentage of credit balance of endowment (attach schedule)</td>
<td>6</td>
<td></td>
</tr>
</tbody>
</table>

### Support Test

| Description                                                                 | Most recent year | Percentage
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Support from public or other exempt organizations</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>2. Percentage of total support from public or other exempt organizations</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>3. Percentage of total support from public or other exempt organizations</td>
<td>3</td>
<td></td>
</tr>
</tbody>
</table>

### Supplemental Tests

21. Does the organization satisfy the requirements of section 4942(g)(1) for the income test and one of the supplemental tests during the first year of operation? Include a description of plans and arrangements, press clippings, public announcements, solicitations, for funds etc. Yes [ ] No [ ]

22. Does the organization satisfy the requirements of section 4942(g)(1) for the assets test and one of the supplemental tests during the first year of operation? Include a description of plans and arrangements, press clippings, public announcements, solicitations, for funds etc. Yes [ ] No [ ]

For more information, see back of Schedule E.
Intructions

if the organization claims to be an operating foundation described in section 4942(f)(3) and—

a. Gasses its claim to private operating foundation status on normal and regular operations over a period of years; or
b. Is newly created, set up as a private operating foundation, and has at least 1 year’s experience, provide the information under the Income test and under one of the three supplemental tests (assets, endorsement, or support) if the organization does not meet at least 1 year’s experience, provide the information called for on line 21.

If the organization’s private operating foundation status depends on its normal and regular operations as described in above, attach a schedule similar to Schedule E showing the data in tabular form for the 3 years preceding the most recent tax year. (See Regulations section 53.4942(f)(1) for additional information before completing the ‘Income Test’ section of this schedule.) Organizations claiming section 4942(g)(5) status must satisfy the income test and the endorsement test.

A "private operating foundation" described in section 4942(f)(3) is a private foundation that spends substantially all of the smaller of its adjusted gross income (as defined below) or its minimum investment return directly for the active conduct of the activities constituting the purpose or function for which it is organized and operated. The foundation must satisfy the income test under section 4942(f)(5)(A), as modified by Regulations section 53.4942(f)(1) and one of the following three supplemental tests: (1) the assets test under section 4942(f)(3)(B)(1), (2) the endorsement test under section 4942(f)(3)(B)(2), or (3) the support lost test under section 4942(f)(3)(B)(3).

Certain long term care facilities described in section 4942(f)(5) are treated as private operating foundations for purposes of section 4942 only.

"Adjusted gross income" is the excess of gross income determined with the income modifications described below for the tax year over the sum of deductions determined with the deduction modifications described below, less of gross income from any unrelated trade of business and the deductions directly connected with the unrelated trade or business are taken into account in computing the organization’s adjusted net income.

Income Modifications

The following are income modifications (adjustments to gross income): 1. Section 103 (relating to interest on certain governmental obligations) does not apply. Thus, interest that otherwise would have been included should be included in gross income. 2. Except as provided in 3 below, capital gains and losses are taken into account to the extent of the net short-term gain. Long-term gains and losses are disregarded. 3. The gross amount received from the sale of disposition of certain property should be included in gross income to the extent that the acquisition of the property constituted a qualifying distribution under section 4942(g)(1)(B). 4. Reimbursements for prior year deductions (as defined in section 4942(g)(1)(A)) do not constitute items of gross income. 5. Any amount set aside under section 4942(f)(2) that is "not necessarily for the purposes for which it was set aside" constitutes an item of gross income.

Deduction Modifications

The following are deduction modifications (adjustments to deductions):

1. Excessive for the general operation of the organization, according to its charitable purposes (as contrasted with expenses for the production or collection of income, and management, conversion, or maintenance of income-producing property) should not be taken as deductions. If a portion of the property is used for production of income subject to section 4942 and the remainder is used for general charitable purposes, the expenses connected with that property should be divided according to those purposes. Only expenses related to the income-producing portion should be taken as deductions.

2. Charitable contributions deductible under section 170 or 4210 should not be taken into account as deductions for adjusted net income.

3. The net operating loss deduction prescribed under section 172 should not be taken into account as a deduction for adjusted net income.

4. The special deductions for expenditures (such as the dividends, separately stated deduction allowed under sections 241 through 245) should not be taken into account for purposes of adjusted net income.

5. Deductions and claims should be determined in the same manner as under sections 4942(f)(3)(B)(i), section 265 (relating to the expenses and interest connected with tax-exempt income) should not be taken into account.

You may find it easier to figure adjusted net income by completing column 3, Part 1. Form 1099-PF, according to the instructions for that form. An organization that has been held to be a private operating foundation will continue to be such an organization only if it meets the income test and either the asset, endorsement, or support test in later years. See Regulations section 53.4942(f)(1) for additional information. No additional restrictions for rulings will be retroactive or appropriate for an organization to maintain its status as a private operating foundation. However, data related to these tests must be submitted with this organization as an annual information return. Form 990-PF.
Schedule F: Homes for the Aged or Handicapped

1. What are the requirements for admission to residency? Explain fully with attached promotional literature and application forms.

2. Does or will the home charge an entrance or founder's fee? [ ] Yes [ ] No
   If Yes: explain and specify the amount charged.

3. What periodic fees or maintenance charges are or will be required of its residents?

4a. What established policy does the home have concerning residents who become unable to pay their regular charges?

5. What arrangements does the home have or will it make with local and Federal welfare units, sponsoring organizations, or others to absorb all or part of the cost of maintaining those residents?

6. What arrangements does the home have or will it make to provide for the health needs of its residents?

7. In what way are the home's residential facilities designed to meet the needs of the physical, emotional, social, religious and similar needs of the aged or handicapped?

8. Provide a description of the home's facilities and specify both the resident's capacity of the home and the current number of residents.

9. Attach a sample copy of the contract or agreement the organization makes with or requires of its residents.

For more information, see back of Schedule F.
Line 1
Provide the criteria for admission to the home and submit brochures, pamphlets, or other printed material used to inform the public about the home's admissions policy.

Line 2
Indicate whether the fee charged is an entrance fee or a monthly charge, etc. Also, if the fee is an entrance fee, is it payable in a lump sum or on an installment basis?

Line 4
Indicate the organization's policy regarding residents who are unable to pay. Also, indicate whether the organization is subsidized for all or part of the cost of maintaining these residents who are unable to pay.

Line 5
Indicate whether the organization provides health care to the residents, either directly or indirectly, through some continuing arrangement with other organizations, facilities, or health personnel. If no health care is provided, indicate "N/A."
Schedule G. Child Care Organizations

1. Is the organization’s primary activity the providing of care for children away from their homes?  
   - Yes  
   - No

2. How many children is the organization authorized to care for by the state (or local governmental unit), and what was the average attendance during the past 6 months, or the number of months the organization has been in existence if less than 6 months?

3. How many children are currently cared for by the organization?

4. Is substantially all (at least 85%) of the care provided for the purpose of enabling parents to be gainfully employed or to seek employment?  
   - Yes  
   - No

5. Are the services provided available to the general public?  
   - Yes  
   - No
   If “No,” explain.

6. Indicate the category, or categories, of parents whose children are eligible for the child care services (check as many as apply):
   - Low-income parents
   - Any working parent (or parents looking for work)
   - Anyone with the ability to pay
   - Other (explain)

Instructions

Line 5:
If your organization’s services are not available to the general public, indicate the particular group or groups that may utilize the services.

REMINDER—If this organization claims to operate a school, then it must also fill out Schedule B.
Schedule H. Organizations Providing Scholarship Benefits, Student Aid, etc., to Individuals

1a. Describe the nature and the amount of the scholarship benefit, student aid, etc., including the terms and conditions governing its use, whether a gift or a loan, and how any availability of the scholarship is published. If the organization has established or will establish several categories of scholarship benefits, identify each kind of benefit and explain how the organization determines the recipients for each category. Attach a sample copy of any application the organization requires individuals to complete to be considered for scholarships, grants, loans, or similar benefits. Private foundations that make grants for travel, study, or other similar purposes are required to obtain advance approval of scholarship procedures. See Regulations sections 53.4945-4(c) and (d).

b. If you mark this application considered as a request for approval of grants procedures in the event we determine that the organization is a private foundation, check here □

c. If you marked the box in 1e above, check the boxes for which you wish the organization to be considered.

[ ] 53.4945-4(a) □ 53.4945-4(b) □ 53.4945-4(c)

2. What limitations or restrictions are there on the class of individuals who are eligible recipients? Specifically explain whether there are or will be any limitations or restrictions in the selection procedures based upon race or the employment status or the race of the prospective recipient or any relative of the prospective recipient. Also indicate the approximate number of eligible individuals.

3. Indicate the number of grants the organization anticipates making annually □

4. If the organization bases its selections in any way on the employment status of the applicant or any relative of the applicant, indicate whether there is or has been any direct or indirect relationship between the members of the selection committee and the employees. Also indicate whether relatives of the members of the selection committee are possible recipients or have been recipients.

5. Describe any procedures the organization has for supervising grants (such as obtaining reports or transcripts) that it awards and any procedures it has for taking action if the terms of the grant are violated.

For more information, see back of Schedule H.
Additional Information

Private foundations that make grants to individuals for travel, study, or other similar purposes are required to obtain advance approval of their grant procedures from the IRS. Such grants that are awarded under selection procedures that have not been approved by the IRS are subject to a 10% excise tax under section 4945. (See Regulations sections 53.4945-4(c) and (d).)

If you are requesting advance approval of the organization's grant procedures, the following sections apply to line 4(a):

4945(g)(1)—The grant constitutes a scholarship or fellowship grant that meets the provisions of section 117(g) prior to its amendment by the Tax Reform Act of 1986 and is to be used for study at an educational organization (school) described in section 170(b)(1)(A)(ii).

4945(g)(2)—The grant constitutes a prize or award that is subject to the provisions of section 74(b), if the recipient of such a prize or award is selected from the general public.

4945(g)(3)—The purpose of the grant is to achieve a specific objective, produce a report or other similar product, or improve or enhance a literary, artistic, musical, scientific, teaching, or other similar capacity, skill, or talent of the grantee.
Schedule I. Successors to "For Profit" Institutions

1. What was the name of the predecessor organization and the nature of its activities?

2. Who were the owners of principal stockholders of the predecessor organization? (If more space is needed, attach schedule.)

3. Describe the business or family relationship between the owners of principal stockholders and principal employees of the predecessor organization and the officers, directors, and principal employees of the applicant organization.

4a. Attach a copy of the agreement of sale or other contract that sets forth the terms and conditions of sale of the predecessor organization or of its assets to the applicant organization.

4b. Attach an appraisal by an independent, qualified expert estimating the fair market value at the time of sale of the facilities or property interest sold.

5. Has any property or equipment formerly used by the predecessor organization been rented to the applicant organization or will any such property be rented? If "yes," explain and attach copies of all leases and contracts.

6. Is the organization leasing or will it lease or otherwise make available any space or equipment to the owners, principal stockholders, or principal employees of the predecessor organization? If "yes," explain and attach a list of these leases and a copy of the lease for each such tenant.

7. Were any new operating policies initiated as a result of the transfer or assets from a profit-making organization to a nonprofit organization? If "yes," explain.

Additional Information

A "for profit" institution for purposes of Schedule I includes any organization in which a person may have a proprietary or partnership interest, hold corporate stock, or otherwise exercise an ownership interest. The institution need not have operated for the purpose of making a profit.