

## Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code

OMB No. 1545-0056  
 This information is approved for publication with the Department of Public Inspection

Read the instructions for each Part carefully.

**A User Fee must be attached to this application.**

If the required information and appropriate documents are not submitted along with Form 8718 (with payment of the appropriate user fee), the application may be returned to you.

**Part I Identification of Applicant**

<b>1a</b> Full name of organization (as shown in organizing document)		<b>2</b> Employer identification number (If none, see instructions.) Applied For
LICR FUND, INC.		
<b>1b</b> c/o Name (if applicable)	<b>3</b> Name and telephone number of person to be contacted if additional information is needed	
N/A	J.E. Shillingburg	
<b>1c</b> Address (number and street)	<b>4</b> Month the annual accounting period ends	
1345 Avenue of the Americas	December	
<b>1d</b> City or town, state, and ZIP code	<b>6</b> Activity codes (See instructions.)	
New York, N.Y. 10105	602   199	
<b>5</b> Date incorporated or formed 6/7/90	<b>7</b> Check here if applying under section: a <input type="checkbox"/> 501(e) b <input type="checkbox"/> 501(f) c <input type="checkbox"/> 501(k)	
<b>8</b> Did the organization previously apply for recognition of exemption under this Code section or under any other section of the Code? If "Yes," attach an explanation. <span style="float: right;"><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</span>		
<b>9</b> Has the organization filed Federal income tax returns or exempt organization information returns? If "Yes," state the form number(s), years filed, and Internal Revenue office where filed. <span style="float: right;"><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</span>		

**10** Check the box for your type of organization. BE SURE TO ATTACH A COMPLETE COPY OF THE CORRESPONDING DOCUMENTS TO THE APPLICATION BEFORE MAILING.

- a  Corporation— Attach a copy of your Articles of Incorporation, (including amendments and restatements) showing approval by the appropriate state official; also include a copy of your bylaws.
- b  Trust— Attach a copy of your Trust Indenture or Agreement, including all appropriate signatures and dates.
- c  Association— Attach a copy of your Articles of Association, Constitution, or other creating document, with a declaration (see instructions) or other evidence the organization was formed by adoption of the document by more than one person; also include a copy of your bylaws.

If you are a corporation or an unincorporated association that has not yet adopted bylaws, check here

I declare under the penalties 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 attachments, and to the best of my knowledge it is true, correct, and complete.

Please Sign Here *James R. Kerr* Chairman 6/19/90  
 \_\_\_\_\_  
 James R. Kerr (Signature) \_\_\_\_\_ (Title or authority of signer) \_\_\_\_\_ (Date)

For Paperwork Reduction Act Notice, see page 1 of the instructions.

Complete the Procedural Checklist (page 7 of the instructions) prior to filing.

**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 your organizational document. Describe each activity separately in the order of importance. Each description should include, as a minimum, the following: (a) a detailed description of the activity including its purpose; (b) when the activity was or will be initiated; and (c) where and by whom the activity will be conducted.

See attachment.

- 2 What are or will be the organization's sources of financial support? List in order of size.

- a. Funds transferred from the Institute.
- b. Investment income.
- c. Gifts and 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 selective mailings, formation of fundraising committees, use of volunteers or professional fundraisers, etc.) Attach representative copies of solicitations for financial support.

The Fund has no established fundraising activities. However, it may receive gifts and contributions from persons interested in the Institute's work.

**Part II** Activities and Operational Information (Continued)

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

**a** Names, addresses, and titles of officers, directors, trustees, etc.

See attachment.

**b** Annual Compensation

See attachment.

**c** Do any of the above persons serve as members of the governing body by reason of being public officials or being appointed by public officials?  Yes  No

If "Yes," name those persons and explain the basis of their selection or appointment.

**d** 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 the Specific Instructions for line 4d.)  Yes  No

If "Yes," explain.

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

Is the organization the outgrowth of (or successor to) another organization, or does it have a special relationship to another organization by reason of interlocking directorates or other factors?  Yes  No

If either of these questions is answered "Yes," explain.

The Fund's Board of Directors consists of the Board of the Institute. The Institute's directors are elected by the trustees of the LICR Charitable Trust, a supporting organization of the Institute, which is exempt under Section 501(c)(3). A copy of the Trust's determination letter is attached.

**6** Does or will the organization directly or indirectly engage in any of the following transactions with any political organization or other exempt organization (other than 501(c)(3) organizations): (a) grants; (b) purchases or sales of assets; (c) rental of facilities or equipment; (d) loans or loan guarantees; (e) reimbursement arrangements; (f) performance of services, membership, or fundraising solicitations; or (g) sharing of facilities, equipment, mailing lists or other assets, or paid employees?  Yes  No

If "Yes," explain fully and identify the other organization(s) involved.

**7** 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.

The Fund is financially accountable to the Institute.

**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 are not 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."

N/A.

**9a** Will any of the organization's facilities or operations be managed by another organization or individual under a contractual agreement?  Yes  No  
**b** Is the organization a party to any leases?  Yes  No

If either of these questions is answered "Yes," attach a copy of each such contract and explain the relationship between the applicant and each of the other parties.

The Fund's assets will be managed by professional investment advisers; contracts have not yet been entered into.

**10** 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.

The Fund's members consist of the Institute's Board of Directors, as in office.

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

None.

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

None.

**11a** 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; show how the charges are determined; and attach a copy of your current fee schedule.

**b** 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.

**12** 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 which it devotes or plans to devote to this activity.

**13** 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.

**Part III** Technical Requirements

1 Are you filing Form 1023 within 15 months from the end of the month in which you were created or formed?  Yes  No  
If you answer "Yes," do not answer questions 2 through 6.

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

Exceptions—You are not required to file an exemption application within 15 months if the organization: N/A

- (a) Is a church, interchurch organization, local unit of a church, a convention or association of churches, or an integrated auxiliary of a church;
- (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 or supervisory organization timely submitted a notice covering the subordinate.

3 If you do not meet any of the exceptions in question 2, do you wish to request relief from the 15-month filing requirement? N/A  Yes  No

4 If you answer "Yes" to question 3, please give your reasons for not filing this application within 15 months from the end of the month in which your organization was created or formed.

N/A

5 If you answer "No" to both questions 1 and 3 and do not meet any of the exceptions in question 2, your qualification as a section 501(c)(3) organization can be recognized only from the date this application is filed with your key District Director. Therefore, do you want us to consider your 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 you were formed? N/A  Yes  No

6 If you answer "Yes" to question 5 above and wish to request recognition of section 501(c)(4) status for the period beginning with the date you were formed and ending with the date your Form 1023 application was received (the effective date of your section 501(c)(3) status), check here  and attach a completed page 1 of Form 1024 to this application. N/A

**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 answer "Yes" to question 7, do you claim to be a private operating foundation?
- Yes (Complete Schedule E)
- No

After answering this question, go to Part IV. N/A

- 9 If you answer "No" to question 7, indicate the public charity classification you are requesting by checking the box below that most appropriately applies:

**THE ORGANIZATION IS NOT A PRIVATE FOUNDATION BECAUSE IT QUALIFIES:**

- |  |  |
|--|--|
| (a) <input type="checkbox"/> As a church or a convention or association of churches (MUST COMPLETE SCHEDULE A.)  | Sections 509(a)(1) and 170(b)(1)(A)(i)                       |
| (b) <input type="checkbox"/> As a school (MUST COMPLETE SCHEDULE B).   | Sections 509(a)(1) and 170(b)(1)(A)(ii)                      |
| (c) <input type="checkbox"/> As a hospital or a cooperative hospital service organization, or a medical research organization operated in conjunction with a hospital (MUST COMPLETE SCHEDULE C).  | Sections 509(a)(1) and 170(b)(1)(A)(iii)                     |
| (d) <input type="checkbox"/> As a governmental unit described in section 170(c)(1).  | Sections 509(a)(1) and 170(b)(1)(A)(v)                       |
| (e) <input checked="" type="checkbox"/> As being operated solely for the benefit of, or in connection with, one or more of the organizations described in (a) through (d), (g), (h), or (i) (MUST COMPLETE SCHEDULE D).  | Section 509(a)(3)  |
| (f) <input type="checkbox"/> As being organized and operated exclusively for testing for public safety.  | Section 509(a)(4)  |
| (g) <input type="checkbox"/> As being operated for the benefit of a college or university that is owned or operated by a governmental unit.  | Sections 509(a)(1) and 170(b)(1)(A)(iv)                      |
| (h) <input type="checkbox"/> As receiving a substantial part of its support in the form of contributions from publicly supported organizations, from a governmental unit, or from the general public.  | Sections 509(a)(1) and 170(b)(1)(A)(v)                       |
| (i) <input type="checkbox"/> 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 activities related to its exempt functions (subject to certain exceptions). | Section 509(a)(2)  |
| (j) <input type="checkbox"/> We are a publicly supported organization but are not sure whether we meet the public support test of block (h) or block (i). We would like the Internal Revenue Service to decide the proper classification.  | Sections 509(a)(1) and 170(b)(1)(A)(vi) or Section 509(a)(2) |

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

**Part III** Technical Requirements (Continued)

- 10 If you checked box (h), (i), or (j) in question 9, have you completed a tax year of at least 8 months?  
 No—You must request an advance ruling by completing and signing 2 Forms 872-C and attaching them to your application.  
 Yes—Indicate whether you are requesting:  
 A definitive ruling (Answer question 11 through and including question 14.) N/A  
 An advance ruling (Answer questions 11 and 14 and attach 2 Forms 872-C completed and signed.)

- 11 If the organization received any unusual grants during any of the tax years shown in Part IV-A, 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 each such grant.

N/A

- 12 If you are requesting a definitive ruling under section 170(b)(1)(A)(iv) or (vi), check here  and:

- a Enter 2% of line 8, column (e) of Part IV-A \_\_\_\_\_ N/A  
 b Attach a list showing the name and amount contributed by each person (other than a governmental unit or "publicly supported" organization) whose total gifts, grants, contributions, etc., were more than the amount you entered on line 12a above.

- 13 If you are requesting a definitive ruling under section 509(a)(2), check here  and: N/A

- 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 person who is a "disqualified person."  
 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 payer (other than a "disqualified person") whose payments to the organization were more than \$5,000. For this purpose, "payer" includes, but is not limited to, any organization described in sections 170(b)(1)(A)(i) through (vi) and any governmental agency or bureau.

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

	Yes	No	If "Yes," complete schedule:
Is the organization a church? . . . . .			A
Is the organization, or any part of it, a school? . . . . .			B
Is the organization, or any part of it, a hospital or medical research organization? . . . . .			C
Is the organization a section 509(a)(3) supporting organization? . . . . .	X		D
Is the organization an operating foundation? . . . . .			E
Is the organization, or any part of it, a home for the aged or handicapped? . . . . .			F
Is the organization, or any part of it, a child care organization? . . . . .			G
Does the organization provide or administer any scholarship benefits, student aid, etc.? . . . . .			H
Has the organization taken over, or will it take over, the facilities of a "for profit" institution? . . . . .			I

**Part IV** Financial Data See attachment.

Complete the financial statements for the current year and for each of the 3 years immediately before it. If in existence less than 4 years, complete the statements for each year in existence. If in existence less than 1 year, also provide proposed budgets for the 2 years following the current year.

**A.—Statement of Revenue and Expenses**

		Current tax year	3 prior tax years or proposed budget for 2 years			
		(a) From ..... to .....	(b) 19 .....	(c) 19 .....	(d) 19 .....	(e) TOTAL
<b>Revenue</b>	1	Gifts, grants, and contributions received (not including unusual grants—see instructions)				
	2	Membership fees received				
	3	Gross investment income (see instructions for definition)				
	4	Net income from organization's unrelated business activities not included on line 3				
	5	Tax revenues levied for and either paid to or spent on behalf of the organization				
	6	Value of services or facilities furnished by a governmental unit to the organization without charge (not including the value of services or facilities generally furnished the public without charge)				
	7	Other income (not including gain or loss from sale of capital assets) (attach schedule)				
	8	Total of lines 1 through 7				
	9	Gross receipts from admissions, sales of merchandise or services, or furnishing of facilities in any activity that is not an unrelated business within the meaning of section 513				
	10	Total of lines 8 and 9				
	11	Gain or loss from sale of capital assets (attach schedule)				
	12	Unusual grants				
	13	Total revenue (add lines 10 through 12)				
<b>Expenses</b>	14	Fundraising expenses				
	15	Contributions, gifts, grants, and similar amounts paid (attach schedule)				
	16	Disbursements to or for benefit of members (attach schedule)				
	17	Compensation of officers, directors, and trustees (attach schedule)				
	18	Other salaries and wages				
	19	Interest				
	20	Occupancy (rent, utilities, etc.)				
	21	Depreciation and depletion				
	22	Other (attach schedule)				
	23	Total expenses				
	24	Excess of revenue over expenses (line 13 minus line 23)				



**Part IV**

**Financial Data (Continued)**

See attachment.

**B.—Balance Sheet (at the end of the period shown)**

Current tax year

Date .....

Assets		Date
1	Cash	1
2	Accounts receivable, net	2
3	Inventories	3
4	Bonds and notes receivable (attach schedule)	4
5	Corporate stocks (attach schedule)	5
6	Mortgage loans (attach schedule)	6
7	Other investments (attach schedule)	7
8	Depreciable and depletable assets (attach schedule)	8
9	Land	9
10	Other assets (attach schedule)	10
11	<b>Total assets</b>	11
<b>Liabilities</b>		
12	Accounts payable	12
13	Contributions, gifts, grants, etc., payable	13
14	Mortgages and notes payable (attach schedule)	14
15	Other liabilities (attach schedule)	15
16	<b>Total liabilities</b>	16
<b>Fund Balances or Net Assets</b>		
17	Total fund balances or net assets	17
18	<b>Total liabilities and fund balances or net assets (add line 16 and line 17)</b>	18

If there has been any substantial change in any aspect of your financial activities since the end of the period shown above, check the box and attach a detailed explanation

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**Schedule A.—Churches** N/A

**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 your form of worship and attach a schedule of your worship services.

**6** Are your services open to the public?  Yes  No  
If "Yes," describe how you publicize your services and explain your criteria for admittance.

**7** Explain how you attract new members.

**8 (a)** How many active members are currently enrolled in your church?

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

**9** In addition to your worship services, what other religious services (such as baptisms, weddings, funerals, etc.) do you conduct?

Schedule A.—Churches (Continued) N/A

10 Does the organization have a school for the religious instruction of the young?  Yes  No

11 Were your current deacons, minister, and pastor formally ordained after a prescribed course of study?  Yes  No

12 Describe your religious hierarchy or ecclesiastical government.

13 Does your organization have an established place of worship?  Yes  No

If "Yes," provide the name and address of the owner or lessor of the property and the address and a description of the facility.

If you have no regular place of worship, state where your services are held and how the site is selected.

14 Does (or will) the organization license or otherwise ordain ministers (or their equivalent) or issue church charters?  Yes  No

If "Yes," describe in detail the requirements and qualifications needed to be so licensed, ordained, or chartered.

15 Did the organization pay a fee for a church charter?  Yes  No

If "Yes," 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.

16 Show how many hours a week your minister/pastor and officers each devote to church work and the amount of compensation paid each of them. If your minister or pastor is otherwise employed, indicate by whom employed, the nature of the employment, and the hours devoted to that employment.

**Schedule A.—Churches (Continued)** N/A

- 17** Will any funds or property of your 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 you 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 Internal Revenue Service 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 Internal Revenue Service considers the facts and circumstances of each organization applying for church status.

The Internal Revenue Service maintains two basic guidelines in determining that an organization meets the religious purposes test:

- (a) that the particular religious beliefs of the organization are truly and sincerely held, and

- (b) 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 Internal Revenue Service to properly evaluate your organization's activities and religious purposes, it is important that all questions in this Schedule are answered accurately.

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

- (a) The organization's activities in furtherance of its beliefs must be exclusively religious.
- (b) An organization will not qualify for exemption if it has a substantial nonexempt purpose of serving the private interests of its founder or the founder's family.

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### Schedule B.—Schools, Colleges, and Universities. N/A

**1** Does, or will, the organization normally have: (a) a regularly scheduled curriculum, (b) a regular faculty of qualified teachers, (c) a regularly enrolled body of students, and (d) facilities where its educational activities are regularly carried on?  Yes  No  
 If "No," do not complete the rest of this Schedule.

**2** Is the organization an instrumentality of a State or political subdivision of a State?  Yes  No  
 If "Yes," document this in Part II and do not complete items 3 through 10 of this Schedule. (See instructions for Schedule B.)

**3** Does or will the organization (or any department or division within it) discriminate in any way on the basis of race with respect to:

**a** Admissions?  Yes  No  
**b** Use of facilities or exercise of student privileges?  Yes  No  
**c** Faculty or administrative staff?  Yes  No  
**d** Scholarship or loan programs?  Yes  No  
 If "Yes," for any of the above, explain.

**4** Does the organization include a statement in its charter, bylaws, or other governing instrument, or in a resolution of its governing body, that it has a racially nondiscriminatory policy as to students?  Yes  No  
 Attach whatever corporate resolutions or other official statements the organization has made on this subject.

**5a** Has the organization made its racially nondiscriminatory policies known in a manner that brings the policies to the attention of all segments of the general community that it serves?  Yes  No  
 If "Yes," describe how these policies have been publicized and how often relevant notices or announcements have been made. If no newspaper or broadcast media notices have been used, explain.

**b** If applicable, attach clippings of any relevant newspaper notices or advertising, or copies of tapes or scripts used for media broadcasts. Also attach copies of brochures and catalogues dealing with student admissions, programs, and scholarships, as well as representative copies of all written advertising used as a means of informing prospective students of your programs.

**6** Attach a numerical schedule showing the racial composition, as of the current academic year, and projected as far as may be feasible for the next academic year, of: (a) the student body, and (b) the faculty and administrative staff.

**7** Attach a list showing the amount of any scholarship and loan funds awarded to students enrolled and the racial composition of the students who have received the awards.

**8a** Attach a list of the organization's incorporators, founders, board members, and donors of land or buildings, whether individuals or organizations.

**b** State whether any of the organizations listed in **8a** have as an objective the maintenance of segregated public or private school education, and, if so, whether any of the individuals listed in **8a** are officers or active members of such organizations.

**9a** Indicate the public school district and county in which the organization is located.

**b** Was the organization formed or substantially expanded at the time of public school desegregation in the above district or county?  Yes  No

**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 parties to the suit, the forum in which the case was heard, the cause of action, the holding in the case, and the citations (if any) for the case. Also describe in detail what changes in your operation, if any, have occurred since then.

For more information, see back of Schedule.

A "school" is an organization that has the primary function of presenting formal instruction, normally maintains a regular faculty and curriculum, normally has a regularly enrolled body of students, and has a place where its 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 non-educational activities unless the latter are merely incidental to the educational activities. A school for handicapped children would be included within the term, but an organization merely providing handicapped children with custodial care would not.

For purposes of this Schedule, "Sunday schools" that are conducted by a church would not be included in the term "schools," but separately organized schools (such as parochial schools, universities, and similar institutions) would be 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(a) unless it has a racially 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, admissions policies, scholarship and loan programs, and athletic, or

other school-administered programs. The Internal Revenue Service 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, facilities, 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. 75-50, 1975-2 C.B. 587, for guidelines and recordkeeping 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. 60-384, 1960-2 C.B. 172.) Any such organization that is a school is not a private school and, therefore, is not subject to the provisions of Rev. Proc. 75-50.

Schools that incorrectly answer "Yes" to line 2 will be contacted 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, be sure to answer line 2 correctly and complete lines 3 through 10 if applicable.



# Schedule C.—Hospitals and Medical Research Organizations N/A

- Check here if you are claiming to be a hospital; complete the questions in Section I of this Schedule; and write "N/A" in Section II.
- Check here if you are claiming to be a medical research organization operated in conjunction with a hospital; complete the questions in Section II of this Schedule; and write "N/A" in Section I.

## Section I Hospitals

1a How many doctors are on the hospital's courtesy staff? [ ]

b Are all the doctors in the community eligible for staff privileges?  Yes  No  
 If "No," give the reasons why and explain how the courtesy staff is selected.

2a Does the hospital maintain a full-time emergency room?  Yes  No

b What is the hospital's policy on administering emergency services to persons without apparent means to pay?

c Does the hospital have any arrangements with police, fire, and voluntary ambulance services for the delivery or admission of emergency cases?  Yes  No  
 Explain.

3a Does or will the hospital require a deposit from persons covered by Medicare or Medicaid in its admission practices?  Yes  No  
 If "Yes," explain.

b Does the same deposit requirement apply to all other patients?  Yes  No  
 If "No," explain.

4 Does or will the hospital provide for a portion of its services and facilities to be used for charity patients?  Yes  No  
 Explain your policy regarding charity cases. Include data on the hospital's past experience in admitting charity patients and arrangements it may have with municipal or government agencies for absorbing the cost of such care.

5 Does or will the hospital carry on a formal program of medical training and research?  Yes  No  
 If "Yes," describe.

6 Does the hospital provide office space to physicians carrying on a medical practice?  Yes  No  
 If "Yes," attach a list setting forth the name of each physician, the amount of space provided, the annual rent (if any), the expiration date of the current lease and whether the terms of the lease represent fair market value.

## Section II Medical Research Organizations

1 Name the hospital(s) with which you have a relationship and describe the relationship(s).

2 Attach a schedule describing your present and proposed (indicate which) medical research activities; show the nature of the activities, and the amount of money that has been or will be spent in carrying them out. (Making grants to other organizations is not direct conduct of medical research.)

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

For more information, see back of Schedule.

Cooperative hospital service organizations (section 501(e)) should not complete Schedule C.

In order 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 cost of which may be taken as a deduction 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 would not be a hospital. Similarly, an institution whose principal purpose or function is to train handicapped individuals to pursue some vocation would not be 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 on an inpatient or outpatient basis.

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 which is described in section 501(c)(3), a Federal hospital, or an instrumentality of a governmental unit referred to in section 170(c)(1). For purposes of section 170(b)(1)(A)(iii) only, the organization must be set up to use the funds it receives in the active conduct of medical research by January 1 of the fifth calendar year after receipt. The arrangement it has with donors to assure 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 the physical or mental diseases and impairments of man. For further information, see Regulations section 1.170A-9(c)(2).

### Schedule D.—Section 509(a)(3) Supporting Organization

1a Organizations supported by the applicant organization Name and address of supported organization	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)?	
Ludwig Institute for Cancer Research Stadelhoferstr. 22, 8001 Zurich, Switzerland	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
.....	<input type="checkbox"/> Yes	<input type="checkbox"/> No
.....	<input type="checkbox"/> Yes	<input type="checkbox"/> No
.....	<input type="checkbox"/> Yes	<input type="checkbox"/> No
.....	<input type="checkbox"/> Yes	<input type="checkbox"/> No

c If "No" for any of the organizations listed in 1a, explain.

N/A

2 Does the organization you support have tax-exempt status under section 501(c)(4), 501(c)(5), or 501(c)(6)?  Yes  No  
 If "Yes," attach: (a) a copy of its ruling or determination letter, and (b) an analysis of its revenue for the current year and the preceding three years. (Provide the financial data using the formats in Part IV-A (lines 1-13) and Part III (questions 11, 12, and 13).)

3 Does your governing document indicate that the majority of your governing board is elected or appointed by the supported organization(s)?  Yes  No  
 If "Yes," skip to question 9.  
 If "No," you must answer questions 4 through 9.

4 Does your governing document indicate the common supervision or control that you and the supported organization(s) share?  Yes  No  
 If "Yes," give the article and paragraph numbers. If "No," explain.  
 Certificate of Incorporation, Articles IV and VI.  
 By-Laws, Article I.

5 To what extent does (do) the supported organization(s) have a significant voice in your investment policies, the making and timing of grants, and in otherwise directing the use of your income or assets?  
 See attachment.

6 Does the mentioning of the supported organization(s) in your governing instrument make you a trust that the supported organization(s) can enforce under state law and compel to make an accounting?  Yes  No  
 If "Yes," explain.

7a What percentage of your income do you pay to each supported organization?

See attachment.

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

See attachment.

c How much do you contribute annually to each supported organization?

See attachment.

For more information, see back of Schedule.

## Schedule D.—Section 509(a)(3) Supporting Organization (Continued)

- 8** To what extent do you conduct activities that would otherwise be carried on by the supported organization(s)? Explain why these activities would otherwise be carried on by the supported organization(s)

The Fund holds, invests and otherwise manages the assets of the Institute which formerly constituted the Institute's endowment. If it did not do so, the Institute would have to provide for a mechanism to do so.

- 9** Is the applicant organization controlled directly or indirectly by one or more "disqualified persons" (other than one who is a disqualified person solely because he or she is a manager) or by an organization which is not described in section 509(a)(1) or (2)?  Yes  No  
If "Yes," explain.

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 Publication 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 "No" in 1b to any of the listed organizations, please explain in 1c.

**Line 3.**—Your governing document may be articles of incorporation, articles of association, constitution, trust indenture, or trust agreement.

**Line 9.**—For a definition of a "disqualified person," see specific instructions for Part II, line 4d, on page 3 of the application's instructions.

# Schedule E.—Private Operating Foundation N/A

Income Test	Most recent tax year
<b>1a</b> Adjusted net income, as defined in Regulations section 53.4942(a)-2(d)	<b>1a</b>
<b>b</b> Minimum investment return, as defined in Regulations section 53.4942(a)-2(c)	<b>1b</b>
<b>2</b> Qualifying distributions:	
<b>a</b> Amounts (including administrative expenses) paid directly for the active conduct of the activities for which organized and operated under section 501(c)(3) (attach schedule)	<b>2a</b>
<b>b</b> Amounts paid to acquire assets to be used (or held for use) directly in carrying out purposes described in section 170(c)(1) or 170(c)(2)(B) (attach schedule)	<b>2b</b>
<b>c</b> Amounts set aside for specific projects that are for purposes described in section 170(c)(1) or 170(c)(2)(B) (attach schedule)	<b>2c</b>
<b>d</b> Total qualifying distributions (add lines 2a, b, and c)	<b>2d</b>
<b>3</b> Percentages:	
<b>a</b> Percentage of qualifying distributions to adjusted net income (divide line 2d by line 1a)	<b>3a</b> %
<b>b</b> Percentage of qualifying distributions to minimum investment return (divide line 2d by line 1b) (Percentage must be at least 85% for 3a or 3b)	<b>3b</b> %
<b>Assets Test</b>	
<b>4</b> Value of organization's assets used in activities that directly carry out the exempt purposes. Do not include assets held merely for investment or production of income (attach schedule)	<b>4</b>
<b>5</b> Value of any stock of a corporation that is controlled by applicant organization and carries out its exempt purposes (attach statement describing corporation)	<b>5</b>
<b>6</b> Value of all qualifying assets (add lines 4 and 5)	<b>6</b>
<b>7</b> Value of applicant organization's total assets	<b>7</b>
<b>8</b> Percentage of qualifying assets to total assets (divide line 6 by line 7—percentage must exceed 65%)	<b>8</b> %
<b>Endowment Test</b>	
<b>9</b> Value of assets not used (or held for use) directly in carrying out exempt purposes:	
<b>a</b> Monthly average of investment securities at fair market value	<b>9a</b>
<b>b</b> Monthly average of cash balances	<b>9b</b>
<b>c</b> Fair market value of all other investment property (attach schedule)	<b>9c</b>
<b>d</b> Total (add lines 9a, b, and c)	<b>9d</b>
<b>10</b> Acquisition indebtedness related to line 9 items (attach schedule)	<b>10</b>
<b>11</b> Balance (subtract line 10 from line 9d)	<b>11</b>
<b>12</b> Multiply line 11 by 3½% (¾ of the percentage for the minimum investment return computation under section 4942(e)). Line 2d above must equal or exceed the result of this computation	<b>12</b>
<b>Support Test</b>	
<b>13</b> Applicant organization's support as defined in section 509(d)	<b>13</b>
<b>14</b> Gross investment income as defined in section 509(e)	<b>14</b>
<b>15</b> Support for purposes of section 4942(j)(3)(B)(iii) (subtract line 14 from line 13)	<b>15</b>
<b>16</b> Support received from the general public, 5 or more exempt organizations, or a combination of these sources (attach schedule)	<b>16</b>
<b>17</b> For persons (other than exempt organizations) contributing more than 1% of line 15, enter the total amounts that are more than 1% of line 15	<b>17</b>
<b>18</b> Subtract line 17 from line 16	<b>18</b>
<b>19</b> Percentage of total support (divide line 18 by line 15—must be at least 85%)	<b>19</b> %
<b>20</b> Does line 16 include support from an exempt organization that is more than 25% of the amount of line 15?	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>21</b> Newly created organizations with less than one year's experience: Attach a statement explaining how the organization is planning to satisfy the requirements of section 4942(j)(3) for the income test and one of the supplemental tests during its first year's operation. Include a description of plans and arrangements, press clippings, public announcements, solicitations for funds, etc.	
<b>22</b> Does the amount entered on line 2a include any grants that you made?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If "Yes," attach a statement explaining how those grants satisfy the criteria for "significant involvement" grants described in section 53.4942(b)-1(b)(2) of the regulations.	

For more information, see back of Schedule.

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

- (a) bases 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 one year's experience;

**provide the information under the income test and under one of the three supplemental tests** (assets, endowment, or support). If the organization does not have at least one year's experience, provide the information called for by line 21. If the organization's private operating foundation status depends on its normal and regular operations as described in (a) above, attach a schedule similar to the one shown on the front of this schedule showing the data in tabular form for the three years preceding the most recent tax year. (See Regulations section 53.4942(b)-1 for additional information before completing the "Income Test" section of this schedule.) Organizations claiming section 4942(j)(5) status must satisfy the income test and the endowment test.

A "private operating foundation" described in section 4942(j)(3) is a private foundation that spends substantially all of the lesser of its adjusted net 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(j)(3)(A), as modified by Regulations section 53.4942(b)-1, and one of the three supplemental tests: (a) the assets test under section 4942(j)(3)(B)(i); (b) the endowment test under section 4942(j)(3)(B)(ii); or (c) the support test under section 4942(j)(3)(B)(iii).

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

"Adjusted net income" is the excess of gross income for the tax year over the sum of deductions determined with the modifications described below. Items of gross income from any unrelated trade or business and the deductions directly connected with the unrelated trade or business will be taken into account in computing the organization's adjusted net income:

**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 excluded should be included in gross income.

(2) Except as provided in (3) below, capital gains and losses are taken into account only to the extent of the net short-term gain. Long-term gains and losses will be disregarded.

(3) The gross amount received from the sale or 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) Repayments of prior qualifying distributions (as defined in section 4942(g)(1)(A)) will constitute items of gross income.

(5) Any amount set aside under section 4942(g)(2) that has been determined to be "not necessary for the purposes for which it was set aside" will constitute an item of gross income.

**Deduction modifications (adjustments to deductions).—**

(1) Expenses 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, conservation, or maintenance of income producing property) should not be taken as deductions. If only 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 and only expenses related to the income producing portion will be allowed as a deduction.

(2) Charitable contributions, deductible under section 170 or 642(c), 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 corporations (such as the dividends-received deduction) allowed under sections 241 through 250 should not be taken into account as deductions for adjusted net income.

(5) Depreciation and depletion should be determined in the same manner as under section 4940(c)(3)(B).

Section 265 (relating to the expenses and interest connected with tax-exempt interest) should not be taken into account.

You may find it easier to figure adjusted net income by completing Column (c), Part 1, Form 990-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 assets, endowment, or support test in later years. See Regulations section 53.4942(b) for additional information. No additional request for ruling will be necessary or appropriate for an organization to maintain its status as a private operating foundation. However, data related to the above tests must be submitted with the organization's annual information return, Form 990-PF.

**Schedule F.—Homes for the Aged or Handicapped** N/A

1 What are the requirements for admission to residency? Explain fully and attach 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?

b 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?

5 What arrangements does or will the home have to provide for the health needs of its residents?

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

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

8 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.

- 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? If no fee, indicate "N/A."
- 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 those 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** N/A

**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 parent(s) 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 your child-care services (check as many as apply):

- low income parents
- any working parents (or parents looking for work)
- anyone with the ability to pay
- other (explain)

**7** Do you operate a school?  Yes  No  
If "Yes," complete Schedule B.

**Instructions**

**Line 5.**— If your services are not available to the general public, indicate the particular group or groups that may utilize your services.

**Line 7.**— Providing for the care of children away from their homes is an exempt purpose (educational) as described in section 501(c)(3) of the Internal Revenue Code. However, a child care organization is not a school unless it: (1) has the primary function of presenting formal instruction; (2) normally maintains a regular faculty and curriculum; (3) normally has a regular enrolled body of students; and (4) has a place where educational activities are carried on.

**Schedule H.—Organizations Providing Scholarship Benefits, Student Aid, etc., to Individuals** N/A

**1a** Describe the nature of the scholarship benefit, student aid, etc., including the terms and conditions governing its use, whether a gift, or a loan, and the amount, and how the availability of the scholarship is publicized. 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 or will require of individuals to be considered for scholarship 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 want this application considered as a request for approval of grant procedures in the event we determine that you are a private foundation, check here . . . . .

**c** If you checked the box in 1b above, indicate the section(s) that you wish to be considered.

- 4945(g)(1)
- 4945(g)(2)
- 4945(g)(3)

**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 restrictions or limitations in the selection procedures based upon race and whether there are, or will be, restrictions or limitations in selection procedures based on the employment status 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 you anticipate making annually . . . . .

**4** If you base your 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 employer. Also indicate whether relatives of the members of the selection committee are possible recipients or have been recipients.

**5** Describe any procedures you have for supervising grants (such as obtaining reports or transcripts) that you award, and any procedures you have for taking action if the terms of the grant are violated.

For more information, see back of Schedule.

Private foundations that make grants for travel, study, or other similar purposes are required to obtain advance approval of their grant scholarship procedures from the Internal Revenue Service. Such grants that are awarded under selection procedures that have not been approved by the Internal Revenue Service 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 your grant procedures, the following sections apply to line 1c:

- 4945(g)(1)— The grant constitutes a scholarship or fellowship grant that meets the provisions of section 117(a) 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 N/A

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

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

Name and address	Share or interest
.....	
.....	
.....	
.....	
.....	

3 Describe the business or family relationship between the owners or 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.

b Attach an appraisal by an independent qualified expert showing 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?  Yes  No  
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?  Yes  No  
If "Yes," explain and attach a list of these tenants and a copy of the lease for each such tenant.

7 Were any new operating policies initiated as a result of the transfer of assets from a profit-making organization to a nonprofit organization?  Yes  No  
If "Yes," explain.

#### Additional Information

A "for profit" institution for purposes of this Schedule 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.

**Activity Code Numbers of Exempt Organizations (select up to three codes which best describe or most accurately identify your purposes, activities, operations or type of organization and enter in block 6, page 1, of the application. Enter first the code which most accurately identifies you.)**

Code	Code	Code	Code
<b>Religious Activities</b>	181 Scientific research for government	322 FFA, FHA, 4-H club, etc	520 Pacifism and peace
001 Church, synagogue, etc	182 Scientific research (diseases) (use 161)	323 Key club	521 Economic political system of U.S.
002 Association or convention of churches	199 Other scientific research activities	324 YMCA, YWCA, YMHA, etc	522 Anti-communism
003 Religious order	<b>Business and Professional Organizations</b>	325 Camp	523 Right to work
004 Church auxiliary	200 Business promotion (chamber of commerce, business league, etc.)	326 Care and housing of children (orphanage, etc.)	524 Zoning or rezoning
005 Mission	201 Real estate association	327 Prevention of cruelty to children	525 Location of highway or transportation system
006 Missionary activities	202 Board of trade	328 Combat juvenile delinquency	526 Rights of criminal defendants
007 Evangelism	203 Regulating business	349 Other youth organization or activities	527 Capital punishment
008 Religious publishing activities	204 Better Business Bureau	<b>Conservation, Environmental and Beautification Activities</b>	528 Stricter law enforcement
Bookstore (use 918)	205 Professional association	350 Preservation of natural resources (conservation)	529 Ecology or conservation
Genealogical activities (use 094)	206 Professional association auxiliary	351 Combating or preventing pollution (air, water, etc.)	530 Protection of consumer interests
Other religious activities	207 Industry trade shows	352 Land acquisition for preservation	531 Medical care service
029	208 Convention displays	353 Soil or water conservation	532 Welfare system
<b>Schools, Colleges and Related Activities</b>	209 Research, development and testing	354 Preservation of scenic beauty	533 Urban renewal
030 School, college, trade school, etc	210 Professional athletic league	355 Litigation (see Litigation and Legal Aid Activities)	534 Busing students to achieve racial balance
031 Special school for the blind, handicapped, etc	211 Attracting new industry (use 403)	356 Combat community deterioration (use 402)	535 Racial integration
032 Nursery school	212 Publishing activities (use 120)	357 Wildlife sanctuary or refuge	536 Use of intoxicating beverage
Day care center (use 574)	213 Insurance or other benefits for members (see Employee or Membership Benefit Organizations)	358 Garden club	537 Use of drugs or narcotics
033 Faculty group	214 Underwriting municipal insurance	379 Other conservation, environmental or beautification activities	538 Use of tobacco
034 Alumni association or group	215 Assigned risk insurance activities	<b>Housing Activities</b>	539 Prohibition of erotica
035 Parent or parent teachers association	216 Tourist bureau	380 Low-income housing	540 Sex education in public schools
036 Fraternity or sorority	217 Other business or professional group	381 Low and moderate income housing	541 Population control
Key club (use 323)	<b>Farming and Related Activities</b>	382 Housing for the aged (see also 153)	542 Birth control methods
037 Other student society or group	230 Farming	383 Nursing or convalescent home (use 152)	543 Legalized abortion
038 School or college athletic association	231 Farm bureau	384 Student housing (use 042)	559 Other matters
039 Scholarships for children of employees	232 Agricultural group	385 Orphanage (use 326)	<b>Other Activities Directed to Individuals</b>
040 Scholarships (other)	233 Horticultural group	386 Instruction and guidance on housing	560 Supplying money, goods or services to the poor
041 Student loans	234 Farmers cooperative marketing or purchasing	387 Other housing activities	561 Gifts or grants to individuals (other than scholarships)
042 Student housing activities	235 Financing crop operations	<b>Inner City or Community Activities</b>	562 Scholarships for children of employees (use 039)
043 Other student aid	236 FFA, FHA, 4-H club, etc. (use 322)	400 Area development, redevelopment or renewal	563 Scholarships (other) (use 040)
044 Student exchange with foreign country	237 Fair (use 065)	401 Housing (see Housing Activities)	564 Student loans (use 041)
045 Student operated business	238 Dairy herd improvement association	402 Homeowners association	562 Other loans to individuals
Financial support of schools, colleges, etc. (use 602)	239 Breeders association	403 Other activity aimed at combating community deterioration	563 Marriage counseling
Achievement prizes or awards (use 914)	249 Other farming and related activities	404 Attracting new industry or retaining industry in an area	564 Family planning
046 Private school	<b>Mutual Organizations</b>	405 Community promotion	565 Credit counseling and assistance
059 Other school related activities	250 Mutual ditch, irrigation, telephone, electric company or like organization	406 Community recreational facility (use 297)	566 Job training, counseling, or assistance (use 566)
<b>Cultural, Historical or Other Educational Activities</b>	251 Credit union	407 Community center (use 296)	567 Vocational counseling
060 Museum, zoo, planetarium, etc.	252 Reserve funds or insurance for domestic building and loan association, cooperative bank, or mutual savings bank	408 Loans or grants for minority businesses	568 Referral service (social agencies)
061 Library	253 Mutual insurance company	409 Job training, counseling, or assistance (use 566)	572 Rehabilitating convicts or ex-convicts
062 Historical site, records or reenactment	254 Corporation organized under an Act of Congress (see also 904)	410 Day care center (use 574)	573 Rehabilitating alcoholics, drug abusers, compulsive gamblers, etc.
063 Monument	259 Other mutual organization	411 Referral service (social agencies) (use 569)	574 Day care center
064 Commemorative event (centennial, festival, pageant, etc.)	<b>Employee or Membership Benefit Organizations</b>	412 Legal aid to indigents (use 462)	575 Services for the aged (see also 153 and 382)
065 Fair	260 Fraternal beneficiary society, order, or association	406 Crime prevention	Training of or aid to the handicapped (see 031 and 160)
088 Community theatrical group	261 Improvement of conditions of workers	407 Voluntary firemen's organization or auxiliary	<b>Activities Directed to Other Organizations</b>
089 Singing society or group	262 Association of municipal employees	408 Rescue squad (use 158)	600 Community Chest, United Way, etc.
090 Cultural performances	263 Association of employees	409 Community service organization	601 Booster club
091 Art exhibit	264 Employee or member welfare association	429 Other inner city or community benefit activities	602 Gifts, grants, or loans to other organizations
092 Literary activities	265 Sick, accident, death, or similar benefits	<b>Civil Rights Activities</b>	603 Non-financial services or facilities to other organizations
093 Cultural exchanges with foreign country	266 Stroke benefits	430 Defense of human and civil rights	<b>Other Purposes and Activities</b>
094 Genealogical activities	267 Unemployment benefits	431 Elimination of prejudice and discrimination (race, religion, sex, national origin, etc.)	900 Cemetery or burial activities
Achievement prizes or awards (use 914)	268 Pension or retirement benefits	432 Lessen neighborhood tensions	901 Perpetual care fund (cemetery, columbarium, etc.)
Gifts or grants to individuals (use 561)	269 Vacation benefits	449 Other civil rights activities	902 Emergency or disaster aid fund
Financial support of cultural organizations (use 602)	279 Other services or benefits to members or employees	<b>Litigation and Legal Aid Activities</b>	903 Community trust or component
119 Other cultural or historical activities	<b>Sports, Athletic, Recreational and Social Activities</b>	460 Public interest litigation activities	904 Government instrumentality or agency (see also 254)
<b>Other Instruction and Training Activities</b>	280 Country club	461 Other litigation or support of litigation	905 Testing products for public safety
120 Publishing activities	281 Hobby club	462 Legal aid to indigents	906 Consumer interest group
121 Radio or television broadcasting	282 Dinner club	463 Providing bail	907 Veterans activities
122 Producing films	283 Variety club	465 Plan under IRC section 120	908 Patriotic activities
123 Discussion groups, forums, panels, lectures, etc.	284 Dog club	<b>Legislative and Political Activities</b>	909 4947(a)(1) trust
124 Study and research (non-scientific)	285 Women's club	480 Propose, support, or oppose legislation	910 Domestic organization with activities outside U.S.
125 Giving information or opinion (see also Advocacy)	286 Garden club (use 356)	481 Voter information on issues or candidates	911 Foreign organization
126 Apprentice training	287 Hunting or fishing club	482 Voter education (mechanics of registering, voting, etc.)	912 Title holding corporation
Travel tours (use 299)	288 Other sports club	483 Support, oppose, or rate political candidates	913 Prevention of cruelty to animals
149 Other instruction and training	296 Boys Club, Little League, etc. (use 321)	484 Provide facilities or services for political campaign activities	914 Achievement prizes or awards
<b>Health Services and Related Activities</b>	297 Community center	509 Other legislative and political activities	915 Erection or maintenance of public building or works
150 Hospital	298 Community recreational facilities (park, playground, etc.)	<b>Advocacy</b>	916 Cafeteria, restaurant, snack bar food services, etc.
151 Hospital auxiliary	299 Training in sports	Attempt to influence public opinion concerning:	917 Thrift shop, retail outlet, etc.
152 Nursing or convalescent home	300 Amateur athletic association	510 Firearms control	918 Book, gift or supply store
153 Care and housing for the aged (see also 382)	301 School or college athletic association (use 038)	511 Selective Service System	919 Advertising
154 Health clinic	302 Fundraising athletic or sports event	512 National defense policy	920 Association of employees
155 Rural medical facility	303 Other sports or athletic activities	513 Weapons systems	921 Loans or credit reporting
156 Blood bank	318 Other recreational activities	514 Government spending	922 Endowment fund or financial services
157 Cooperative hospital service organization	319 Other social activities	515 Taxes or tax exemption	923 Indians (tribes, cultures, etc.)
158 Rescue and emergency service	<b>Youth Activities</b>	516 Separation of church and state	924 Traffic or tariff bureau
159 Nurses register or bureau	320 Boy Scouts, Girl Scouts, etc.	517 Government aid to parochial schools	925 Section 501(c)(1) with 50% deductibility
160 Aid to the handicapped (see also 031)	321 Boys Club, Little League, etc.	518 U.S. foreign policy	926 Government instrumentality other than section 501(c)
161 Scientific research (diseases)		519 U.S. military involvement	927 Fundraising
162 Other medical research			928 4947(a)(2) trust
163 Health insurance (medical, dental, optical, etc.)			930 Prepaid legal services plan exempt under IRC section 501(c)(20)
164 Prepared group health plan			931 Withdrawal liability payment fund
165 Community health planning			990 Section 501(k) child care organization
166 Mental health care			
167 Group medical practice association			
168 In-facility group practice association			
169 Hospital pharmacy, parking facility, food services, etc.			
179 Other health services			
<b>Scientific Research Activities</b>			
180 Contract or sponsored scientific research for industry			

LICR FUND, INC.  
EIN Applied For  
Attachment to Form 1023

Part II Activities and Operational Information

Item 1

The LICR FUND, INC. (the "Fund") is a non-profit non-stock corporation incorporated on June 7, 1990 under the laws of Delaware; a copy of its Certificate of Incorporation is attached. The purpose of the Fund is to further the charitable and scientific purposes of the Ludwig Institute for Cancer Research (the "Institute") by receiving, holding, investing and reinvesting, and applying the income and principal of its assets exclusively for the benefit of the Institute. The Fund's assets will consist of cash and securities constituting the Institute's endowment. These assets are presently held through the Institute's wholly-owned subsidiary, Universe Tankships, Inc. The purpose of the transfer to the Fund is to facilitate the investment of the Institute's endowment. The transfer will also insulate the endowment from liabilities that may arise from the Institute's conduct of cancer research in conjunction with hospitals.

1. The Institute.

The Institute is a joint stock company organized for non-profit charitable and scientific purposes under the laws of Switzerland.

a. Tax Status. The Institute is a Section 501(c)(3) organization classified as a medical research organization under Section 170(b)(1)(A)(iii); copies of its determination letters are attached. The Institute is engaged in its own medical research, primarily in the field of cancer, in conjunction with voluntary hospitals located in university medical centers.

b. Research Program. The Institute has an annual operating budget of approximately \$35 million. The Institute presently conducts its medical research in conjunction with the Policlinique Hospital, Lausanne, Switzerland, with emphasis on human cancer immunology, with the University Clinic of St. Luc, Brussels, Belgium, with emphasis on cell genetics, with the Royal Melbourne Hospital, Melbourne, Australia with emphasis on tumor biology, with the Camargo Hospital, Sao Paulo, Brazil with emphasis on cancer biology and epidemiology, with the Royal Victoria Hospital, Montreal, Canada with emphasis on developmental genetics,

with the Middlesex Hospital, London, England with emphasis on cell and molecular biology, with the St. Mary's Hospital, London, England with emphasis on molecular virology, with the Nordvastra Sjukvardsomradet, Stockholm, Sweden with emphasis on molecular biochemistry and with the Akademiska Sjukhuset, Uppsala, Sweden with emphasis on growth regulation.

## 2. The Fund.

The Fund was incorporated on June 7, 1990 to hold the assets which formerly constituted the Institute's endowment. Such assets will be managed by professional investment advisers hired by the Board of Directors of the Fund.

The members of the Fund are the Board of Directors of the Institute. The Board of Directors of the Institute also serve as the Board of Directors of the Fund.

The present members of the Board of Directors and the officers of the Institute are as follows:

Thierry Barbey Lombard, Odier & Cie 11, Rue de la Corraterie 1211 Geneva 11 Switzerland	Director
Dr. Hugo A. Frey <sup>1</sup> Niederer, Kraft & Frey Bahnhofstr. 13 CH-8001 Zurich Switzerland	Director
Dr. Adolf E. Kammerer Niederer, Kraft & Frey Bahnhofstr. 13 Ch-8001 Zurich Switzerland	Director
James R. Kerr 7777 Fay Avenue Suite 230 La Jolla, CA 92037	Director; Chairman and Chief Executive Officer

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<sup>1</sup> Dr. Frey has indicated that he will resign from the Institute Board on June 30, 1990.

Pierre Languetin Director  
 Mulinenstrasse 37  
 3006 Bern  
 Switzerland

Dr. Lloyd Old Director  
 Ludwig Institute for  
 Cancer Research  
 1345 Avenue of the Americas  
 New York, N.Y. 10105

Item 4(a)

The names, addresses, and titles of the Board of Directors and the officers of the Fund are as follows:

Thierry Barbey Director  
 Lombard, Odier & Cie  
 11, Rue de la Corraterie  
 1211 Geneva 11  
 Switzerland

Dr. Adolf E. Kammerer Director  
 Niederer, Kraft & Frey  
 Bahnhofstr. 13  
 Ch-8001 Zurich  
 Switzerland

James R. Kerr Director;  
 7777 Fay Avenue Chairman and  
 Suite 230 Chief Executive  
 La Jolla, CA 92037 Officer

Pierre Languetin Director  
 Mulinenstrasse 37  
 3006 Bern  
 Switzerland

Dr. Lloyd Old Director  
 Ludwig Institute for  
 Cancer Research  
 1345 Avenue of the Americas  
 New York, N.Y. 10105

Item 4(b)

The directors and the officers of the Fund are not entitled to receive compensation for their services. The directors and officers, however, may be reimbursed for reasonable and necessary expenses incurred on behalf of the Fund.



Part IV Support, Revenues and Expenditures

The Fund has just been organized and has no income or assets. The Fund's receipts and expenditures and balance sheet for its first three years of operation are estimated as follows:

STATEMENT OF SUPPORT, REVENUES AND EXPENDITURES

	Year Ended 12/31/90 (Est.) (\$million)	Year Ended 12/31/91 (Est.) (\$million)	Year Ended 12/31/92 (Est.) (\$million)
REVENUE			
Transfers from LICR	500.0	0.0	0.0
Investment income	15.0	31.5	33.1
Other	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total	515.0	31.5	33.1
EXPENDITURES			
Transfers to LICR	0.0	33.5	35.2
Investment management fees	1.3	2.6	2.8
Administration	0.1	0.2	0.2
Other	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total	1.4	36.3	38.2
Excess of Revenues over Expenditures	513.7	(4.8)	(5.1)

BALANCE SHEET

	12/31/90 (Est.) <u>(\$million)</u>	12/31/91 (Est.) <u>(\$million)</u>	12/31/92 (Est.) <u>(\$million)</u>
<b>ASSETS</b>			
Securities	513.7	508.9	503.8
Other	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total Assets	513.7	508.9	503.8
<b>LIABILITIES</b>			
Accounts payable	0.0	0.0	0.0
Other	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total	0.0	0.0	0.0
<b>FUND BALANCE</b>	513.7	508.9	503.8
<b>LIABILITIES AND     FUND BALANCE</b>	513.7	508.9	503.8

Schedule D - Section 509(a)(3) Supporting Organization

Item 5

The persons who control the Fund (the Directors) also control the Institute. The Institute is the only organization supported by the Fund and the Fund is financially accountable to the Institute. See Certificate of Incorporation, Articles III, IV and VI.

Item 7

The Fund applies all of its income for the benefit of the Institute. The Institute's annual budget is approximately \$35 million. It anticipates receiving approximately \$1.5 million in grants from government agencies and private organizations. The Fund supplies the balance of the Institute's budget.