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**FILED**  
ALAMEDA COUNTY

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CLERK OF THE SUPERIOR COURT  
By *[Signature]* Deputy

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Attorneys for Petitioners and Class

SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF ALAMEDA

21 Wendell G. Moen, Jay Davis, Donna Ventura, Gregory M.  
22 Bianchini, Alan Hindmarsh, Cal Wood and Sharon Wood, on  
23 behalf of Themselves and Others Similarly Situated,

Petitioners,

v.

25 Regents of University of California, and Does, 1-99 through  
26 99, inclusive,

Respondents. /

No. RG 10530492

**Declaration of Andrew Thomas  
Sinclair in Support of Ex Parte  
Application**

1 I say and declare:

2 1. My name is Andrew Thomas Sinclair. I am one of the attorneys appointed as  
3 class counsel in this case.

4 UCRLG Legal Defense Fund

5 2. Before filing suit, Joe Requa and three other retirees formed the University of  
6 California Livermore Retiree Group Legal Defense Fund (UCLRG) to raise funds "to preserve and  
7 protect the rights of the University of California (UC) retirees who worked at the Lawrence  
8 Livermore National Laboratory" and "utilize the legal system to enforce those rights." See Exh.  
9 1, UCLRG Articles of Association, Art. III. The IRS granted tax exemption on June 15, 2012.  
UCLRG registered with the Registry of Charitable Trusts on March 28, 2013. See Exh. 2.

10 The Litigation

11 3. On August 13, 2010, Joe Requa, Wendell Moen, Jay Davis and Donna Ventura  
12 filed a Petition for Writ of Mandate alleging the Regents had impaired their implied contract to  
13 University-sponsored health care during retirement. Requa v. Regents of Univ. of Cal., 213  
14 Cal.App.4th 213, 220 (2012). The Superior Court sustained the Regents' demurrer, but the  
15 Court of Appeal reversed. Id., 223. After remand, class action allegations and seven additional  
16 Petitioners were added (Robert Becker, Gregory Bianchini, Geores Buttner, Alan Hindmarsh,  
17 Steve Hornstein, Calvin D. Wood and Sharon Wood). Moen v. Regents of Univ. of Cal., 25  
18 Cal.App.5th 845, 850 (2018). On October 30, 2014, the Court certified a class of approximately  
9,000 retirees, spouses and dependents. Id., at 850.

19 4. On December 12, 2013, Joe Requa withdrew for medical reasons, after which the  
20 case proceeded as Moen v. Regents of University of California. Moen, at 850 fn. 2. At the same  
21 time, Mr. Requa withdrew from UCLRG. Thereafter, UCLRG continued to operate with its own  
22 board of directors, none of whom were named Petitioners or Class Representatives.

23 5. On November 21, 2017, the Court de-certified the class. On August 1, 2018, the  
24 Court of Appeal again reversed. Moen, at 864.

25 6. Petitioner Robert Becker passed away on October 17, 2018, and Petitioner  
26 Geores Buttner passed away on December 24, 2018. See Notice of Death of Robert Becker, Sr.  
27 (11/20/18); Notice of Death of Geores Buttner (3/15/19). Petitioner Steve Hornstein withdrew  
28

1 for medical reasons on November 18, 2019. See Stipulation for Withdrawal of Steve Hornstein  
2 (11/21/19). The case proceeded with the remaining seven Petitioners (Gregory Bianchini, Jay  
3 Davis, Alan Hindmarsh, Wendell Moen, Donna Ventura, Calvin D. Wood and Sharon Wood).

#### 4 The Settlement

5 7. On December 11, 2019, after more than nine years of litigation, Petitioners and  
6 The Regents signed a Stipulation of Class Action Settlement and Release (Settlement  
7 Agreement). See Exh. 3 at Exh. A.

8 8. On December 20, 2019, this Court granted preliminary approval. ARCHER  
9 Systems was appointed to act as the Settlement Administrator, Order Granting Preliminary  
10 Approval (12/20/19), ¶ 6; and was directed to establish and act as Administrator of a Qualified  
11 Settlement Fund (QSF). Id. ¶ 15, Order Granting Establishment of Qualified Settlement Fund  
12 and Appointing Settlement Fund Administrator. Id. ¶¶ 2, 6.

13 9. The purpose of the QSF is to hold settlement funds pending their distribution to  
14 the class. See Order Granting Establishment of QSF, ¶ 6: “The Court hereby orders ARCHER to  
15 establish and administer a QSF to be called LLNL Retiree Qualified Settlement Fund. The QSF  
16 shall be established within the meaning of Treas. Reg. § 1.468B-1 and pursuant to the  
17 jurisdiction conferred on this Court by Treas. Reg. § 1.468B-1(c)(1); and shall remain subject to  
18 the continuing jurisdiction of this Court. The QSF shall also constitute a trust under state law.”  
19 Id.

20 10. On or about January 21, 2020, ARCHER sent notice of the proposed settlement  
21 to class members. See Decl. of Blake A. Dedy re Notice and Settlement Administration  
22 (4/15/20), ¶ 6. No objections were returned to ARCHER Systems, id. ¶ 20, and on April 10,  
23 2020, the Court entered the Final Approval Order and Judgment, incorporating the Settlement  
24 Agreement “as if explicitly set forth herein,” and giving it “the full force and effect of an order  
25 of this Court.” Final Approval Order, ¶ 10. The Order directed the Parties to implement the  
26 Settlement Agreement “in accordance with the terms and provisions thereof.” Id. ¶ 17.  
27 ARCHER was directed to continue as Settlement Administrator, id. ¶ 16, and QSF Administrator.  
28 Id. ¶ 18.

1 11. The Settlement Agreement provides that the Regents will make payments  
2 totaling \$84,500,000 over seven years. Settlement Agreement, ¶ V-A-2. The required  
3 payments have all been made to date. See Annual Report by Court Monitor Hon. Maria-Elena  
4 James (2/25/21), attached as Exh. 4, Section III.

#### 5 Role of UCLRG Going Forward

6 12. Once the Final Approval Order was entered, Petitioners retained a law firm with  
7 expertise in nonprofit organizations (Adler & Colvin, San Francisco) to advise on the role of  
8 UCLRG going forward. Based on this advice, Petitioners decided that UCLRG should not play a  
9 role in implementing the Final Approval Order and directed UCLRG to stop raising funds. In  
10 addition to nonprofit governance issues, there was no Petitioner / Class Representative on the  
11 UCLRG Board of Directors, so UCLRG was not subject to the continuing jurisdiction of the Court.  
12 Accordingly, Petitioners formed a new nonprofit corporation, the Livermore Class Action  
13 Settlement Administration and Education Fund, Inc. (LCASE), described below.

#### 14 Three Types of Benefits

15 13. The Settlement Agreement provides three types of benefits: (1) an Initial \$1000  
16 Payment to each member of the class, living and deceased; (2) Past Damages to those who  
17 incurred damages “as the result of the difference in premium costs between health care plans  
18 provided by LLNS and University-sponsored group health care plans”; and (3) an annual  
19 Supplemental Payment to living class members for 20 years or until 1,000 or fewer members of  
20 the class remain alive, beginning in 2021 and continuing through 2040. Settlement Agreement,  
21 ¶ V-A-14, Schedule A, ¶ 5, Schedule C.

22 14. Although the Initial \$1000 Payment and Past Damages are expected to be  
23 taxable, the Supplemental Payment is “structured to avoid being taxable in light of their  
24 characterization as payments that fall within IRC § 501(c)(9).” Id. ¶ V-A-16.

#### 25 The Voluntary Employees Beneficiary Association (VEBA)

26 15. The Settlement Agreement provides that “The Class Representatives, by virtue of  
27 their sharing an employment related common bond with the Class Members, shall establish the  
28 VEBA Trust as a ‘voluntary employees’ beneficiary association’ under IRC § 501(c)(9), and the  
regulations and guidance promulgated thereunder.” Settlement Agreement, ¶ V-A-4-(iii). To

1 form the VEBA, Petitioners will act as an “employee organization.” See Internal Revenue Code  
2 § 501(c)(9). Settlement Agreement, ¶ V-A-4-(i).

3 16. Internal Revenue Code § 501(c)(9) provides in relevant part that: “Voluntary  
4 employees’ beneficiary associations [VEBAs] providing for the payment of life, sick, accident, or  
5 other benefits to the members of such association or their dependents or designated  
6 beneficiaries [are exempt from taxation], if no part of the net earnings of such association  
7 inures (other than through such payments) to the benefit of any private shareholder or  
8 individual.” Thus, the VEBA can hold and distribute the Supplemental Payment on a tax-exempt  
9 basis.

10 17. VEBAs are typically used “(1) as part of a negotiated settlement of outstanding  
11 liabilities when the employer is in bankruptcy; (2) as a result of collective bargaining when an  
12 employer in financial difficulty proposes a major restructuring of its health benefit obligations  
13 as an alternative to bankruptcy; or (3) as a method of settling a class action suit brought by  
14 retirees, a union, or both, to block termination or modification of retiree medical benefits.” See  
15 Exh. 5, Retiree Health VEBAs: A New Twist On An Old Paradigm, Implications for Retirees,  
16 Unions and Employers, Kaiser Family Foundation, 2009. Here, the Regents will not act as an  
17 employer for purposes of the VEBA, see Settlement Agreement, ¶ V-A-4-ii (“The Regents shall  
18 not be responsible for the VEBA in any way...”); and there is no union.

19 18. After the Court entered the Final Approval Order on April 10, 2020, Petitioners  
20 worked closely with ARCHER Systems to design and implement a legal structure to allow the  
21 Supplement Payment to be distributed without being taxable. Petitioners also retained outside  
22 counsel (Bradley Arant Boult Cummings, Nashville, TN) to assist in implementing the Settlement  
23 Agreement, in particular, forming the Voluntary Employees’ Beneficiary Association (VEBA) and  
24 related legal entities needed to maintain the tax-exempt status of the Supplemental Payment.  
25 The steps described below were likewise taken based on consultation with ARCHER and  
26 Bradley. The legal structure, also described below, is designed to allow the Supplemental  
27 Payment to be distributed on a tax-exempt basis.  
28

The Decision to Form the Livermore Class Action Settlement  
Administration and Education Fund, Inc.

19. As noted above, Petitioners elected to form a new nonprofit corporation rather than continuing with UCLRG. After further discussions with ARCHER and consultation with Bradley, Petitioners formed the Livermore Class Action Settlement Administration and Education Fund, Inc. (LCASE) with the explicit purpose of “ensur[ing] compliance with the terms of that certain Stipulation of Class Action Settlement and Release.” Exh. 6, LCASE Articles of Incorporation, Art. VI. After LCASE was formed, Petitioners adopted a “Resolution re Successor Organization” designating LCASE “as the successor to UCLRG for purposes of compliance with the Final Approval Order and Judgment,” including repayment of attorneys’ fees. Exh. 7 (12/4/20). The LCASE Board of Directors is composed of the seven remaining Petitioners (Gregory Bianchini, Jay Davis, Alan Hindmarsh, Wendell Moen, Donna Ventura, Calvin D. Wood and Sharon Wood). Exh. 8. In its motion for award of attorney fees, Petitioners explained that UCLRG had raised funds to support the litigation and paid the law firms that worked on the case certain legal fees. Sinclair Decl. ISO Final Approval and for Attorneys’ Fees (4/14/20). Petitioners asked that such funds be returned from the fee award to UCLRG or its successor so they could be used “to help implement and protect the settlement.” Memo. ISO Award of Attorney Fees (4/14/20), p. 14. Petitioners asked the Court to direct the law firms to repay UCLRG “or its successor” in case there was a decision not to continue with UCLRG following the Final Approval Order.

The Livermore Retirees Health Insurance Trust

20. On December 15, 2020, again following discussions with ARCHER and consultation with Bradley, Petitioners signed a Trust Agreement which states “the Class Representatives on behalf of themselves and the Class Members they represent, including through LCASE,” formed the Livermore Retirees Health Insurance Trust, which “when taken together with an appropriate vehicle, shall constitute a VEBA under IRC Section 501(c)(9).” See Exh. 9, Trust Agreement, pp. 1-2; emp. added. Thus, the Trust Agreement formed the VEBA.

The Livermore Retirees Health Reimbursement Arrangement Plan

1  
2 21. Based on consultation with Bradley, ARCHER and Petitioners determined that, to  
3 maintain the tax-exempt status, the Supplemental Payment needed to be distributed through a  
4 Health Reimbursement Arrangement (HRA). Accordingly, Petitioners formed the Livermore  
5 Retirees Health Reimbursement Arrangement Plan (Livermore Retirees HRA Plan). The Plan is  
6 subject to the Employee Retirement Income Security Act of 1974, as amended, 29 U.S. Code  
7 § 1001 (ERISA). ERISA requires a Summary Plan Description (SPD). See 29 U.S. Code § 1022; 29  
8 CFR § 2520.102-3. The SPD for the HRA Plan provides in relevant part: "The purpose of the Plan  
9 is to reimburse eligible members for certain medical expenses and health insurance premiums  
10 that are not otherwise reimbursed. The Plan is intended to qualify as a self-insured medical  
11 reimbursement plan for purposes of Sections 105 and 106 of the Internal Revenue Code, as  
12 amended ('Code'), as well as a health reimbursement arrangement as defined in IRS Notice  
13 2002-45. This Plan is also intended to be exempt from the Affordable Care Act as a separate  
14 'retiree-only' plan pursuant to ERISA Section 732(a) and IRC Section 9831(a)(2)." See Exh. 10 at  
Attachment A, Summary Plan Description, Introduction, p. 1.

Plan Sponsor

15 22. Consulting with Bradley, ARCHER and Petitioners determined that, to implement  
16 the Settlement Agreement, LCASE would serve as the Plan Sponsor of the Livermore Retirees  
17 HRA Plan. As Plan Sponsor, LCASE entered into an agreement with Willis Towers Watson to  
18 distribute the Supplemental Payment. See Exh. 11 (WTW Master Program Agreement) and Exh.  
19 12 (WTW Statement of Work).

QSF to Provide Funding and Indemnify LCASE and Petitioners

20 23. Consistent with the Settlement Agreement, LCASE will not administer, distribute  
21 or have any direct control over settlement funds, including the Supplemental Payment. Rather,  
22 pursuant to an agreement between the LLNL Retiree Qualified Settlement Fund and LCASE,  
23 "The QSF will fund the HRA as described in the [Master Program Agreement and Statement of  
24 Work] and be responsible for all costs and expenses incurred by LCASE in its role as plan  
25 sponsor of the HRA"; and the QSF will "indemnify and hold harmless LCASE directors and  
26 officers" from claims "arising out of, or related to the adjudication of any second level appeals  
27  
28

1 described in Section 3(c)(i) of the [Statement of Work].” See Exh. 13, letter from QSF to Jay  
2 Davis (4/28/21).

3 Court Approval of Agreement for the QSF to Fund Settlement  
4 Payments and Indemnify LCASE and Petitioners

5 24. Throughout this litigation, Petitioners served without compensation. Petitioners  
6 did not seek a service award as part of the settlement. See Order (1) Granting Final Approval of  
7 Class Settlement and (2) Granting Motion for Award of Fees and Costs (4/10/20), p. 3 (“There  
8 will be no service awards for the named class representatives”). Petitioners will continue to  
9 serve without compensation going forward, including their service on the LCASE board of  
10 directors (as stated above, LCASE in turn will serve as Plan Sponsor).

11 25. Given the fact that Petitioners have not requested compensation for their  
12 service, and will not do so going forward, and given the fact that the QSF has agreed to  
13 “indemnify and hold harmless LCASE directors and officers,” Petitioners request that the Court  
14 approve this arrangement and direct the QSF to provide the funding needed to implement the  
15 Final Approval Order, and “indemnify and hold harmless LCASE and its directors and officers  
16 from and against any and all claims, liabilities, losses, damages, demands, costs, expenses, or  
17 lawsuits that LCASE incurs as a result of, arising out of, or related to the adjudication of any  
18 second level appeals described in Section 3(c)(i) of the SOW” as contemplated by the  
19 agreement between the QSF and LCASE.

20 Designation of LCASE as Successor Organization to UCLRG

21 26. As noted above, the UCLRG Legal Defense Fund was formed before the Petition  
22 for Writ of Mandate was filed in 2010. UCLRG raised funds to support the litigation and paid  
23 the four law firms that worked on the case \$446,125.46 in legal fees. Sinclair Decl. ISO Final  
24 Approval and for Attorneys’ Fees (4/14/20). The funds UCLRG raised were, in their entirety,  
25 contributed by class members and other retirees for the express purpose of enforcing their  
26 right to health insurance in retirement; i.e., there were no grants from foundations or other  
27 sources. As requested by Petitioners, the Court directed the law firms “to return funds in the  
28 amount of \$446,125.46 to University of California Livermore Retirees Group (‘UCLRG’) Legal  
Defense Fund or its successor.” Final Approval Order, ¶ 20-b; emp. added. Petitioners




1 requested that the term "or its successor" be included in the Order in case an entity other than  
2 UCLRG was designated to implement the settlement.

3 27. LCASE needs funds to carry out its responsibility to implement the settlement.  
4 Final Approval Order, ¶ 17. After the award of fees on April 10, 2020, class counsel did not  
5 initially charge for their services in implementing the Settlement Agreement. However, given  
6 the time required, counsel decided to charge a small hourly rate (approximately \$300 per hour),  
7 starting July 1, 2020. Since that time, class counsel have devoted substantial time working with  
8 ARCHER and consulting with outside counsel to develop a legal structure to implement the  
9 settlement, in particular, by maintaining the tax exempt status of the Supplemental Payment.  
10 The approximate time spent since July 1, 2020 is as follows:

Law Firm	Approximate Hours from 7/1/20 to 3/31/21
Sinclair Law Office	425
Calvo Fisher & Jacob (including senior partner, associate and legal assistant)	493
Carter Carter Fries & Grunschlag	37

15 28. I anticipate that it will take at least one more year to refine the structure and  
16 details for implementing the Settlement Agreement. It is not possible to know with any  
17 certainty how long it will take to implement the Final Approval Order and Settlement  
18 Agreement. But based on experience over the last year (from April 10, 2020, to the present), it  
19 will most likely take more time than expected. Petitioners and LCASE need to have resources in  
20 place to do so.

21  
22 I declare under penalty of perjury that the foregoing is true and correct to the best of  
23 my knowledge and belief and that this declaration was signed by me on May 16, 2021, at  
24 Oakland, CA.

25  
26   
27 Andrew Thomas Sinclair  
28 Attorney for Petitioners and Class

**EXHIBIT INDEX**

<b>Exhibit No.</b>	<b>Description</b>
1.	UCLRG Articles of Association
2.	UCLRG Initial Registration Form, Registry of Charitable Trusts (3/28/13)
3.	Final Approval Order and Judgement (4/10/20) with Settlement Agreement (12/11/19) attached as Exh. A
4.	Annual Report by Court Monitor (2/25/21)
5.	<i>Retiree Health VEBAs: A New Twist On An Old Paradigm, Implications for Retirees, Unions and Employers, Kaiser Family Foundation, 2009</i>
6.	Livermore Class Action Settlement Administration and Education Fund (LCASE) Articles of Incorporation (9/16/20)
7.	LCASE Resolution re Successor Organization (12/4/20)
8.	LCASE Application for Recognition of Exemption (12/4/20)
9.	Trust Agreement (12/15/20)
10.	LCASE Health Reimbursement Arrangement (HRA) Plan Document with Summary Plan Description attached as Exh. A
11.	Willis Towers Watson Master Program Agreement (4/13/21)
12.	Willis Towers Watson Statement of Work (4/13/21)
13.	Letter from QSF Administrator to Jay Davis (4/28/21)

RESTATED ARTICLES OF ASSOCIATION  
Pursuant to California Corporations Code Section 18200

The undersigned certify that:

They are the president and vice president, respectively, of the UCLRG Legal Defense Fund unincorporated association.

The Articles of Association of this association are amended and restated to read as follows:

---

## Articles of Association

### I

The name of this association is UCLRG Legal Defense Fund.

The place in this state where the principal office of the Association is to be located is the City of Livermore, Alameda County.

### II

- A. This association is a nonprofit Public Benefit Association and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for public and charitable purposes.
- B. Said corporation is organized exclusively for charitable, religious, educational, and scientific purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

### III

The specific purpose this Association is to preserve and protect the rights of the University of California (UC) retirees who worked at the Lawrence Livermore National Laboratory site as UC employees prior to retiring from UC.

The Association plans to:

1. Educate the public about the rights the UC retirees earned as UC employees,
2. negotiate with the controlling authorities to secure those rights,

3. petition our elected officials to help us secure those rights, and
4. when necessary, utilize the legal system to enforce those rights.

The officers of the Association shall include President, Vice President, Secretary and Treasurer.

1. The President shall exercise general supervision and guidance over the efforts of Association in achieving its goals.
2. The Vice President shall assist the President in his duties and assume those duties if the President is unable to fulfill them.
3. The Secretary will be responsible for recording and disseminating the actions of the Association.
4. The Treasurer will be responsible for managing and accounting for the funds of the Association.

The Board of Directors shall consist of the Officers of the Association.

#### IV

The name and address in the State of California of this association's initial agent for service of process is:

Name: Joe Requa  
Address: 563 Brookfield Dr.  
City: Livermore  
State: CALIFORNIA  
Zip Code: 94551

#### V

- a. This association is organized and operated exclusively for charitable purposes within the meaning of Internal Revenue Code section 501(c)(3). No substantial part of the activities of this association shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and the association shall not participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for public office.
- b. No part of the net earnings of the association shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that the association shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article III hereof. Notwithstanding any other provision of these articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by an association exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or (b) by an association,

- c. The property of this association is irrevocably dedicated to charitable purposes and no part of the net income or assets of this association shall ever inure to the benefit of any director, officer or member thereof or to the benefit of any private person.

VI

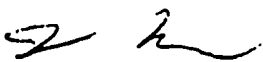
Upon the dissolution or winding up of the association, its assets remaining after payment, or provision for payment, of all debts and liabilities of this association shall be distributed to a nonprofit fund, foundation or association which is organized and operated exclusively for charitable purposes and which has established its tax exempt status under Internal Revenue Code section 501(c)(3).

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The foregoing amendment and restatement of articles of Association has been duly approved by the board of directors.

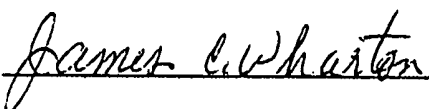
The Association has no members.

We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct to our own knowledge.

  
\_\_\_\_\_

Joe Requa, President

Date: 8/23/11

  
\_\_\_\_\_

Jim Wharton, Vice President

Date: 8/16/11

CT0193725

Registry of Charitable Trusts  
P.O. Box 903447  
Sacramento, CA 94203-4470  
Telephone: (916) 445-2021

WEBSITE ADDRESS:  
<http://ag.ca.gov/charitles/>

**INITIAL  
REGISTRATION FORM  
STATE OF CALIFORNIA  
OFFICE OF THE ATTORNEY GENERAL  
REGISTRY OF CHARITABLE TRUSTS**  
(Government Code Sections 12580-12599.7)



**NOTE: A \$25.00 REGISTRATION FEE MUST ACCOMPANY THIS REGISTRATION FORM. MAKE CHECK PAYABLE TO DEPARTMENT OF JUSTICE.**

Pursuant to Section 12585, registration is required of every trustee subject to the Supervision of Trustees and Fundraisers for Charitable Purposes Act within thirty days after receipt of assets (cash or other forms of property) for the charitable purposes for which organized.

Every charitable (public benefit) corporation, association and trustee holding assets for charitable purposes or doing business in the State of California must register with the Attorney General, except those exempted by California Government Code section 12583. Corporations that are organized primarily as a hospital, a school, or a religious organization are exempted by Section 12583.

Name of Organization: UCLRG Legal Defense Fund

The name of the organization should be the legal name as stated in the organization's organizing instrument (i.e., articles of incorporation, articles of association, or trust instrument).

Official Mailing Address for Organization:

Address: 563 Brookfield Dr.

City: Livermore

State: CA

ZIP Code: 94551-1837

Organization's telephone number: 925-443-0120

Organization's e-mail address: lln1retiree@lln1retiree.com

Organization's fax number: None

Organization's website: lln1retiree.com

All organizations must apply for a Federal Employer Identification Number from the Internal Revenue Service, including organizations that have a group exemption or file group returns.

Federal Employer Identification Number (FEIN):

27-0290259

Group Exemption FEIN (if applicable):

All California corporations and foreign corporations that have qualified to do business in California will have a corporate number. Unincorporated organizations are assigned an organization number by the Franchise Tax Board upon application for California tax exemption.

Corporate or Organization Number: 8061608 (Secretary of State Association 5367)

281075-125

<b>Names and addresses of ALL trustees or directors and officers (attach a list if necessary):</b>		
Name Joe Requa		Position President
Address 563 Brookfield Dr.		
City Livermore	State CA	ZIP Code 94551
Name Jim Wharton		Position Vice President
Address 2621 Farnsworth Dr.		
City Livermore	State CA	ZIP Code 94551
Name Walt Sokoloski		Position Secretary
Address 1144 Xavier Way		
City Livermore	State CA	ZIP Code 94550
Name Barbara Sokoloski		Position Treasurer
Address 1144 Xavier Way		
City Livermore	State CA	ZIP Code 94550
Name		
Address		
City	State	ZIP Code
<p>Describe the primary activity of the organization. (A copy of the material submitted with the application for federal or state tax exemption will normally provide this information.) If the organization is based outside California, comment fully on the extent of activities in California and how the California activities relate to total activities. In addition, list all funds, property, and other assets held or expected to be held in California. Indicate whether you are monitored in your home state, and if so, by whom. Attach additional sheets if necessary.</p> <p>The UCLRG Legal Defense Fund is dedicated to the charitable pursuit of protecting the rights of retirees from the Weapons Laboratories managed by the University of California. We plan on educating the public about the rights earned by the retirees, negotiating with organizations whose activities impact those rights, and, when necessary, using the legal system to insure those rights. Two issues have been selected for initial action:</p> <ol style="list-style-type: none"> <li>1. UC has ceased to provide those retirees with medical benefits committed to by UC as a part of their retirement packages.</li> <li>2. UC has partitioned off the retirees' share of the UC retiree pension trust fund and has ceased to fund that portion.</li> </ol>		
<p>The organization will be required to file financial reports annually. All organizations must file the Annual Registration/Renewal Fee Report (RRF-1) within four months and fifteen days after the end of the organization's accounting period. Organizations with \$25,000 or more in either gross receipts or total assets are also required to file either the IRS Form 990, 990-EZ, or 990-PF. Forms can be found on the Charitable Trusts' website at <a href="http://ag.ca.gov/charities/">http://ag.ca.gov/charities/</a>.</p>		
<p>If assets (funds, property, etc.) have been received, enter the date first received:</p> <p>Date assets first received: <u>07/23/09</u></p>		<p>Registration with the Attorney General is required within <u>thirty</u> days of receipt of assets.</p>
<p>What annual accounting period has the organization adopted?</p> <p><input type="checkbox"/> Fiscal Year Ending _____ <input checked="" type="checkbox"/> Calendar Year</p>		

Attach your founding documents as follows:

A) **Corporations** - Furnish a copy of the articles of incorporation and all amendments and current bylaws. If incorporated outside California, enter the date the corporation qualified through the California Secretary of State's Office to conduct activities in California.

B) **Associations** - Furnish a copy of the instrument creating the organization (bylaws, constitution, and/or articles of association).

C) **Trusts** - Furnish a copy of the trust instrument or will and decree of final distribution.

D) **Trustees for charitable purposes** - Furnish a statement describing your operations and charitable purpose.

Has the organization applied for or been granted IRS tax exempt status Yes  No

Date of application for Federal tax exemption: 8/25/11

Date of exemption letter: 6/15/12 Exempt under Internal Revenue Code section 501(c) 3

If known, are contributions to the organization tax deductible? Yes  No

Attach a copy of the Application for Recognition of Exemption (IRS Form 1023) and the determination letter issued by the IRS.

Does your organization contract with or otherwise engage the services of any commercial fundraiser for charitable purposes, fundraising counsel, or commercial coventurer? If yes, provide the name(s), address(es), and telephone number(s) of the provider(s):

Commercial Fundraiser <input type="checkbox"/>	Fundraising Counsel <input type="checkbox"/>	Commercial Coventurer <input type="checkbox"/>
Name		
Address		
City	State	ZIP Code
Telephone Number		

Commercial Fundraiser <input type="checkbox"/>	Fundraising Counsel <input type="checkbox"/>	Commercial Coventurer <input type="checkbox"/>
Name		
Address		
City	State	ZIP Code
Telephone Number		

Commercial Fundraiser <input type="checkbox"/>	Fundraising Counsel <input type="checkbox"/>	Commercial Coventurer <input type="checkbox"/>
Name		
Address		
City	State	ZIP Code
Telephone Number		

I declare under penalty of perjury that I have examined this registration form, including accompanying documents, and to the best of my knowledge and belief, the form and each document are true, correct, and complete.

Signature Joe Aguia Title President Date 3/21/13

If additional information is required, please refer to the Supervision of Trustees and Fundraisers for Charitable Purposes Act (Government Code sections 12580-12599.7), the Administrative Rules and Regulations pursuant to the Act (California Code of Regulations, Title 11, Sections 300-312.1).

If you have questions regarding registration, or need assistance, information is available on our website at <http://aq.ca.gov/charities/> or you can reach us by telephone at (916) 445-2021 or fax at (916) 444-3651.



RESTATED ARTICLES OF ASSOCIATION  
Pursuant to California Corporations Code Section 18200

The undersigned certify that:

They are the president and vice president, respectively, of the UCLRG Legal Defense Fund unincorporated association.

The Articles of Association of this association are amended and restated to read as follows:

---

## Articles of Association

### I

The name of this association is UCLRG Legal Defense Fund.

The place in this state where the principal office of the Association is to be located is the City of Livermore, Alameda County.

### II

- A. This association is a nonprofit Public Benefit Association and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for public and charitable purposes.
- B. Said corporation is organized exclusively for charitable, religious, educational, and scientific purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

### III

The specific purpose this Association is to preserve and protect the rights of the University of California (UC) retirees who worked at the Lawrence Livermore National Laboratory site as UC employees prior to retiring from UC.

The Association plans to:

1. Educate the public about the rights the UC retirees earned as UC employees,
2. negotiate with the controlling authorities to secure those rights,

3. petition our elected officials to help us secure those rights, and
4. when necessary, utilize the legal system to enforce those rights.

The officers of the Association shall include President, Vice President, Secretary and Treasurer.

1. The President shall exercise general supervision and guidance over the efforts of Association in achieving its goals.
2. The Vice President shall assist the President in his duties and assume those duties if the President is unable to fulfill them.
3. The Secretary will be responsible for recording and disseminating the actions of the Association.
4. The Treasurer will be responsible for managing and accounting for the funds of the Association.

The Board of Directors shall consist of the Officers of the Association.

#### IV

The name and address in the State of California of this association's initial agent for service of process is:

Name: Joe Requa  
Address: 563 Brookfield Dr.  
City: Livermore  
State: CALIFORNIA  
Zip Code: 94551

#### V

- a. This association is organized and operated exclusively for charitable purposes within the meaning of Internal Revenue Code section 501(c)(3). No substantial part of the activities of this association shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and the association shall not participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for public office.
- b. No part of the net earnings of the association shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that the association shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article III hereof. Notwithstanding any other provision of these articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by an association exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or (b) by an association,

- c. The property of this association is irrevocably dedicated to charitable purposes and no part of the net income or assets of this association shall ever inure to the benefit of any director, officer or member thereof or to the benefit of any private person.

VI

Upon the dissolution or winding up of the association, its assets remaining after payment, or provision for payment, of all debts and liabilities of this association shall be distributed to a nonprofit fund, foundation or association which is organized and operated exclusively for charitable purposes and which has established its tax exempt status under Internal Revenue Code section 501(c)(3).

---

The foregoing amendment and restatement of articles of Association has been duly approved by the board of directors.

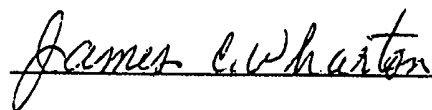
The Association has no members.

We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct to our own knowledge.

  
\_\_\_\_\_

Joe Requa, President

Date: 8/23/11

  
\_\_\_\_\_

Jim Wharton, Vice President

Date: 8/16/11

INTERNAL REVENUE SERVICE  
P. O. BOX 2508  
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: JUN 15 2012

UCLRG LEGAL DEFENCE FUND  
563 BROOKFIELD DR  
LIVERMORE, CA 94551-1837

Employer Identification Number:  
27-0290259  
DLN:  
17053243345031  
Contact Person: TYRONE THOMAS ID# 95046  
Contact Telephone Number:  
(877) 829-5500  
Accounting Period Ending:  
December 31  
Public Charity Status:  
170(b)(1)(A)(vi)  
Form 990 Required?  
Yes  
Effective Date of Exemption:  
July 20, 2009  
Contribution Deductibility:  
Yes  
Addendum Applies:  
No

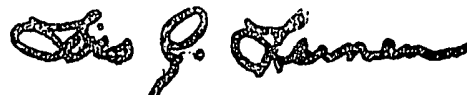
Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

Please see enclosed Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, for some helpful information about your responsibilities as an exempt organization.

Sincerely,



Lois G. Lerner  
Director, Exempt Organizations

Enclosure: Publication 4221-PC

Letter 947 (DO/CG)

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

OMB No. 1545-0056

Note: If exempt status is approved, this application will be open for public inspection.

Use the instructions to complete this application and for a definition of all **bold** items. For additional help, call IRS Exempt Organizations Customer Account Services toll-free at 1-877-829-5500. Visit our website at [www.irs.gov](http://www.irs.gov) for forms and publications. If the required information and documents are not submitted with payment of the appropriate user fee, the application may be returned to you.

Attach additional sheets to this application if you need more space to answer fully. Put your name and EIN on each sheet and identify each answer by Part and line number. Complete Parts I - XI of Form 1023 and submit only those Schedules (A through H) that apply to you.

**Part I Identification of Applicant**

<b>1</b> Full name of organization (exactly as it appears in your organizing document) <b>UCLRG Legal Defense Fund</b>		<b>2</b> c/o Name (if applicable)	
<b>3</b> Mailing address (Number and street) (see instructions) <b>563 Brookfield Dr.</b>		Room/Suite	<b>4</b> Employer Identification Number (EIN) <b>27-0290259</b>
City or town, state or country, and ZIP + 4 <b>Livermore, California, 94551-1837</b>		<b>5</b> Month the annual accounting period ends (01 - 12) <b>12</b>	
<b>6</b> Primary contact (officer, director, trustee, or authorized representative) a Name: <b>Joe Requa</b>		b Phone: <b>9254430120</b>	
		c Fax: (optional)	
<b>7</b> Are you represented by an authorized representative, such as an attorney or accountant? If "Yes," provide the authorized representative's name, and the name and address of the authorized representative's firm. Include a completed Form 2848, <i>Power of Attorney and Declaration of Representative</i> , with your application if you would like us to communicate with your representative.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>8</b> Was a person who is not one of your officers, directors, trustees, employees, or an authorized representative listed in line 7, paid, or promised payment, to help plan, manage, or advise you about the structure or activities of your organization, or about your financial or tax matters? If "Yes," provide the person's name, the name and address of the person's firm, the amounts paid or promised to be paid, and describe that person's role.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>9a</b> Organization's website: <b>llnlretiree.com</b>			
<b>b</b> Organization's email: (optional) <b>llnlretiree@llnlretiree.com</b>			
<b>10</b> Certain organizations are not required to file an information return (Form 990 or Form 990-EZ). If you are granted tax-exemption, are you claiming to be excused from filing Form 990 or Form 990-EZ? If "Yes," explain. See the instructions for a description of organizations not required to file Form 990 or Form 990-EZ.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>11</b> Date incorporated if a corporation, or formed, if other than a corporation. (MM/DD/YYYY)		<b>07 / 20 / 2009</b>	
<b>12</b> Were you formed under the laws of a foreign country? If "Yes," state the country.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

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

OMB No. 1545-0056

Note: If exempt status is approved, this application will be open for public inspection.

Use the instructions to complete this application and for a definition of all **bold** items. For additional help, call IRS Exempt Organizations Customer Account Services toll-free at 1-877-829-5500. Visit our website at [www.irs.gov](http://www.irs.gov) for forms and publications. If the required information and documents are not submitted with payment of the appropriate user fee, the application may be returned to you.

Attach additional sheets to this application if you need more space to answer fully. Put your name and EIN on each sheet and identify each answer by Part and line number. Complete Parts I - XI of Form 1023 and submit only those Schedules (A through H) that apply to you.

**Part I Identification of Applicant**

<b>1</b> Full name of organization (exactly as it appears in your organizing document) <b>UCLRG Legal Defense Fund</b>		<b>2</b> c/o Name (if applicable)	
<b>3</b> Mailing address (Number and street) (see instructions) <b>563 Brookfield Dr.</b>		Room/Suite	<b>4</b> Employer Identification Number (EIN) <b>27-0290259</b>
City or town, state or country, and ZIP + 4 <b>Livermore, California, 94551-1837</b>		<b>5</b> Month the annual accounting period ends (01 - 12) <b>12</b>	
<b>6</b> Primary contact (officer, director, trustee, or authorized representative) a Name: <b>Joe Requa</b>		b Phone: <b>9254430120</b>	
		c Fax: (optional)	
<b>7</b> Are you represented by an authorized representative, such as an attorney or accountant? If "Yes," provide the authorized representative's name, and the name and address of the authorized representative's firm. Include a completed Form 2848, <i>Power of Attorney and Declaration of Representative</i> , with your application if you would like us to communicate with your representative. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
<b>8</b> Was a person who is not one of your officers, directors, trustees, employees, or an authorized representative listed in line 7, paid, or promised payment, to help plan, manage, or advise you about the structure or activities of your organization, or about your financial or tax matters? If "Yes," provide the person's name, the name and address of the person's firm, the amounts paid or promised to be paid, and describe that person's role. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
9a Organization's website: <b>lnlretiree.com</b>			
b Organization's email: (optional) <b>lnlretiree@lnlretiree.com</b>			
<b>10</b> Certain organizations are not required to file an information return (Form 990 or Form 990-EZ). If you are granted tax-exemption, are you claiming to be excused from filing Form 990 or Form 990-EZ? If "Yes," explain. See the instructions for a description of organizations not required to file Form 990 or Form 990-EZ. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
<b>11</b> Date incorporated if a corporation, or formed, if other than a corporation. (MM/DD/YYYY) <b>07 / 20 / 2009</b>			
<b>12</b> Were you formed under the laws of a foreign country? If "Yes," state the country. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			

**Part II Organizational Structure**

You must be a corporation (including a limited liability company), an unincorporated association, or a trust to be tax exempt. (See instructions.) **DO NOT file this form unless you can check "Yes" on lines 1, 2, 3, or 4.**

- 1 Are you a **corporation**? If "Yes," attach a copy of your articles of incorporation showing **certification of filing** with the appropriate state agency. Include copies of any amendments to your articles and be sure they also show state filing certification.  Yes  No
- 2 Are you a **limited liability company (LLC)**? If "Yes," attach a copy of your articles of organization showing certification of filing with the appropriate state agency. Also, if you adopted an operating agreement, attach a copy. Include copies of any amendments to your articles and be sure they show state filing certification. Refer to the instructions for circumstances when an LLC should not file its own exemption application.  Yes  No
- 3 Are you an **unincorporated association**? If "Yes," attach a copy of your articles of association, constitution, or other similar organizing document that is dated and includes at least two signatures. Include signed and dated copies of any amendments.  Yes  No
- 4a Are you a **trust**? If "Yes," attach a signed and dated copy of your trust agreement. Include signed and dated copies of any amendments.  Yes  No
- b Have you been funded? If "No," explain how you are formed without anything of value placed in trust.  Yes  No
- 5 Have you adopted **bylaws**? If "Yes," attach a current copy showing date of adoption. If "No," explain how your officers, directors, or trustees are selected.  Yes  No

**Part III Required Provisions in Your Organizing Document**

The following questions are designed to ensure that when you file this application, your organizing document contains the required provisions to meet the organizational test under section 501(c)(3). Unless you can check the boxes in both lines 1 and 2, your organizing document does not meet the organizational test. **DO NOT file this application until you have amended your organizing document.** Submit your original and amended organizing documents (showing state filing certification if you are a corporation or an LLC) with your application.

- 1 Section 501(c)(3) requires that your organizing document state your exempt purpose(s), such as charitable, religious, educational, and/or scientific purposes. Check the box to confirm that your organizing document meets this requirement. Describe specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document. Refer to the instructions for exempt purpose language. Location of Purpose Clause (Page, Article, and Paragraph): Page 1, Section II(b)
- 2a Section 501(c)(3) requires that upon dissolution of your organization, your remaining assets must be used exclusively for exempt purposes, such as charitable, religious, educational, and/or scientific purposes. Check the box on line 2a to confirm that your organizing document meets this requirement by express provision for the distribution of assets upon dissolution. If you rely on state law for your dissolution provision, do not check the box on line 2a and go to line 2c.
- 2b If you checked the box on line 2a, specify the location of your dissolution clause (Page, Article, and Paragraph). Do not complete line 2c if you checked box 2a. Page 3, Section VI (See Note 2)
- 2c See the instructions for information about the operation of state law in your particular state. Check this box if you rely on operation of state law for your dissolution provision and indicate the state: California

**Part IV Narrative Description of Your Activities**

Using an attachment, describe your *past*, *present*, and *planned* activities in a narrative. If you believe that you have already provided some of this information in response to other parts of this application, you may summarize that information here and refer to the specific parts of the application for supporting details. You may also attach representative copies of newsletters, brochures, or similar documents for supporting details to this narrative. Remember that if this application is approved, it will be open for public inspection. Therefore, your narrative description of activities should be thorough and accurate. Refer to the instructions for information that must be included in your description.

**Part V Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors**

1a List the names, titles, and mailing addresses of all of your officers, directors, and trustees. For each person listed, state their total annual compensation, or proposed compensation, for all services to the organization, whether as an officer, employee, or other position. Use actual figures, if available. Enter "none" if no compensation is or will be paid. If additional space is needed, attach a separate sheet. Refer to the instructions for information on what to include as compensation.

Name	Title	Mailing address	Compensation amount (annual actual or estimated)
Joe Requa	President	563 Brookfield Dr. Livermore, CA 94561	none
Jim Warton	Vice President	2621 Farnsworth Dr. Livermore CA 94551	none
Walt Sokoloski	Secretary	1144 Xavier Way Livermore CA 94550	none
Barbara Sokoloski	Treasurer	1144 Xavier Way Livermore CA 94550	none

**Part V Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors (Continued)**

**b** List the names, titles, and mailing addresses of each of your five highest compensated employees who receive or will receive compensation of more than \$50,000 per year. Use the actual figure, if available. Refer to the instructions for information on what to include as compensation. Do not include officers, directors, or trustees listed in line 1a.

Name	Title	Mailing address	Compensation amount (annual actual or estimated)
none			

**c** List the names, names of businesses, and mailing addresses of your five highest compensated independent contractors that receive or will receive compensation of more than \$50,000 per year. Use the actual figure, if available. Refer to the instructions for information on what to include as compensation.

Name	Title	Mailing address	Compensation amount (annual actual or estimated)
none			

The following "Yes" or "No" questions relate to *past, present, or planned* relationships, transactions, or agreements with your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed in lines 1a, 1b, and 1c.

- 2a** Are any of your officers, directors, or trustees **related** to each other through **family or business relationships**? If "Yes," identify the individuals and explain the relationship.  Yes  No
- b** Do you have a business relationship with any of your officers, directors, or trustees other than through their position as an officer, director, or trustee? If "Yes," identify the individuals and describe the business relationship with each of your officers, directors, or trustees.  Yes  No
- c** Are any of your officers, directors, or trustees related to your highest compensated employees or highest compensated independent contractors listed on lines 1b or 1c through family or business relationships? If "Yes," identify the individuals and explain the relationship.  Yes  No

- 3a** For each of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed on lines 1a, 1b, or 1c, attach a list showing their name, qualifications, average hours worked, and duties.
- b** Do any of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed on lines 1a, 1b, or 1c receive compensation from any other organizations, whether tax exempt or taxable, that are related to you through **common control**? If "Yes," identify the individuals, explain the relationship between you and the other organization, and describe the compensation arrangement.  Yes  No

- 4** In establishing the compensation for your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed on lines 1a, 1b, and 1c, the following practices are recommended, although they are not required to obtain exemption. Answer "Yes" to all the practices you use.
  - a** Do you or will the individuals that approve compensation arrangements follow a conflict of interest policy?  Yes  No
  - b** Do you or will you approve compensation arrangements in advance of paying compensation?  Yes  No
  - c** Do you or will you document in writing the date and terms of approved compensation arrangements?  Yes  No



**Part V Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors (Continued)**

- d** Do you or will you record in writing the decision made by each individual who decided or voted on compensation arrangements?  Yes  No
- e** Do you or will you approve compensation arrangements based on information about compensation paid by **similarly situated** taxable or tax-exempt organizations for similar services, current compensation surveys compiled by independent firms, or actual written offers from similarly situated organizations? Refer to the instructions for Part V, lines 1a, 1b, and 1c, for information on what to include as compensation.  Yes  No
- f** Do you or will you record in writing both the information on which you relied to base your decision and its source?  Yes  No
- g** If you answered "No" to any item on lines 4a through 4f, describe how you set compensation that is **reasonable** for your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed in Part V, lines 1a, 1b, and 1c.
- 
- 5a** Have you adopted a **conflict of interest policy** consistent with the sample conflict of interest policy in Appendix A to the instructions? If "Yes," provide a copy of the policy and explain how the policy has been adopted, such as by resolution of your governing board. If "No," answer lines 5b and 5c.  Yes  No
- b** What procedures will you follow to assure that persons who have a conflict of interest will not have influence over you for setting their own compensation?
- c** What procedures will you follow to assure that persons who have a conflict of interest will not have influence over you regarding business deals with themselves?
- Note:** A conflict of interest policy is recommended though it is not required to obtain exemption. Hospitals, see Schedule C, Section I, line 14.
- 
- 6a** Do you or will you compensate any of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed in lines 1a, 1b, or 1c through **non-fixed payments**, such as discretionary bonuses or revenue-based payments? If "Yes," describe all non-fixed compensation arrangements, including how the amounts are determined, who is eligible for such arrangements, whether you place a limitation on total compensation, and how you determine or will determine that you pay no more than reasonable compensation for services. Refer to the instructions for Part V, lines 1a, 1b, and 1c, for information on what to include as compensation.  Yes  No
- b** Do you or will you compensate any of your employees, other than your officers, directors, trustees, or your five highest compensated employees who receive or will receive compensation of more than \$50,000 per year, through non-fixed payments, such as discretionary bonuses or revenue-based payments? If "Yes," describe all non-fixed compensation arrangements, including how the amounts are or will be determined, who is or will be eligible for such arrangements, whether you place or will place a limitation on total compensation, and how you determine or will determine that you pay no more than reasonable compensation for services. Refer to the instructions for Part V, lines 1a, 1b, and 1c, for information on what to include as compensation.  Yes  No
- 
- 7a** Do you or will you purchase any goods, services, or assets from any of your officers, directors, trustees, highest compensated employees, or highest compensated independent contractors listed in lines 1a, 1b, or 1c? If "Yes," describe any such purchase that you made or intend to make, from whom you make or will make such purchases, how the terms are or will be negotiated at **arm's length**, and explain how you determine or will determine that you pay no more than **fair market value**. Attach copies of any written contracts or other agreements relating to such purchases.  Yes  No
- b** Do you or will you sell any goods, services, or assets to any of your officers, directors, trustees, highest compensated employees, or highest compensated independent contractors listed in lines 1a, 1b, or 1c? If "Yes," describe any such sales that you made or intend to make, to whom you make or will make such sales, how the terms are or will be negotiated at **arm's length**, and explain how you determine or will determine you are or will be paid at least fair market value. Attach copies of any written contracts or other agreements relating to such sales.  Yes  No
- 
- 8a** Do you or will you have any leases, contracts, loans, or other agreements with your officers, directors, trustees, highest compensated employees, or highest compensated independent contractors listed in lines 1a, 1b, or 1c? If "Yes," provide the information requested in lines 8b through 8f.  Yes  No
- b** Describe any written or oral arrangements that you made or intend to make.
- c** Identify with whom you have or will have such arrangements.
- d** Explain how the terms are or will be negotiated at **arm's length**.
- e** Explain how you determine you pay no more than fair market value or you are paid at least fair market value.
- f** Attach copies of any signed leases, contracts, loans, or other agreements relating to such arrangements.
- 
- 9a** Do you or will you have any leases, contracts, loans, or other agreements with any organization in which any of your officers, directors, or trustees are also officers, directors, or trustees, or in which any individual officer, director, or trustee owns more than a 35% interest? If "Yes," provide the information requested in lines 9b through 9f.  Yes  No

**Part V Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors (Continued)**

- b Describe any written or oral arrangements you made or intend to make.
- c Identify with whom you have or will have such arrangements.
- d Explain how the terms are or will be negotiated at arm's length.
- e Explain how you determine or will determine you pay no more than fair market value or that you are paid at least fair market value.
- f Attach a copy of any signed leases, contracts, loans, or other agreements relating to such arrangements.

**Part VI Your Members and Other Individuals and Organizations That Receive Benefits From You**

The following "Yes" or "No" questions relate to goods, services, and funds you provide to individuals and organizations as part of your activities. Your answers should pertain to *past, present, and planned* activities. (See instructions.)

- 1a In carrying out your exempt purposes, do you provide goods, services, or funds to individuals? If "Yes," describe each program that provides goods, services, or funds to individuals.  Yes  No
- b In carrying out your exempt purposes, do you provide goods, services, or funds to organizations? If "Yes," describe each program that provides goods, services, or funds to organizations.  Yes  No
- 2 Do any of your programs limit the provision of goods, services, or funds to a specific individual or group of specific individuals? For example, answer "Yes," if goods, services, or funds are provided only for a particular individual, your members, individuals who work for a particular employer, or graduates of a particular school. If "Yes," explain the limitation and how recipients are selected for each program.  Yes  No
- 3 Do any individuals who receive goods, services, or funds through your programs have a family or business relationship with any officer, director, trustee, or with any of your highest compensated employees or highest compensated independent contractors listed in Part V, lines 1a, 1b, and 1c? If "Yes," explain how these related individuals are eligible for goods, services, or funds.  Yes  No

**Part VII Your History**

The following "Yes" or "No" questions relate to your history. (See instructions.)

- 1 Are you a successor to another organization? Answer "Yes," if you have taken or will take over the activities of another organization; you took over 25% or more of the fair market value of the net assets of another organization; or you were established upon the conversion of an organization from for-profit to non-profit status. If "Yes," complete Schedule G.  Yes  No
- 2 Are you submitting this application more than 27 months after the end of the month in which you were legally formed? If "Yes," complete Schedule E.  Yes  No

**Part VIII Your Specific Activities**

The following "Yes" or "No" questions relate to specific activities that you may conduct. Check the appropriate box. Your answers should pertain to *past, present, and planned* activities. (See instructions.)

- 1 Do you support or oppose candidates in political campaigns in any way? If "Yes," explain.  Yes  No
- 2a Do you attempt to influence legislation? If "Yes," explain how you attempt to influence legislation and complete line 2b. If "No," go to line 3a.  Yes  No
- b Have you made or are you making an election to have your legislative activities measured by expenditures by filing Form 5768? If "Yes," attach a copy of the Form 5768 that was already filed or attach a completed Form 5768 that you are filing with this application. If "No," describe whether your attempts to influence legislation are a substantial part of your activities. Include the time and money spent on your attempts to influence legislation as compared to your total activities.  Yes  No
- 3a Do you or will you operate bingo or gaming activities? If "Yes," describe who conducts them, and list all revenue received or expected to be received and expenses paid or expected to be paid in operating these activities. Revenue and expenses should be provided for the time periods specified in Part IX, Financial Data.  Yes  No
- b Do you or will you enter into contracts or other agreements with individuals or organizations to conduct bingo or gaming for you? If "Yes," describe any written or oral arrangements that you made or intend to make, identify with whom you have or will have such arrangements, explain how the terms are or will be negotiated at arm's length, and explain how you determine or will determine you pay no more than fair market value or you will be paid at least fair market value. Attach copies or any written contracts or other agreements relating to such arrangements.  Yes  No
- c List the states and local jurisdictions, including Indian Reservations, in which you conduct or will conduct gaming or bingo.

**Part VIII Your Specific Activities (Continued)**

**4a** Do you or will you undertake **fundraising**? If "Yes," check all the fundraising programs you do or will conduct. (See instructions.)  **Yes**  **No**

- mail solicitations
- email solicitations
- personal solicitations
- vehicle, boat, plane, or similar donations
- foundation grant solicitations
- phone solicitations
- accept donations on your website
- receive donations from another organization's website
- government grant solicitations
- Other

Attach a description of each fundraising program.

**b** Do you or will you have written or oral contracts with any individuals or organizations to raise funds for you? If "Yes," describe these activities. Include all revenue and expenses from these activities and state who conducts them. Revenue and expenses should be provided for the time periods specified in Part IX, Financial Data. Also, attach a copy of any contracts or agreements.  **Yes**  **No**

**c** Do you or will you engage in fundraising activities for other organizations? If "Yes," describe these arrangements. Include a description of the organizations for which you raise funds and attach copies of all contracts or agreements.  **Yes**  **No**

**d** List all states and local jurisdictions in which you conduct fundraising. For each state or local jurisdiction listed, specify whether you fundraise for your own organization, you fundraise for another organization, or another organization fundraises for you.

**e** Do you or will you maintain separate accounts for any contributor under which the contributor has the right to advise on the use or distribution of funds? Answer "Yes" if the donor may provide advice on the types of investments, distributions from the types of investments, or the distribution from the donor's contribution account. If "Yes," describe this program, including the type of advice that may be provided and submit copies of any written materials provided to donors.  **Yes**  **No**

**5** Are you **affiliated** with a governmental unit? If "Yes," explain.  **Yes**  **No**

**6a** Do you or will you engage in **economic development**? If "Yes," describe your program.  **Yes**  **No**

**b** Describe in full who benefits from your economic development activities and how the activities promote exempt purposes.

**7a** Do or will persons other than your employees or volunteers **develop** your facilities? If "Yes," describe each facility, the role of the developer, and any business or family relationship(s) between the developer and your officers, directors, or trustees.  **Yes**  **No**

**b** Do or will persons other than your employees or volunteers **manage** your activities or facilities? If "Yes," describe each activity and facility, the role of the manager, and any business or family relationship(s) between the manager and your officers, directors, or trustees.  **Yes**  **No**

**c** If there is a business or family relationship between any manager or developer and your officers, directors, or trustees, identify the individuals, explain the relationship, describe how contracts are negotiated at arm's length so that you pay no more than fair market value, and submit a copy of any contracts or other agreements.

**8** Do you or will you enter into **joint ventures**, including partnerships or **limited liability companies** treated as partnerships, in which you share profits and losses with partners other than section 501(c)(3) organizations? If "Yes," describe the activities of these joint ventures in which you participate.  **Yes**  **No**

**9a** Are you applying for exemption as a childcare organization under section 501(k)? If "Yes," answer lines 9b through 9d. If "No," go to line 10.  **Yes**  **No**

**b** Do you provide child care so that parents or caretakers of children you care for can be **gainfully employed** (see instructions)? If "No," explain how you qualify as a childcare organization described in section 501(k).  **Yes**  **No**

**c** Of the children for whom you provide child care, are 85% or more of them cared for by you to enable their parents or caretakers to be gainfully employed (see instructions)? If "No," explain how you qualify as a childcare organization described in section 501(k).  **Yes**  **No**

**d** Are your services available to the general public? If "No," describe the specific group of people for whom your activities are available. Also, see the instructions and explain how you qualify as a childcare organization described in section 501(k).  **Yes**  **No**

**10** Do you or will you publish, own, or have rights in music, literature, tapes, artworks, choreography, scientific discoveries, or other **intellectual property**? If "Yes," explain. Describe who owns or will own any copyrights, patents, or trademarks, whether fees are or will be charged, how the fees are determined, and how any items are or will be produced, distributed, and marketed.  **Yes**  **No**

**Part VIII Your Specific Activities (Continued)**

- 11** Do you or will you accept contributions of: real property; conservation easements; closely held securities; intellectual property such as patents, trademarks, and copyrights; works of music or art; licenses; royalties; automobiles, boats, planes, or other vehicles; or collectibles of any type? If "Yes," describe each type of contribution, any conditions imposed by the donor on the contribution, and any agreements with the donor regarding the contribution.  Yes  No
- 
- 12a** Do you or will you operate in a foreign country or countries? If "Yes," answer lines 12b through 12d. If "No," go to line 13a.  Yes  No
- b** Name the foreign countries and regions within the countries in which you operate.
- c** Describe your operations in each country and region in which you operate.
- d** Describe how your operations in each country and region further your exempt purposes.
- 
- 13a** Do you or will you make grants, loans, or other distributions to organization(s)? If "Yes," answer lines 13b through 13g. If "No," go to line 14a.  Yes  No
- b** Describe how your grants, loans, or other distributions to organizations further your exempt purposes.
- c** Do you have written contracts with each of these organizations? If "Yes," attach a copy of each contract.  Yes  No
- d** Identify each recipient organization and any **relationship** between you and the recipient organization.
- e** Describe the records you keep with respect to the grants, loans, or other distributions you make.
- f** Describe your selection process, including whether you do any of the following:
- (i)** Do you require an application form? If "Yes," attach a copy of the form.  Yes  No
- (ii)** Do you require a grant proposal? If "Yes," describe whether the grant proposal specifies your responsibilities and those of the grantee, obligates the grantee to use the grant funds only for the purposes for which the grant was made, provides for periodic written reports concerning the use of grant funds, requires a final written report and an accounting of how grant funds were used, and acknowledges your authority to withhold and/or recover grant funds in case such funds are, or appear to be, misused.  Yes  No
- g** Describe your procedures for oversight of distributions that assure you the resources are used to further your exempt purposes, including whether you require periodic and final reports on the use of resources.
- 
- 14a** Do you or will you make grants, loans, or other distributions to foreign organizations? If "Yes," answer lines 14b through 14f. If "No," go to line 15.  Yes  No
- b** Provide the name of each foreign organization, the country and regions within a country in which each foreign organization operates, and describe any relationship you have with each foreign organization.
- c** Does any foreign organization listed in line 14b accept contributions earmarked for a specific country or specific organization? If "Yes," list all earmarked organizations or countries.  Yes  No
- d** Do your contributors know that you have ultimate authority to use contributions made to you at your discretion for purposes consistent with your exempt purposes? If "Yes," describe how you relay this information to contributors.  Yes  No
- e** Do you or will you make pre-grant inquiries about the recipient organization? If "Yes," describe these inquiries, including whether you inquire about the recipient's financial status, its tax-exempt status under the Internal Revenue Code, its ability to accomplish the purpose for which the resources are provided, and other relevant information.  Yes  No
- f** Do you or will you use any additional procedures to ensure that your distributions to foreign organizations are used in furtherance of your exempt purposes? If "Yes," describe these procedures, including site visits by your employees or compliance checks by impartial experts, to verify that grant funds are being used appropriately.  Yes  No

**Part VIII Your Specific Activities (Continued)**

- |           |  |                              |  |
|-----------|--|------------------------------|--|
| <b>15</b> | Do you have a close connection with any organizations? If "Yes," explain.  | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| <b>16</b> | Are you applying for exemption as a cooperative hospital service organization under section 501(e)? If "Yes," explain.   | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| <b>17</b> | Are you applying for exemption as a cooperative service organization of operating educational organizations under section 501(f)? If "Yes," explain.   | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| <b>18</b> | Are you applying for exemption as a charitable risk pool under section 501(n)? If "Yes," explain.  | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| <b>19</b> | Do you or will you operate a school? If "Yes," complete Schedule B. Answer "Yes," whether you operate a school as your main function or as a secondary activity.   | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| <b>20</b> | Is your main function to provide hospital or medical care? If "Yes," complete Schedule C.  | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| <b>21</b> | Do you or will you provide low-income housing or housing for the elderly or handicapped? If "Yes," complete Schedule F.  | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| <b>22</b> | Do you or will you provide scholarships, fellowships, educational loans, or other educational grants to individuals, including grants for travel, study, or other similar purposes? If "Yes," complete Schedule H. | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

**Note:** Private foundations may use Schedule H to request advance approval of individual grant procedures.

**Part IX Financial Data**

For purposes of this schedule, years in existence refer to completed tax years. If in existence 4 or more years, complete the schedule for the most recent 4 tax years. If in existence more than 1 year but less than 4 years, complete the statements for each year in existence and provide projections of your likely revenues and expenses based on a reasonable and good faith estimate of your future finances for a total of 3 years of financial information. If in existence less than 1 year, provide projections of your likely revenues and expenses for the current year and the 2 following years, based on a reasonable and good faith estimate of your future finances for a total of 3 years of financial information. (See instructions.)

**A. Statement of Revenues and Expenses**

Type of revenue or expense	Current tax year	3 prior tax years or 2 succeeding tax years			(e) Provide Total for (a) through (d)
	(a) From <u>1/1/10</u> To <u>12/31/10</u>	(b) From <u>7/20/09</u> To <u>12/31/09</u>	(c) From <u>1/1/11</u> To <u>12/31/11</u>	(d) From..... To .....	
<b>Revenues</b>					
1 Gifts, grants, and contributions received (do not include unusual grants)	93,258.00	\$91,050.00	\$100,000.00		\$284,308.00
2 Membership fees received	0	0	9		0
3 Gross investment income	0	0	0		0
4 Net unrelated business income	0	0	0		0
5 Taxes levied for your benefit	0	0	0		0
6 Value of services or facilities furnished by a governmental unit without charge (not including the value of services generally furnished to the public without charge)	0	0	0		0
7 Any revenue not otherwise listed above or in lines 9-12 below (attach an itemized list)	0	0	0		0
8 Total of lines 1 through 7	\$93,258.00	\$91,050.00	\$100,000.00		\$284,308.00
9 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to your exempt purposes (attach itemized list)	0	0	0		0
10 Total of lines 8 and 9	\$93,258.00	\$91,050.00	\$100,000.00		\$284,308.00
11 Net gain or loss on sale of capital assets (attach schedule and see instructions)	0	0	0		0
12 Unusual grants	0	0	0		0
13 Total Revenue Add lines 10 through 12	\$93,258.00	\$91,050.00	\$100,000.00		\$284,308.00
<b>Expenses</b>					
14 Fundraising expenses	\$324.83	\$89.83	\$300.00		
15 Contributions, gifts, grants, and similar amounts paid out (attach an itemized list)	0	0	0		
16 Disbursements to or for the benefit of members (attach an itemized list)	0	0	0		
17 Compensation of officers, directors, and trustees	0	0	0		
18 Other salaries and wages	0	0	0		
19 Interest expense	0	0	0		
20 Occupancy (rent, utilities, etc.)	0	0	0		
21 Depreciation and depletion	0	0	0		
22 Professional fees	\$102,000.00	\$15,000.00	\$154,000.00		
23 Any expense not otherwise classified, such as program services (attach itemized list)	0	0	0		
24 Total Expenses Add lines 14 through 23	\$102,324.83	\$15,089.83	\$154,300.00		

**Part IX Financial Data (Continued)**

**B. Balance Sheet (for your most recently completed tax year)**

Year End:

Assets		(Whole dollars)
1	Cash . . . . .	\$66,893.34
2	Accounts receivable, net . . . . .	0
3	Inventories . . . . .	0
4	Bonds and notes receivable (attach an itemized list) . . . . .	0
5	Corporate stocks (attach an itemized list) . . . . .	0
6	Loans receivable (attach an itemized list) . . . . .	0
7	Other investments (attach an itemized list) . . . . .	0
8	Depreciable and depletable assets (attach an itemized list) . . . . .	0
9	Land . . . . .	0
10	Other assets (attach an itemized list) . . . . .	0
11	<b>Total Assets (add lines 1 through 10)</b> . . . . .	<b>\$66,893.34</b>
Liabilities		
12	Accounts payable . . . . .	\$53,030
13	Contributions, gifts, grants, etc. payable . . . . .	0
14	Mortgages and notes payable (attach an itemized list) . . . . .	0
15	Other liabilities (attach an itemized list) . . . . .	0
16	<b>Total Liabilities (add lines 12 through 15)</b> . . . . .	<b>\$53,030</b>
Fund Balances or Net Assets		
17	<b>Total fund balances or net assets</b> . . . . .	<b>0</b>
18	<b>Total Liabilities and Fund Balances or Net Assets (add lines 16 and 17)</b> . . . . .	<b>\$53,030</b>
19	Have there been any substantial changes in your assets or liabilities since the end of the period shown above? If "Yes," explain.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

**Part X Public Charity Status**

Part X is designed to classify you as an organization that is either a **private foundation** or a **public charity**. Public charity status is a more favorable tax status than private foundation status. If you are a private foundation, Part X is designed to further determine whether you are a **private operating foundation**. (See instructions.)

- 1a Are you a private foundation? If "Yes," go to line 1b. If "No," go to line 5 and proceed as instructed. If you are unsure, see the instructions.  Yes  No
- b As a private foundation, section 508(e) requires special provisions in your organizing document in addition to those that apply to all organizations described in section 501(c)(3). Check the box to confirm that your organizing document meets this requirement, whether by express provision or by reliance on operation of state law. Attach a statement that describes specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document or by operation of state law. See the instructions, including Appendix B, for information about the special provisions that need to be contained in your organizing document. Go to line 2.
- 2 Are you a private operating foundation? To be a private operating foundation you must engage directly in the active conduct of charitable, religious, educational, and similar activities, as opposed to indirectly carrying out these activities by providing grants to individuals or other organizations. If "Yes," go to line 3. If "No," go to the signature section of Part XI.  Yes  No
- 3 Have you existed for one or more years? If "Yes," attach financial information showing that you are a private operating foundation; go to the signature section of Part XI. If "No," continue to line 4.  Yes  No
- 4 Have you attached either (1) an affidavit or opinion of counsel, (including a written affidavit or opinion from a certified public accountant or accounting firm with expertise regarding this tax law matter), that sets forth facts concerning your operations and support to demonstrate that you are likely to satisfy the requirements to be classified as a private operating foundation; or (2) a statement describing your proposed operations as a private operating foundation?  Yes  No
- 5 If you answered "No" to line 1a, indicate the type of public charity status you are requesting by checking one of the choices below. You may check only one box.  
The organization is not a private foundation because it is:
  - a 509(a)(1) and 170(b)(1)(A)(i)—a church or a convention or association of churches. Complete and attach Schedule A.
  - b 509(a)(1) and 170(b)(1)(A)(ii)—a school. Complete and attach Schedule B.
  - c 509(a)(1) and 170(b)(1)(A)(iii)—a hospital, a cooperative hospital service organization, or a medical research organization operated in conjunction with a hospital. Complete and attach Schedule C.
  - d 509(a)(3)—an organization supporting either one or more organizations described in line 5a through c, f, g, or h or a publicly supported section 501(c)(4), (5), or (6) organization. Complete and attach Schedule D.

**Part X Public Charity Status (Continued)**

- e 509(a)(4)—an organization organized and operated exclusively for testing for public safety.
- f 509(a)(1) and 170(b)(1)(A)(iv)—an organization operated for the benefit of a college or university that is owned or operated by a governmental unit.
- g 509(a)(1) and 170(b)(1)(A)(vi)—an organization that receives a substantial part of its financial support in the form of contributions from publicly supported organizations, from a governmental unit, or from the general public.
- h 509(a)(2)—an organization that normally receives not more than one-third of its financial support from gross investment income and receives more than one-third of its financial support from contributions, membership fees, and gross receipts from activities related to its exempt functions (subject to certain exceptions).
- i A publicly supported organization, but unsure if it is described in 5g or 5h. The organization would like the IRS to decide the correct status.

6 If you checked box g, h, or i in question 5 above, you must request either an **advance** or a **definitive ruling** by selecting one of the boxes below. Refer to the instructions to determine which type of ruling you are eligible to receive.

- a **Request for Advance Ruling:** By checking this box and signing the consent, pursuant to section 6501(c)(4) of the Code you request an advance ruling and agree to extend the statute of limitations on the assessment of excise tax under section 4940 of the Code. The tax will apply only if you do not establish public support status at the end of the 5-year advance ruling period. The assessment period will be extended for the 5 advance ruling years to 8 years, 4 months, and 15 days beyond the end of the first year. You have the right to refuse or limit the extension to a mutually agreed-upon period of time or issue(s). Publication 1035, *Extending the Tax Assessment Period*, provides a more detailed explanation of your rights and the consequences of the choices you make. You may obtain Publication 1035 free of charge from the IRS web site at [www.irs.gov](http://www.irs.gov) or by calling toll-free 1-800-829-3676. Signing this consent will not deprive you of any appeal rights to which you would otherwise be entitled. If you decide not to extend the statute of limitations, you are not eligible for an advance ruling.

**Consent Fixing Period of Limitations Upon Assessment of Tax Under Section 4940 of the Internal Revenue Code**

For Organization

.....  
 (Signature of Officer, Director, Trustee, or other authorized official)

.....  
 (Type or print name of signer)

.....  
 (Date)

.....  
 (Type or print title or authority of signer)

For IRS Use Only

.....  
 IRS Director, Exempt Organizations

.....  
 (Date)

- b **Request for Definitive Ruling:** Check this box if you have completed one tax year of at least 8 full months and you are requesting a definitive ruling. To confirm your public support status, answer line 6b(i) if you checked box g in line 5 above. Answer line 6b(ii) if you checked box h in line 5 above. If you checked box i in line 5 above, answer both lines 6b(i) and (ii).

(i) (a) Enter 2% of line 8, column (e) on Part IX-A. Statement of Revenues and Expenses.                     \$5,686                    

(b) Attach a list showing the name and amount contributed by each person, company, or organization whose gifts totaled more than the 2% amount. If the answer is "None," check this box.

(ii) (a) For each year amounts are included on lines 1, 2, and 9 of Part IX-A. Statement of Revenues and Expenses, attach a list showing the name of and amount received from each **disqualified person**. If the answer is "None," check this box.

(b) For each year amounts are included on line 9 of Part IX-A. Statement of Revenues and Expenses, attach a list showing the name of and amount received from each payer, other than a disqualified person, whose payments were more than the larger of (1) 1% of line 10, Part IX-A. Statement of Revenues and Expenses, or (2) \$5,000. If the answer is "None," check this box.

- 7 Did you receive any unusual grants during any of the years shown on Part IX-A. Statement of Revenues and Expenses? If "Yes," attach a list including the name of the contributor, the date and amount of the grant, a brief description of the grant, and explain why it is unusual.  Yes  No



**Part XI User Fee Information**

You must include a user fee payment with this application. It will not be processed without your paid user fee. If your average annual gross receipts have exceeded or will exceed \$10,000 annually over a 4-year period, you must submit payment of \$750. If your gross receipts have not exceeded or will not exceed \$10,000 annually over a 4-year period, the required user fee payment is \$300. See instructions for Part XI, for a definition of gross receipts over a 4-year period. Your check or money order must be made payable to the United States Treasury. User fees are subject to change. Check our website at [www.irs.gov](http://www.irs.gov) and type "User Fee" in the keyword box, or call Customer Account Services at 1-877-829-5500 for current information.

- 1 Have your annual gross receipts averaged or are they expected to average not more than \$10,000?  Yes  No  
 If "Yes," check the box on line 2 and enclose a user fee payment of \$300 (Subject to change—see above).  
 If "No," check the box on line 3 and enclose a user fee payment of \$750 (Subject to change—see above).
- 2 Check the box if you have enclosed the reduced user fee payment of \$300 (Subject to change).
- 3 Check the box if you have enclosed the user fee payment of \$750 (Subject to change).

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**

.....  
 (Signature of Officer, Director, Trustee, or other authorized official)

**Joe Requa**  
 (Type or print name of signer)  
**President**  
 (Type or print title or authority of signer)

**8/25/11**  
 (Date)

**Reminder:** Send the completed Form 1023 Checklist with your filled-in-application.

## Form 1023 Additional Information

## Part II, Line 5 (Note 1)

The initial officers were self-selected at the time of formation. Each officer is a member of the board of directors.

## Part III, Line 2 (Note 2)

We are formed under California state law as an Unincorporated Association. State law provides for the dissolution of a 5(c)(3) corporation, but it is not clear to us whether it also applies to an Unincorporated Association. We have put in appropriate dissolution language (Page 3, Section VI) and also stated that we would follow California requirements, since they don't conflict with federal requirements.

## Part IV

Our activities started long before 7/20/09, the date our Association was founded.

**Pre-Association Activities**

Effective 10/1/2007, the University of California (UC) was replaced by Lawrence Livermore National Security (LLNS) by the Department of Energy (DOE) as manager of Lawrence Livermore National Laboratory (LLNL). This change seriously impacted UC retirees who retired after working at LLNL. Control of medical benefits for those retirees was transferred to LLNS, their share of the UC retirement trust fund was partitioned off from the UC pool and UC ceased to fund their portion of the retirement trust fund. At that point it became apparent that the affected retirees needed someone to protect their interests because neither UC nor LLNS were doing so.

In the fall of 2007, our president began organizing a group, with the initial intent of making UC retake control of the retiree medical benefits. The group was named the University of California Livermore Retiree Group (UCLRG). Between that time and the formation of the UCLRG Legal Defense Fund, UCLRG took the following steps to try to convince UC to reassume responsibility for retiree medical benefits:

1. In June 2008, we contacted a lawyer experienced in the Court of Federal Claims with the intent of enforcing the terms of the UC – DOE management contract, only to find congress had not authorized enforcing 3<sup>rd</sup> party claims against federal contracts.
2. August 11, 2008 we called Jeffery Blair, UC Acting General Counsel, about legality of moving control of benefits to LLNS because we were not getting the same benefits as other UC retirees. On August 25<sup>th</sup> DOE and LLNS modified the management contract to allow arbitrary modification of UC retiree medical benefits by LLNS.

3. In December 2008, a number of us sent letters to UC President Yudof asking for his help. We argued with several UC administrators about the situation before they decided to send us back to Jeffery Blair on 4/17/2009. We never managed to get a meeting with him.
4. In the spring of 2008, we drafted petitions to our Congresspersons, the President of UC and the Secretary of DOE, Held a mass signing party, and sent them in to no avail. By July 2009, it became apparent legal action was our only remaining option for proceeding. By then we had located lawyers willing to work with us and we realized that we would need an appropriate organization to handle soliciting and dispersing funds. We developed Articles of Association for the UCLRG Legal Defense Fund and registered as an Unincorporated Association with the State of California on 7/20/09.

### **Association Activities to date.**

We contracted with our lawyers to provide us with an initial assessment of our legal situation for the sum of \$15,000 on 8/6/2009. The outcome of the assessment was that they believed we had a viable case. They subsequently agreed to prepare the case for trial for the sum of \$150,000. To raise such sum, we believed we would have to form a 501(c)(3) organization so we could offer our donors tax-deductible contributions.

On May 10, 2010, after collecting the required funds, we entered into a second fixed cost contract with our lawyers to provide preparation of our case for court. Our lawyer's initial action was to file a request for a Writ of Mandate to return control of medical benefits to UC. UC's initial action was to file for a Demurrer. We are currently waiting for the Court to decide if a Demurrer should be issued.

We modified our Articles of Association appropriately to qualify as a 501(c)(3) public charity and submitted the revised Articles to the Secretary of State of California on 12/7/2010. We are currently waiting for their approval so we can file our form 1023.

### **Future Association Plans**

Our plans depend, in part, on the outcome of our attempt to return control of medical benefits to UC. They also depend on the interest on other DOE laboratories in our services.

There are three National Laboratories that have been or are being managed by UC including Lawrence Berkeley National Laboratory (LBNL), Lawrence Livermore National Laboratory and Las Alamos National Laboratory (LANL). The first Lab is still managed by UC and the other two are now managed by private LLC's. Fair treatment would be for retirees employed by UC to work at any of the three laboratories to get the same treatment as other UC retirees. That is not now the situation. We are currently working with LLNL retirees because they supported our quest for fair treatment. We invited LANL retirees to join us but they showed no interest. We believe that if we succeed in restoring control of LLNL retiree medical benefits to UC, LANL retirees will want to receive the same benefits and join us thereby more than doubling our

customer base. LBNL retirees are now receiving their medical benefits from UC so they have no interest in receiving our services at this time.

If we fail to return control of retiree medical benefits to UC, both LLNL and LANL retirees will need an advocate to protect what medical benefits remain and to help retirees with the mechanics of accessing and maintaining their coverage. In that event we anticipate developing bylaws to govern a relatively large customer membership organization that charges modest dues. We also would expect to organize a volunteer group, probably mostly sons and daughters of the retirees, to provide the guidance the retirees need. If we succeed in returning control of benefits to UC, we expect the UC AtYourService group to provide that guidance.

In addition to the medical coverage issues, we are concerned about the stability of the UC retirement trust fund. While UC was managing all three laboratories, there was a single monolithic trust fund. As a result of terminating UC management at two of the labs, the trust fund has been split into four parts, one for each of the laboratories and one for all other UC retirees. We don't believe any split should have been made because the affected retirees worked for and retired from UC. If such a split had to be made, we believe it should have been into 2 parts, one for the UC retirees that worked at DOE laboratories and one for all other UC employees. Instead, we have LBNL funded slightly above that actuarially required, LANL and UC each funded slightly below what is required and LLNL funded significantly below what is required. DOE has agreed to provide funding to UC to bring LLNL and LANL up to 100% funding, but we do not believe they are doing so. DOE didn't make a "best efforts" commitment but only agreed to provide the funds if congress specifically appropriated funds for that purpose.

We plan to try all available methods of addressing the pension problem but, if past experience with medical benefits hold true, we expect to have to mount a legal challenge to achieve results. Our current mode of operation, a small group of officers orchestrating the activity and appealing to the general public for funds, seems to be adequate except that the workload is high enough that we will probably have to pay our officers a modest sum in the future. A corollary of that is that we will have to have a more formal organization governed by a set of bylaws which we will need to develop,

Given that list of facts, we expect to continue with the legal action on medical benefits. We expect that our case will be strong enough that will be justified in presenting it in court. At the rate that legal action occurs, we expect to be ready for court by the end of 2011. Our lawyers believe they will be able to give us an estimate of court costs at that point. So far, we have fended off an attempt to have our case categorized as complex and we are currently fighting UC's petition for a demurrer. That appears to be the last impediment to proceeding. We anticipate beginning a fund raising campaign aimed at raising money to finish court action on the medical issue. That will probably occur in late spring or early summer of this year and continue into next year. UC's past record of litigation supports the view that they will probably be unwilling to negotiate a settlement and we will have to fight to the bitter end so it is unlikely the issue will be settled before 2014.

We will be working on developing bylaws for our association. Since we are basically an Internet association, there are no samples to borrow from so we will have to start from scratch. By the

time we have a suitable model in hand, we expect to know whether we will remain an advocacy association or a mixed advocacy and service association. We anticipate a need for some modifications to our Articles of association to mesh with our bylaws. We hope to have the organizational issues solved by the middle of 2012.

We don't expect to be able to begin addressing the pension issues until after we finish fund raising for the medical issue, probably about mid 2012, We hope to have established enough credibility with UC that they will be willing to talk to us and try to reach an accommodation without legal action, Even if they do, we would not expect a resolution until late 2013 or early 2014.

That covers our expectations through 2013. The situation is fluid enough that plans past that point are probably untenable.

Part V(2)(a) (Note 3)

Our Secretary (Walt Sokoloski) and Treasurer (Barbra Sokoloski) are married to each other.

Part V(3a)

Name	Qualifications	Hours Worked	Duties
Joe Requa	Willing to Serve	40 Hr/Wk	see Articles, Page 1 Section III
Jim Wharton	Willing to Serve	1/2 Hr/Wk	see Articles, Page 1 Section III
Walt Sokoloski	Willing to Serve	1/2 Hr/Wk	see Articles, Page 1 Section III
Barbara Sokoloski	Willing to Serve	2 Hr/Wk	see Articles, Page 1 Section III

Part V(4)(a,d,e,f,g) (Note 4)

We have no compensation so the items relating to compensation do not apply to us.

Part V (b) (Note 5)

Same answer as above (Note 4)

Part V(c) (Note 6)

We do not and do not plan to have business deals with ourselves or other parties, so we don't see a need for a conflict of interest policy to protect our donors or ourselves. If the situation changes, we will establish an appropriate policy.

Part VI(1)(a) (Note 6)

When retirees have problems and ask for help, we do our best to help them. We do not provide goods or funds.

Part VI(2) (Note 7)

At the moment, we work only with UC retirees that worked at LLNL and retired from UC. That may change to include UC retirees from LANL and LBNL in the future. We only provide help, not goods or funds. We try to help any retirees who ask us for help.

Part VIII(2a) (Note 8)

If some time in the future, legislation is proposed that reduces or eliminates the vested rights of the retirees we serve, we may decide to try to influence that legislation. In that event, we will file Form 5768.

Part VIII(3c) (Note 9)

Not applicable

Part VIII(4a) (Note 10)

We are not sure what you want here. We send email or mail solicitations to people who indicate interest our activities and accept any cash donations they send. We are not in a position to accept donations other than cash and we do not offer merchandise to encourage donations. In the future, we would like to accept online donations (Paypal, Google, Credit Cards, etc.) on our website. If/when we find a volunteer willing and able to provide the necessary mechanisms, we will do so.

Part VIII(4d) (Note 11)

We primarily solicit in California with a few solicitations going out of state. We solicit only for ourselves and nobody solicits for us. We have no presence in any state except California.