

**Application for Recognition of Exemption (99)  
 Under Section 501(c)(3) of the Internal Revenue Code**

(Use with the June 2006 revision of the Instructions for Form 1023 and the current Notice 1382)

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** 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 <b>organizing document</b> ) <b>Charitocracy Corporation</b>		<b>2</b> c/o Name (if applicable) <b>Jessica Sands</b>
<b>3</b> Mailing address (Number and street) (see instructions) <b>PO Box 7241</b>	Room/Suite	<b>4</b> Employer Identification Number (EIN) <b>81-0956274</b>
City or town, state or country, and ZIP + 4 <b>Kill Devil Hills, NC 27948-7241</b>		<b>5</b> Month the annual accounting period ends (01-12) <b>12</b>
<b>6</b> Primary contact (officer, director, trustee, or <b>authorized representative</b> ) a Name: <b>Jessica Sands</b>		b Phone: <b>617-943-1776</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>http://charitocracy.org</b>		
b Organization's email: (optional) <b>jessica@charitocracy.org</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>12 / 18 / 2015</b>
<b>12</b> Were you formed under the laws of a <b>foreign country</b> ? 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 corporation), 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**

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- 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**

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- 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**

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- 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**

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- 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 4

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- 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 5
- 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: \_\_\_\_\_

**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)
Jessica Sands	CEO & President	PO Box 7241 Kill Devil Hills, NC 27948-7241	annual est. \$95,000
Benjamin Lipchak	CTO & Vice President	PO Box 7241 Kill Devil Hills, NC 27948-7241	annual est. \$93,000

**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)

**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)

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**?  **Yes**  **No**  
If "Yes," identify the individuals and explain the relationship.
- 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.
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- 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.
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- 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**
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- 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**
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- 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.
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- 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 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 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?  Yes  No  
If "Yes," describe each program that provides goods, services, or funds to individuals.
- b** In carrying out your exempt purposes, do you provide goods, services, or funds to organizations?  Yes  No  
If "Yes," describe each program that provides goods, services, or funds to organizations.
- 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 of 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.  **Yes**  **No**  
(See instructions.)

- |   |  |
|---|--|
| <input type="checkbox"/> mail solicitations                         | <input type="checkbox"/> phone solicitations                                   |
| <input checked="" type="checkbox"/> email solicitations             | <input checked="" type="checkbox"/> accept donations on your website           |
| <input type="checkbox"/> personal solicitations                     | <input type="checkbox"/> receive donations from another organization's website |
| <input type="checkbox"/> vehicle, boat, plane, or similar donations | <input type="checkbox"/> government grant solicitations                        |
| <input type="checkbox"/> foundation grant solicitations             | <input type="checkbox"/> 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.
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- 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"/> <b>Yes</b> | <input checked="" type="checkbox"/> <b>No</b> |
| <b>16</b> | Are you applying for exemption as a cooperative hospital service organization under section 501(e)? If "Yes," explain.   | <input type="checkbox"/> <b>Yes</b> | <input checked="" type="checkbox"/> <b>No</b> |
| <b>17</b> | Are you applying for exemption as a <b>cooperative service organization of operating educational organizations</b> under section 501(f)? If "Yes," explain.  | <input type="checkbox"/> <b>Yes</b> | <input checked="" type="checkbox"/> <b>No</b> |
| <b>18</b> | Are you applying for exemption as a <b>charitable risk pool</b> under section 501(n)? If "Yes," explain.   | <input type="checkbox"/> <b>Yes</b> | <input checked="" type="checkbox"/> <b>No</b> |
| <b>19</b> | Do you or will you operate a <b>school</b> ? If "Yes," complete Schedule B. Answer "Yes," whether you operate a school as your main function or as a secondary activity.   | <input type="checkbox"/> <b>Yes</b> | <input checked="" type="checkbox"/> <b>No</b> |
| <b>20</b> | Is your main function to provide <b>hospital or medical care</b> ? If "Yes," complete Schedule C.  | <input type="checkbox"/> <b>Yes</b> | <input checked="" type="checkbox"/> <b>No</b> |
| <b>21</b> | Do you or will you provide <b>low-income housing</b> or housing for the <b>elderly</b> or <b>handicapped</b> ? If "Yes," complete Schedule F.  | <input type="checkbox"/> <b>Yes</b> | <input checked="" type="checkbox"/> <b>No</b> |
| <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"/> <b>Yes</b> | <input checked="" type="checkbox"/> <b>No</b> |

**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>1/1/16</u> To <u>12/31/16</u>	(b) From <u>1/1/17</u> To <u>12/31/17</u>	(c) From <u>1/1/18</u> To <u>12/31/18</u>	(d) From _____ To _____	
Revenues	<b>1</b> Gifts, grants, and contributions received (do not include unusual grants)	17,000	270,000	2,500,000		2,787,000
	<b>2</b> Membership fees received	0	0	0		0
	<b>3</b> Gross investment income	50	810	7,500		8,360
	<b>4</b> Net unrelated business income	0	0	0		0
	<b>5</b> Taxes levied for your benefit	0	0	0		0
	<b>6</b> 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
	<b>7</b> Any revenue not otherwise listed above or in lines 9–12 below	0	0	0		0
	<b>8</b> Total of lines 1 through 7	17,050	270,810	2,507,500		2,795,360
	<b>9</b> Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to your exempt purposes	0	0	0		0
	<b>10</b> Total of lines 8 and 9	17,050	270,810	2,507,500		2,795,360
<b>11</b> Net gain or loss on sale of capital assets	0	0	0		0	
<b>12</b> Unusual grants	0	0	0		0	
<b>13</b> Total Revenue Add lines 10 through 12	17,050	270,810	2,507,500		2,795,360	
Expenses	<b>14</b> Fundraising expenses	3,000	10,000	20,000		
	<b>15</b> Contributions, gifts, grants, and similar amounts paid out					
	<b>16</b> Disbursements to or for the benefit of members	0	0	0		
	<b>17</b> Compensation of officers, directors, and trustees	0	20,000	188,000		
	<b>18</b> Other salaries and wages	0	0	0		
	<b>19</b> Interest expense	0	0	0		
	<b>20</b> Occupancy (rent, utilities, etc.)	0	0	0		
	<b>21</b> Depreciation and depletion	0	0	0		
	<b>22</b> Professional fees	2,000	4,000	6,000		
	<b>23</b> Any expense not otherwise classified, such as program services	0	0	0		
	<b>24</b> Total Expenses Add lines 14 through 23	5,000	34,000	214,000		

**Part IX Financial Data (Continued)**

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

<b>Assets</b>			
1	Cash . . . . .	1	0
2	Accounts receivable, net . . . . .	2	0
3	Inventories . . . . .	3	0
4	Bonds and notes receivable . . . . .	4	0
5	Corporate stocks . . . . .	5	0
6	Loans receivable . . . . .	6	0
7	Other investments . . . . .	7	0
8	Depreciable and depletable assets . . . . .	8	0
9	Land . . . . .	9	0
10	Other assets . . . . .	10	0
11	Total Assets (add lines 1 through 10) . . . . .	11	0
<b>Liabilities</b>			
12	Accounts payable . . . . .	12	0
13	Contributions, gifts, grants, etc. payable . . . . .	13	0
14	Mortgages and notes payable . . . . .	14	0
15	Other liabilities . . . . .	15	0
16	Total Liabilities (add lines 12 through 15) . . . . .	16	0
<b>Fund Balances or Net Assets</b>			
17	Total fund balances or net assets . . . . .	17	0
18	Total Liabilities and Fund Balances or Net Assets (add lines 16 and 17) . . . . .	18	0
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.

**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. \_\_\_\_\_
- (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 \$850. 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 \$400. 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 \$400 (Subject to change—see above).  
 If "No," check the box on line 3 and enclose a user fee payment of \$850 (Subject to change—see above).
- 2** Check the box if you have enclosed the reduced user fee payment of \$400 (Subject to change).
- 3** Check the box if you have enclosed the user fee payment of \$850 (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)

**Jessica Sands**

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

.....  
 (Date)

**CEO**

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

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

Form **1023** (Rev. 12-2013)

**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.

We have no past or present activities, only planned activities described here.

100% of our time is allocated to a single activity, which is in direct support of our exempt purpose: facilitating charitable fundraising for the public benefit. We (officers and perhaps future employees, contractors, or volunteers) will design and implement the IT infrastructure to enable the pooling of many small donations from the general public into more significant sums that will be voted on and distributed to elected charitable causes, initially limited specifically to other established 501(c)(3) organizations. We believe by making it easy and fun to donate, nominate, and vote, we will mobilize more charitable dollars and engage more segments of the general public as philanthropists, even if individually at a small scale.

The activity is funded primarily through donations from the general public, which will cover the operational costs (human, equipment, transaction/data fees) with the vast majority being distributed to recipient charitable organizations. The intention is for the fixed overhead to dramatically decrease as a percentage of the total donation pool as the donor base grows over time, placing it amongst the most efficient charitable organizations. We may seek grants from the government and NGOs or corporate sponsorships where practical to help reduce overhead costs, but the lifeblood of the organization will be donations from the general public being distributed to other charitable causes.

This activity will take place throughout the year, with donations being accepted at all times, and distributions being paid out at intervals, e.g. monthly. We anticipate donations from Americans in all states and jurisdictions and possibly some foreign donors, too, and over time if we are successful domestically we'll consider growing the scope of our operations to include foreign recipients as well. Initially we'll host a general fund where donations are pooled and, after operational costs are deducted, the balance is paid out to a 501(c)(3) organization nominated and elected by the donor base. We'd like to grow the activity in the following ways if we're successful with the initial offering:

- 1) Facilitate direct donations to specific recipient organizations. In addition to a small recurring contribution to the general fund (e.g. \$1/month) we could also empower donors to make donations (of any size) to particular charities of their choosing, not subject to the whims of the entire donor base. The value add here is twofold: first, per-transaction fees may be reduced by consolidating multiple donations from different donors to the same cause, thereby passing along closer to 100% of the donation to the recipient cause; second, by offering "one-stop-shopping" for donations, we can simplify record keeping (receipts) for tax returns.
- 2) Create additional pooled funds with specific purposes. The general fund, due to its broad use by donors from all over the country, will likely be voted to distribute funds to "lowest-common-denominator" popular charities that have wide appeal. It would be exciting to also contribute funds to special interest pools, e.g. geographic localities, medical research, or animal welfare. Having more niche pools will encourage a greater diversity of recipients as well as donors.
- 3) Consider non-501(c)(3) organizations as potential recipient nominees. This would require a more resource intensive vetting and monitoring process to ensure that non-501(c)(3) nominees are well-aligned with our exempt purpose of charitable fundraising for the public benefit, and if elected to receive funds, that the use of funds is well documented and verified after the fact.
- 4) Increase the scope to include foreign recipient organizations. Operating the same pooled funds at an international level would increase our scope of impact, but it would again be more resource intensive having to vet applications and monitor fund usage in other parts of the world. (Accepting foreign donations paid out to domestic 501(c)(3) organizations will probably not present a problem.)

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

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.

The co-founders, Jessica Sands and Benjamin Lipchak, are a married couple.

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

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.

Jessica Sands, master's degree in education from Emerson and president of two community nonprofits and board member of a third, avg. 20 hours/week, all administrative duties including record keeping, compliance, donor outreach, social media, also role of Secretary [note: compensation to be prorated until supported by revenue and full-time hours warranted]

Benjamin Lipchak, MBA from Babson, master's degree in computer science from WPI, avg. 30 hours/week, all software engineering, web site and mobile app design, also role of Treasurer [note: compensation to be prorated until supported by revenue and full-time hours warranted]

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

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.

See Bylaws attachment, Article X. This policy was adopted by resolution of the board of directors.

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

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.

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

1b. 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.

We are not yet operational, but our donors will, through our service, pool their donations and vote on how to distribute the funds to other organizations. Additionally, we intend to facilitate direct donations to other 501(c)(3) organizations, reducing per-transaction costs by consolidating donations from different donors to the same organization into a single payment transaction.

**Part VIII Your Specific Activities**

4c. 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.

We will only indirectly fundraise for other organizations. We will directly fundraise for our own organization, but then our donors will vote on how to distribute the funds to other charitable organizations.

**Part VIII Your Specific Activities**

4d. 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.

We will attract donors via our web site (and related apps and social media) and these donors will hail from any and hopefully all states and local jurisdictions. We will fundraise for our own organization, which in turn elects to fund other organizations. We will not fundraise for any other specific organizations, nor do we expect any other organization to fundraise for us.

**Part VIII Your Specific Activities**

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.

Charitocracy Corporation will own any patents, copyrights, trademarks, or other intellectual property that it creates or is donated to it. Presently we have a logo which we'll register as a trademark once we begin operating. We may also produce (video or other media) promotional materials about our activities, for which we may decide to charge fees as a fundraiser. We will determine the potential fees when such an opportunity presents itself.

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**Part VIII Your Specific Activities**

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.

We will only solicit monetary donations as part of our normal operations, but if a donor reaches out with a valuable illiquid contribution that would assist in our exempt purpose, we would consider it on an individual basis if any conditions imposed by the donor were acceptable.

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**Part VIII Your Specific Activities**

12b. Name the foreign countries and regions within the countries in which you operate.

We do not operate in any foreign country presently, but once established domestically we will also accept donations from donors in foreign countries. Eventually we would consider expanding to include foreign charitable organizations as potential funding recipients, but the intensive resources required to monitor that funds are used only to advance our exempt purposes may preclude such expansion.

---

**Part VIII Your Specific Activities**

12c. Describe your operations in each country and region in which you operate.

We do not presently operate in any foreign countries. Should we expand to do so in the future, our operations would be the same as our domestic operations, but would perhaps distribute funds to foreign charitable organizations if sufficient vetting and monitoring procedures were put in place.

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**Part VIII Your Specific Activities**

12d. Describe how you operate in each country and region further your exempt purposes

We do not presently operate in any foreign countries. Should we expand to do so in the future, our foreign operations would match our domestic ones with the same exempt purposes of fundraising for the public benefit. Foreign expansion would simply increase our magnitude and scope of impact.

---

**Part VIII Your Specific Activities**

13b. Describe how your grants, loans, or other distributions to organizations further your exempt purposes.

These distributions to other organizations are the primary function of our organization. Our exempt purpose is to fundraise for the public benefit. We will mobilize small donations from many donors, many of whom would not give as much (or at all) if we didn't make it so easy and engaging.

**Part VIII Your Specific Activities**

13d. Identify each recipient organization and any **relationship** between you and the recipient organization.

We have not begun operating yet. Recipient organizations will be elected collectively by our donors. There will be no relationship between us and our recipient organizations, other than that forged for the purposes of distributing funds and following up on outcomes.

**Part VIII Your Specific Activities**

13e. Describe the records you keep with respect to the grants, loans, or other distributions you make.

We will keep records of all our distributions, including the date, the recipient organization, the sum, and where practical, which donors contributed to the sum being distributed.

**Part VIII Your Specific Activities**

13f. 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.
- (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.

For established 501(c)(3) recipient organizations, we will not require an application form. Donors will be free to nominate 501(c)(3) organizations with the expectation that the organizations are operating in good faith according to their own exempt purposes.

Should we expand to consider other organizations, we will require an application and/or grant proposal that includes all of the provisions listed in 13f.(ii) to ensure that funds are properly used by the recipient.

**Part VIII Your Specific Activities**

13g. 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.

For established 501(c)(3) recipient organizations, we will not provide additional oversight. Donors will collectively vote to elect recipient 501(c)(3) organizations with the expectation that the organizations are operating in good faith according to their own exempt purposes, and we'll encourage their due diligence when selecting worthy causes. Our exempt purpose is simply to facilitate this donation pooling and distribution.

Should we expand to consider other organizations, for which an application and/or grant proposal would be required before nomination, after election of such a recipient we would also require periodic and final reports on the use of funds as a means of oversight so ensure the advancement of our exempt purposes.

**Part VIII Your Specific Activities**

14b. 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.

We have not begun operating yet, so expansion beyond domestic 501(c)(3) recipient organizations is premature. Should we expand, foreign recipient organizations will be elected collectively by our donors the same as they are domestically. There will be no relationship between us and our recipient organizations, other than that forged for the purposes of distributing funds and monitoring their proper use.

**Part VIII Your Specific Activities**

14d. 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.

We will make our ultimate authority clear when donors make their contributions and/or when they cast their votes on which organizations to fund.



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**Part VIII Your Specific Activities**

14e. 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.

If we expand to foreign operations, we will inquire about the recipient organization's financial status, its tax-exempt status, and its ability to accomplish its purpose before making a grant to ensure that it is advancing our own exempt purpose.

---

**Part VIII Your Specific Activities**

14f. 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.

We will conduct site visits or engage impartial experts to perform compliance checks or use other effective means to verify that grant funds are being used appropriately.

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**Part IX Financial Data**

14. Fundraising expenses

Approximate breakdown of fundraising expense projections:

~75%: web/database/server hosting and related fees

~20%: social media and other marketing

~5%: postage & misc. office expenses