

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

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

1 Full name of organization (exactly as it appears in your organizing document)		2 c/o Name (if applicable)	
Military Children's Charity		Cherie Navarro	
3 Mailing address (Number and street) (see instructions)		Room/Suite	4 Employer Identification Number (EIN)
1575 East 17th Street			27-2224992
City or town, state or country, and ZIP + 4		5 Month the annual accounting period ends (01 - 12)	
Santa Ana, California, 92705-8506		02	
6 Primary contact (officer, director, trustee, or authorized representative)		b Phone: (714) 619-0229	
a Name: Cherie Navarro		c Fax: (optional) (714) 619-0252	
7 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 2648, <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	
8 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: http://www.militarychildrenscharity.org			
b Organization's email: (optional) [REDACTED]			
10 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	
11 Date incorporated if a corporation, or formed, if other than a corporation. (MM/DD/YYYY)		02 / 22 / 2010	
12 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): Article Four (a)
- 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. Article Five, Paragraph Two
- 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: not applicable

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)
Cherie Navarro	Chief Executive Officer	1575 E. 17th Street Santa Ana, CA 92705-8506	none
Kristin Houston	Vice-President	1575 E. 17th Street Santa Ana, CA 92705-8506	none
Patrice Johnston	Chief Financial Officer	1575 E. 17th Street Santa Ana, CA 92705-8506	none
Karen Imfeld	Secretary	1575 E. 17th Street Santa Ana, CA 92705-8506	none
Reverend Chris Heath	Member at Large	1575 E. 17th Street Santa Ana, CA 92705-8506	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)

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? 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?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
f	Do you or will you record in writing both the information on which you relied to base your decision and its source?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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?	
	<i>Note:</i> 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.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)

- 15 Do you have a close connection with any organizations? If "Yes," explain. Yes No
- 16 Are you applying for exemption as a cooperative hospital service organization under section 501(e)? If "Yes," explain. Yes No
- 17 Are you applying for exemption as a cooperative service organization of operating educational organizations under section 501(f)? If "Yes," explain. Yes No
- 18 Are you applying for exemption as a charitable risk pool under section 501(n)? If "Yes," explain. Yes No
- 19 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. Yes No
- 20 Is your main function to provide hospital or medical care? If "Yes," complete Schedule C. Yes No
- 21 Do you or will you provide low-income housing or housing for the elderly or handicapped? If "Yes," complete Schedule F. Yes No
- 22 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. Yes 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 03/2010 To 02/2011	(b) From 03/2011 To 02/2012	(c) From 03/2012 To 02/2013	(d) From To	
Revenues	1 Gifts, grants, and contributions received (do not include unusual grants)	56,600	129,000	263,000		448,600
	2 Membership fees received					
	3 Gross investment income					
	4 Net unrelated business income					
	5 Taxes levied for your benefit					
	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)					
	7 Any revenue not otherwise listed above or in lines 9-12 below (attach an itemized list)					
	8 Total of lines 1 through 7	56,600	129,000	263,000		448,600
	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)					
	10 Total of lines 8 and 9	56,600	129,000	263,000		448,600
11 Net gain or loss on sale of capital assets (attach schedule and see instructions)						
12 Unusual grants						
13 Total Revenue Add lines 10 through 12	56,600	129,000	263,000		448,600	
Expenses	14 Fundraising expenses	500	1,000	2,000		
	15 Contributions, gifts, grants, and similar amounts paid out (attach an itemized list)					
	16 Disbursements to or for the benefit of members (attach an itemized list)					
	17 Compensation of officers, directors, and trustees					
	18 Other salaries and wages					
	19 Interest expense					
	20 Occupancy (rent, utilities, etc.)	2,550	3,600	12,000		
	21 Depreciation and depletion					
	22 Professional fees					
	23 Any expense not otherwise classified, such as program services (attach itemized list)	10,065	10,030	17,880		
	24 Total Expenses Add lines 14 through 23	13,115	14,630	31,880		

Part X Financial Data (Continued)

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

Year End: **02/2011**

		(Whole dollars)	
Assets			
1	Cash	1	2,032
2	Accounts receivable, net	2	
3	Inventories	3	
4	Bonds and notes receivable (attach an itemized list)	4	
5	Corporate stocks (attach an itemized list)	5	
6	Loans receivable (attach an itemized list)	6	
7	Other investments (attach an itemized list)	7	
8	Depreciable and depletable assets (attach an itemized list)	8	600
9	Land	9	
10	Other assets (attach an itemized list)	10	
11	Total Assets (add lines 1 through 10)	11	2,632
Liabilities			
12	Accounts payable	12	76
13	Contributions, gifts, grants, etc. payable	13	
14	Mortgages and notes payable (attach an itemized list)	14	
15	Other liabilities (attach an itemized list)	15	2,550
16	Total Liabilities (add lines 12 through 15)	16	2,626
Fund Balances or Net Assets			
17	Total fund balances or net assets	17	6
18	Total Liabilities and Fund Balances or Net Assets (add lines 16 and 17)	18	2,632
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 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 (a) 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 \$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 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)


(Type or print name of signer)

06/01/2010

(Date)


(Type or print title or authority of signer)

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

Part IV

Primary Programs

Military Base Program:

The purpose of this program is to provide gifts and recognition to children attached to American military installations. The regulations on military gifting are specific regarding how much may be given to military dependents within a pre-determined time frame. Thus, to alleviate the concern of 'over-gifting' to any particular dependent, this program will instead be giving directly to each base's head Family Readiness Officer the goods M.C.C. collects. M.C.C. has no interest in following troop movements or deployments. The Family Readiness Officers are assigned this task full time, and they are the most competent at determining which units require the most assistance at any given moment. Also, this will alleviate the challenge of M.C.C. tracking how many gifts were given to specific children during a specific time frame. This program will be overseen by the volunteer Chief Executive Officer.

M.C.C. has a blog site dedicated to discussing this program and updating the public on this organization's progress.

Orange County Connection Program:

The OC Connection Program's purpose is to place military children living apart from the military bases in touch with each other. M.C.C. is piloting this program first in Orange County to set up a social network, where annually these children will come together for a summer event and be provided with backpacks filled with school supplies. This event will be focused on not only recognizing their sacrifices but giving this demographic a chance to socialize with other children experiencing their similar living situation. If successful, this program will expand to include a holiday party each December. A second blog has been set up dedicated to these children living within Orange County to network and comment regarding various topics. This program does require that M.C.C. track the amount of gifts given to each child so that none of the military regulations are violated. Also, this program will require a volunteer Director.

Bereavement Program:

The Bereavement program is intended to gift directly to children whose parent has been killed in military service. M.C.C. will 'adopt' each child into a giving program for year-round gifting. M.C.C., with the surviving parent's consent, will continue to provide gifts to the child until they reach eighteen years of age or graduate high school. If the child moves from their present location, M.C.C. will continue to ship presents to the child where they relocate to. This program will require a volunteer Director.

Seasonal Non-Profit Operations

Summary:

The 'Four Season' collections are the bread and butter of Military Children's Charity's operations. Isaiah Navarro determined each season's collection drive ideas based on being a military child himself. Military children ranging in age from newborn babies to eighteen year old teens will be included.

Every year Isaiah's family has struggled to purchase a backpack and all of the necessary school supplies on a tight budget. A child being properly prepared for school with the required equipment is the first step towards academic success. No military family should have to choose between paying their bills in August and purchasing an appropriate set of school supplies for their children.

During the holiday season, the challenge remains that Isaiah's family has a tight budget, and he often received only one or two gifts from his parents. The purpose of the holiday toy drive is to supplement the quantity of gifts each military child receives. For some military children this has not been an issue, but for the poorest of our service families the purchase of one to two minor holiday gifts is a struggle.

Again, during the Easter Season the intention is to collect or create Easter Baskets, supplemented with other small gifts, to acknowledge the military child while alleviating the parent's budget.

Lastly, the event tickets are intended as a psychological relief for the military children who are facing tremendous mental stress. Isaiah recalls that during his father's deployments his anxiety for his father's safety increased substantially. The constant worry and fear of the unknown associated with deployment situations places an undue burden on military children of all ages. The purpose of the theme park ticket collection is for the families to enjoy quality time together without financial burden. Also, for the children with a parent deployed to experience a stress-free day devoted to having fun.

Each season M.C.C. will host a collection drive among the general public; soliciting donations to be delivered to the military bases at the close of that particular season. Financial donations will be sought each season towards the purchase of additional gifts to provide to the military children. For example, if Camp Pendleton requests 6,000 holiday toys in the Winter Season, and M.C.C. is only able to collect 3,000 toys, some of the financial donations received for the season will be utilized towards purchasing the toys in local stores.

Fall Season:

From June 2nd to August 1st, M.C.C.'s Fall Season will be devoted to collecting backpacks and school supplies for military children of all ages. The season dates are set specifically to have the gifts collected in time for the children to return to school in the fall prepared. The gifting of backpacks and school supplies will alleviate the military parent's budget for the school year. The intention is to contract with major suppliers, such as Target or Wal-mart, to donate a large portion of this season's goods to the military children. This season will have a volunteer Director appointed by the Board. The backpacks/ school supplies will be stored at the donor warehouse, Orange County Windustrial, for delivery to the base Family Readiness Officers on August 2nd. Additionally, the children participating in the Orange County Connection program will receive their backpack/ school supplies at the annual event hosted in their honor.

Winter Season:

From August 2nd to December 1st, M.C.C.'s Winter Season will be dedicated to collecting gifts, primarily toys and gift cards to deliver in time for the military base holiday parties. Each military child collected for will receive two new toys, at an estimated \$10.00 monetary value per toy. The purpose of this season is to recognize the sacrifices of military children, while alleviating their parent's budget during the holiday. Isaiah Navarro will be the Director of this season and in charge of coordinating the overall collection drives. The toys will be stored in Orange County Windustrial's warehouse until delivery on December 2nd to the respective military base Family Readiness Officers.

Spring Season:

From December 2nd to the 2nd Week of March, M.C.C.'s Spring Season will be devoted to collecting Easter Gift Baskets, stuffed animals, gift cards and egg hunting supplies for military children. The collected items will be stored in the donated warehouse for delivery to the military base Family Readiness Officers in time for the spring parties. An individual volunteer Director will be appointed by the Board to oversee this season's collection drive.

Summer Season:

From the 3rd Week of March to June 1st, M.C.C.'s Summer Season will be devoted to collecting event tickets. The primary purpose of this season is to allow military children and their parents' to take a day off, in summer, to de-stress and enjoy quality time together. If the child's parent is deployed, then the purpose is to allow the children a break from the stress of daily life living on base. This season M.C.C. will be collecting Theme Park tickets and Movie Theater passes. The collection will take place to allow time for delivery to the military base Family Readiness Officers on June 2nd. An individual volunteer Director will be appointed by the Board to oversee this collection drive.

Monthly Non-Profit Operations**Purpose:**

The purpose of the monthly collection drives, in addition to the major seasonal strategy, is to keep the cause of Military Children present year round in the community. The smaller collection drives allows different groups to participate on a micro scale versus committing to an entire three month project. Anyone choosing to participate may join M.C.C. year round collecting every single month, or simply get involved one month out of the year.

Annual Calendars:

Each monthly collection effort will have a specific theme which is to be determined one year in advance.

Part V, Line 1a

Name: Melissa M. Browder
 Title: Member at Large
 Mailing Address: 1575 East 17th Street, Santa Ana, CA 92705-8506
 Compensation Amount: none

Name: Catherine DeCoro
 Title: Member at Large
 Mailing Address: 1575 East 17th Street, Santa Ana, CA 92705-8506
 Compensation Amount: none

Name: Isaiah Navarro
 Title: Director of Advisory Board
 Mailing Address: 1575 East 17th Street, Santa Ana, CA 92705-8506
 Compensation Amount: none

Name: Tonya McGraw
 Title: Member of Advisory Board
 Mailing Address: 1575 East 17th Street, Santa Ana, CA 92705-8506
 Compensation Amount: none

Part V, Line 2a

Isaiah Navarro, a 14-year old Marine Corps dependent, wanted to offer charity and recognition to military children like him, by founding Military Children's Charity, Inc. His mother, Cherie Navarro, agreed to assist Isaiah in legally founding this corporation and utilizing her extensive business background/ degree to serve as the volunteer Chief

Executive Officer. Isaiah is serving as the Director of the Advisory Board and does not hold a legal vote on the Board of Directors.

Cherie Navarro's mother is Patrice Johnston and is also Isaiah's maternal grandmother. Patrice Johnston was not chosen to serve as the Chief Financial Officer based on their familial relationship. Rather, Patrice has twice been employed by the Department of Defense; once by the U.S. Navy and once by the Lawrence Livermore Nuclear Laboratory. Patrice is currently employed as the Office Manager for a successful children's charity, where she handles all aspects of the bookkeeping, human resources and payroll.

Part V, Line 4

Article 9 of Military Children's Charity's Bylaws, titled "Conflict of Interest and Compensation Approval Policies," (Pages 20-26) specifically outlines instructions in regards to determining compensation if this were to become necessary. Additionally, **Section 5** of **Article 9**, titled "Compensation Approval Policies," (Pages 23-25) further specifies detailed instructions which the Board of Directors must follow were this organization to decide to compensate employees at a future date.

Part V, Line 5a

Article 9 of Military Children's Charity's Bylaws includes a Conflict of Interest section starting on Page 20. **Article 9** includes **Section 6** (Page 26) which requires "Each director, principal officer, and member of a committee with governing board delegated powers shall annually sign a statement..." At a Board Meeting on March 26, 2010 the Board of Directors voted to adopt the IRS's sample Conflict of Interest Policy verbatim as enclosed.

Part VI, Line 1a

Military Children's Charity has two programs specifically to provide goods to individuals. The Orange County Connection Program will provide goods to individual American military children residing within Orange County, California. The Bereavement Program will provide goods to any individual American military child whose parent was killed in military service to the United States of America.

Part VI, Line 1b

Military Children's Charity's primary program, our Military Base Program, is set up to specifically provide goods to the children stationed aboard American military installations. This will be accomplished by providing our donations directly to each base's head Family Readiness Officer for distribution among the families. For this specific program the organization we are providing the goods to are the various Military branches.

Part VI, Line 2

Military Children's Charity limits providing goods and services only to the children of American Servicemembers, whose parent is either serving on Active Duty, Reserve Duty or was killed in military service to the United States of America. This limits our gifting to current military dependents for the Military Base and Orange County Connection programs.

Part VIII, Line 4a**Summary:**

Military Children's Charity has adopted an aggressive and diverse fundraising strategy. Due to the importance of fundraising towards the overall success of a Non-Profit, M.C.C. will maintain strict control over this area of operations. Countless legislation has been enacted as a result of tremendous abuse by Non-Profits implementing their fundraising plans. For this reason, M.C.C., at all times, will maintain strict control over its fundraising activities and will not contract out to any consultants or fund developers. All fundraising will be directed and occur in-house within M.C.C.'s Board of Directors and Advisory Board.

M.C.C. is mindful that donations must come from many different public, private and government sources to avoid any strong dependency forming from one main funding source.

Direct Mail Solicitations:

Direct mass mailings are a strategy M.C.C. plans to practice for fundraising donations. Mailings will occasionally be targeted at specific groups or individuals within the community who are preselected. The purpose will be to reach donors who are not likely to learn of M.C.C.'s programs on the internet. As M.C.C. expands the company may decide to purchase donor listings.

Email Solicitations:

Email solicitations will take place by introducing potential donors to M.C.C.'s website, its programs/services or by sending press releases to predetermined email groups to gain publicity.

Personal Solicitations:

M.C.C.'s Board of Directors and Advisory Board will be casually soliciting personal donations from within their own personal network, amongst friends, family members and co-workers.

Foundation Grant Solicitations:

Military Children's Charity intends to apply for both public and private grants, as frequently as appropriate opportunities arise.

Phone Solicitations:

Although telephone solicitations will be rare, specific potential donors may be contacted via cold calling. M.C.C. does not intend to partake in telemarketing solicitation strategies.

Accept Donations on Website:

M.C.C.'s website details the company's different gifting programs and will be set up with a PayPal account to accept donations directly. Also, M.C.C.'s two blogs will also be used to encourage and solicit funds donations.

Government Grant Solicitations:

Various local, state and federal grants will be applied for by Military Children's Charity. Given that M.C.C.'s gifting is directed at the children of American Servicemembers, the expectation is that this will be a substantial source of funding for future revenues.

Other - Social Networking Sites:

All appropriate social networking sites will be utilized to solicit donations and increase awareness about M.C.C. For example, Facebook will have an M.C.C. dedicated 'Fan Page' and 'Cause' page. Other sites will be used as well, such as Twitter and YouTube.

Part VIII, Line 4d

Military Children's Charity is planning to conduct fundraising in California where we are headquartered and registered with the California Secretary of State. All fundraising will be conducted by Military Children's Charity and we will not be fundraising for other organizations. If Military Children's Charity expands outside of California, it will be on a state-by-state basis only after filing the necessary permits within those individual states.

Part IX, A. Statement of Revenues and Expenses, Line 23 (itemized list)

There is a discrepancy between the rent stated on the IRS 1023 application, Part IX, line 20 and the following expenses listing. The rent is \$200.00 per month to lease from Orangewood. However, the \$200.00 deposit and pro-rated first month's rent of \$150.00 are included in the "Start-Up Expenses" category below, not the "Rent Expense," category in the following 'Expenses' portion of M.C.C.'s projected Income Statement.

Expenses:	2010-2011	2011-2012	2012-2013
Start Up Expenses	\$5,399.88		
Technology Expense	1,185.00	2,230.00	4,280.00
Marketing Expense	1,000.00	3,000.00	5,000.00
Fundraising Expense	500.00	1,000.00	2,000.00
Rent Expense	2,200.00	3,600.00	12,000.00
Conference Expenses	400.00	800.00	1,600.00
Insurance Expense	1,750.00	2,000.00	2,500.00
Postage Expense	400.00	1,500.00	3,000.00
Banking/ Merchant Expense	<u>280.00</u>	<u>500.00</u>	<u>1,500.00</u>
Total Expenses	\$13,114.88	\$14,630.00	\$31,880.00

Part IX, B. Balance Sheet, Line 8, (itemized list)

The only depreciable assets M.C.C. has acquired yet:

Used Dell Desktop Computer & Monitor.....estimated value \$500.00
 HP Printer.....estimated value \$100.00
 Total.....estimated value \$600.00

Part IX, B. Balance Sheet, Line 15, (itemized list)

Rental Lease Liability for 2010-2011.....\$2,550.00