

# Form 1023 Checklist

(Revised June 2006)

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

**Note.** Retain a copy of the completed Form 1023 in your permanent records. Refer to the General Instructions regarding Public Inspection of approved applications.

**Check each box to finish your application (Form 1023). Send this completed Checklist with your filled-in application. If you have not answered all the items below, your application may be returned to you as incomplete.**

- ☒ Assemble the application and materials in this order:
- Form 1023 Checklist
  - Form 2848, *Power of Attorney and Declaration of Representative* (if filing)
  - Form 8821, *Tax Information Authorization* (if filing)
  - Expedite request (if requesting)
  - Application (Form 1023 and Schedules A through H, as required)
  - Articles of organization
  - Amendments to articles of organization in chronological order
  - Bylaws or other rules of operation and amendments
  - Documentation of nondiscriminatory policy for schools, as required by Schedule B
  - Form 5768, *Election/Revocation of Election by an Eligible Section 501(c)(3) Organization To Make Expenditures To Influence Legislation* (if filing)
  - All other attachments, including explanations, financial data, and printed materials or publications. Label each page with name and EIN.
- ☒ User fee payment placed in envelope on top of checklist. DO NOT STAPLE or otherwise attach your check or money order to your application. Instead, just place it in the envelope.
- ☒ Employer Identification Number (EIN)
- ☒ Completed Parts I through XI of the application, including any requested information and any required Schedules A through H.
- You must provide specific details about your past, present, and planned activities.
  - Generalizations or failure to answer questions in the Form 1023 application will prevent us from recognizing you as tax exempt.
  - Describe your purposes and proposed activities in specific easily understood terms.
  - Financial information should correspond with proposed activities.
- ☒ Schedules. Submit only those schedules that apply to you and check either "Yes" or "No" below.
- |            |  |            |  |
|------------|--|------------|--|
| Schedule A | Yes ___ No <input checked="" type="checkbox"/> | Schedule E | Yes ___ No <input checked="" type="checkbox"/> |
| Schedule B | Yes ___ No <input checked="" type="checkbox"/> | Schedule F | Yes ___ No <input checked="" type="checkbox"/> |
| Schedule C | Yes ___ No <input checked="" type="checkbox"/> | Schedule G | Yes ___ No <input checked="" type="checkbox"/> |
| Schedule D | Yes ___ No <input checked="" type="checkbox"/> | Schedule H | Yes <input checked="" type="checkbox"/> No ___ |

- ☒ An exact copy of your complete articles of organization (creating document). Absence of the proper purpose and dissolution clauses is the number one reason for delays in the issuance of determination letters.
- Location of Purpose Clause from Part III, line 1 (Page, Article and Paragraph Number) pg 1, IV, a
  - Location of Dissolution Clause from Part III, line 2b or 2c (Page, Article and Paragraph Number) or by operation of state law pg 3, VIII
- ☒ Signature of an officer, director, trustee, or other official who is authorized to sign the application.
- Signature at Part XI of Form 1023.
- ☒ Your name on the application must be the same as your legal name as it appears in your articles of organization.

Send completed Form 1023, user fee payment, and all other required information, to:

Internal Revenue Service  
P.O. Box 192  
Covington, KY 41012-0192

If you are using express mail or a delivery service, send Form 1023, user fee payment, and attachments to:

Internal Revenue Service  
201 West Rivercenter Blvd.  
Attn: Extracting Stop 312  
Covington, KY 41011



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Department of the Treasury  
Internal Revenue Service

**Notice 1382**

(Rev. December 2011)

**Changes for Form 1023:**

- Mailing address
- Parts IX, X and XI

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**Changes for Form 1023, Application for  
Recognition of Exemption Under Section  
501(c)(3) of the Internal Revenue Code**

**Change of Mailing Address**

The mailing address shown on Form 1023 Checklist, page 28, the first address under the last checkbox; and in the Instructions for Form 1023, page 4 under *Where to File*, has been changed to:

Internal Revenue Service  
P.O. Box 12192  
Covington, KY 41012-0192

**Changes for Parts IX and X**

Changes to Parts IX and X are necessary to comply with new regulations that eliminated the advance ruling process. Until Form 1023 is revised to reflect this change, please follow the directions on this notice when completing Part IX and Part X of Form 1023. For more information about the elimination of the advance ruling process, visit us at [IRS.gov](http://IRS.gov) and click on "Charities and Non-Profits," then in the top right "Search" box type "Elimination of the Advance Ruling Process" (exactly as written) and select "Search."

**Part IX. Financial Data**

The instructions at the top of Part IX on page 9 of Form 1023 are now as follows. For purposes of this schedule, years in existence refer to completed tax years.

1. If in existence less than 5 years, complete the statement 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:
  - a. Three years of financial information if you have not completed one tax year, or
  - b. Four years of financial information if you have completed one tax year.
2. If in existence 5 or more years, complete the schedule for the most recent 5 tax years. You will need to provide a separate statement that includes information about the most recent 5 tax years because the data table in Part IX, has not been updated to provide for a 5th year.

## Part X. Public Charity Status

Do not complete line 6a on page 11 of Form 1023, and do not sign the form under the heading "Consent Fixing Period of Limitations Upon Assessment of Tax Under Section 4940 of the Internal Revenue Code."

Only complete line 6b and line 7 on page 11 of Form 1023, if in existence 5 or more tax years.

## Part XI. Increase in User Fees

User fee increases are effective for all applications post marked after January 3, 2010.

1. \$400 for organizations whose gross receipts do not exceed \$10,000 or less annually over a 4-year period.
2. \$850 for organizations whose gross receipts exceed \$10,000 annually over a 4-year period.

For the current user fee amounts go to [IRS.gov](http://IRS.gov) and select "Charities and Non-Profits" from the buttons near the top. Then select "Where Is My Exemption Application" and in the second paragraph click on "user fee." Alternatively, you can do a search for "user fees" with the applicable year in the "Search" box in the top right. Finally, you can also call 1-877-829-5500.

**Application for Reinstatement and Retroactive Reinstatement.** After your organization's tax-exempt status was automatically revoked for failing to file a return or notice for three consecutive years, your organization must apply to have its tax-exempt status reinstated. You must file a Form 1023 if applying under section 501(c)(3) or Form 1024 if applying under a different Code section, pay the appropriate user fee, and write "Automatically Revoked" at the top of your application and the mailing envelope. If approved, the date of reinstatement will be the date of the application. See Notice 2011-44, 2011-25 I.R.B. 883, at [http://www.irs.gov/irb/2011-25\\_IRB/ar10.html](http://www.irs.gov/irb/2011-25_IRB/ar10.html), for details. Smaller organizations — defined as having annual gross receipts of not more than \$50,000 in its most recently completed tax year — that have lost their tax-exempt status because of failure to file a required electronic notice (Form 990-N e-Postcard) may be eligible for transitional relief, including retroactive reinstatement and a reduced user fee. See Notice 2011-43, 2011-25 I.R.B. 882, at [http://www.irs.gov/irb/2011-25\\_IRB/ar09.html](http://www.irs.gov/irb/2011-25_IRB/ar09.html), for details.



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

OMB No. 1545-0056

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

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

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

**Part I Identification of Applicant**

<b>1</b> Full name of organization (exactly as it appears in your organizing document) Fashion Institute Midwest		<b>2</b> c/o Name (if applicable) Brook Hudson
<b>3</b> Mailing address (Number and street) (see instructions) 5104 Franklin St	Room/Suite	<b>4</b> Employer Identification Number (EIN) 45-4025396
City or town, state or country, and ZIP + 4 Omaha, NE 68104		<b>5</b> Month the annual accounting period ends (01 - 12) 12
<b>6</b> Primary contact (officer, director, trustee, or authorized representative) a Name: Brook Hudson		b Phone: 402-980-0529 c Fax: (optional)
<b>7</b> Are you represented by an authorized representative, such as an attorney or accountant? If "Yes," provide the authorized representative's name, and the name and address of the authorized representative's firm. Include a completed Form 2848, <i>Power of Attorney and Declaration of Representative</i> , with your application if you would like us to communicate with your representative. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
<b>8</b> Was a person who is not one of your officers, directors, trustees, employees, or an authorized representative listed in line 7, paid, or promised payment, to help plan, manage, or advise you about the structure or activities of your organization, or about your financial or tax matters? If "Yes," provide the person's name, the name and address of the person's firm, the amounts paid or promised to be paid, and describe that person's role. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
<b>9a</b> Organization's website: <a href="http://www.fashioninstitutemidwest.org">www.fashioninstitutemidwest.org</a>		
<b>b</b> Organization's email: (optional) <a href="mailto:info@fashioninstitutemidwest.org">info@fashioninstitutemidwest.org</a>		
<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) 12 / 13 / 2011		
<b>12</b> Were you formed under the laws of a foreign country? If "Yes," state the country. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

**Part II Organizational Structure**

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

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

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

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

- 1** Section 501(c)(3) requires that your organizing document state your exempt purpose(s), such as charitable, religious, educational, and/or scientific purposes. Check the box to confirm that your organizing document meets this requirement. Describe specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document. Refer to the instructions for exempt purpose language. Location of Purpose Clause (Page, Article, and Paragraph): Pg. 1, Article IV, Paragraph 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. Pg. 3, Article VII, Paragraph 1
- 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)
Nick Hudson	Secretary	5104 Franklin St. Omaha, NE 68104	\$0
Brook Hudson	President/Treasurer	5104 Franklin St. Omaha, NE 68104	\$0
Wendy Chapman	Chair	5062 Manchester Drive Omaha, NE 68152	\$0
Michael Schilken		1700 Farnam Street, Suite 1500 Omaha, NE 68102	\$0
Andy Hoig		1216 S. 118th St. Omaha, NE 68144	\$0

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

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

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

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

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

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

**Part VII Your History**

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

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

**Part VIII Your Specific Activities**

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

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



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

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

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

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



**Part IX Financial Data**

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

**A. Statement of Revenues and Expenses**

	Type of revenue or expense	Current tax year	3 prior tax years or 2 succeeding tax years			(e) Provide Total for (a) through (d)
		(a) From <u>2012</u> To <u>2013</u>	(b) From <u>2013</u> To <u>2014</u>	(c) From <u>2014</u> To <u>2015</u>	(d) From <u>        </u> To <u>        </u>	
Revenues	<b>1</b> Gifts, grants, and contributions received (do not include unusual grants)	74,000	110,000	161,000		345,000
	<b>2</b> Membership fees received	10,000	15,000	20,000		45,000
	<b>3</b> Gross investment income	0	1,000	1,000		2,000
	<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 (attach an itemized list)	0	0	0		
	<b>8</b> Total of lines 1 through 7	84,000	126,000	182,000		392,000
	<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 (attach itemized list)	25,000	30,000	85,000		140,000
	<b>10</b> Total of lines 8 and 9	109,000	156,000	267,000		534,000
	<b>11</b> Net gain or loss on sale of capital assets (attach schedule and see instructions)	0	0	0		0
	<b>12</b> Unusual grants	0	0	0		0
	<b>13</b> Total Revenue Add lines 10 through 12	109,000	156,000	267,000		534,000
Expenses	<b>14</b> Fundraising expenses	12,500	15,000	17,500		
	<b>15</b> Contributions, gifts, grants, and similar amounts paid out (attach an itemized list)	0	46,000	71,000		
	<b>16</b> Disbursements to or for the benefit of members (attach an itemized list)	0	0	0		
	<b>17</b> Compensation of officers, directors, and trustees	0	0	0		
	<b>18</b> Other salaries and wages	12,000	24,000	30,000		
	<b>19</b> Interest expense	5,000	5,000	7,000		
	<b>20</b> Occupancy (rent, utilities, etc.)	0	0	0		
	<b>21</b> Depreciation and depletion	0	0	0		
	<b>22</b> Professional fees	0	0	0		
	<b>23</b> Any expense not otherwise classified, such as program services (attach itemized list)	52,500	57,500	82,500		
	<b>24</b> Total Expenses Add lines 14 through 23	82,900	147,500	208,000		

**Part IX Financial Data (Continued)****B. Balance Sheet (for your most recently completed tax year)**

Year End:

(Whole dollars)

**Assets**

1	Cash . . . . .	1	
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	
9	Land . . . . .	9	
10	Other assets (attach an itemized list) . . . . .	10	
11	Total Assets (add lines 1 through 10) . . . . .	11	

**Liabilities**

12	Accounts payable . . . . .	12	
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	
16	Total Liabilities (add lines 12 through 15) . . . . .	16	

**Fund Balances or Net Assets**

17	Total fund balances or net assets . . . . .	17	
18	Total Liabilities and Fund Balances or Net Assets (add lines 16 and 17) . . . . .	18	

19 Have there been any substantial changes in your assets or liabilities since the end of the period shown above? If "Yes," explain. ☐ Yes ☐ 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. ☐ Yes ☒ No  
If you are unsure, see the instructions.

b As a private foundation, section 508(e) requires special provisions in your organizing document in addition to those that apply to all organizations described in section 501(c)(3). Check the box to confirm that your organizing document meets this requirement, whether by express provision or by reliance on operation of state law. Attach a statement that describes specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document or by operation of state law. See the instructions, including Appendix B, for information about the special provisions that need to be contained in your organizing document. Go to line 2. ☐

2 Are you a private operating foundation? To be a private operating foundation you must engage directly in the active conduct of charitable, religious, educational, and similar activities, as opposed to indirectly carrying out these activities by providing grants to individuals or other organizations. If "Yes," go to line 3. If "No," go to the signature section of Part XI. ☐ Yes ☐ No

3 Have you existed for one or more years? If "Yes," attach financial information showing that you are a private operating foundation; go to the signature section of Part XI. If "No," continue to line 4. ☐ Yes ☐ No

4 Have you attached either (1) an affidavit or opinion of counsel, (including a written affidavit or opinion from a certified public accountant or accounting firm with expertise regarding this tax law matter), that sets forth facts concerning your operations and support to demonstrate that you are likely to satisfy the requirements to be classified as a private operating foundation; or (2) a statement describing your proposed operations as a private operating foundation? ☐ Yes ☐ No

5 If you answered "No" to line 1a, indicate the type of public charity status you are requesting by checking one of the choices below. You may check only one box.

The organization is not a private foundation because it is:

- a 509(a)(1) and 170(b)(1)(A)(i)—a church or a convention or association of churches. Complete and attach Schedule A. ☐
- b 509(a)(1) and 170(b)(1)(A)(ii)—a **school**. Complete and attach Schedule B. ☐
- c 509(a)(1) and 170(b)(1)(A)(iii)—a **hospital**, a cooperative hospital service organization, or a medical research organization operated in conjunction with a hospital. Complete and attach Schedule C. ☐
- d 509(a)(3)—an organization supporting either one or more organizations described in line 5a through c, f, g, or h or a publicly supported section 501(c)(4), (5), or (6) organization. Complete and attach Schedule D. ☐

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

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

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

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

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

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

Brook Hudson

(Type or print name of signer)

President/Treasurer

(Type or print title or authority of signer)

6/19/2012

(Date)

**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 \$750. If your gross receipts have not exceeded or will not exceed \$10,000 annually over a 4-year period, the required user fee payment is \$300. See instructions for Part XI, for a definition of **gross receipts** over a 4-year period. Your check or money order must be made payable to the United States Treasury. *User fees are subject to change. Check our website at [www.irs.gov](http://www.irs.gov) and type "User Fee" in the keyword box, or call Customer Account Services at 1-877-829-5500 for current information.*

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

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization and that I have examined this application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct, and complete.

**Please  
Sign  
Here**

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

Brook Hudson

(Type or print name of signer)

6/19/2012

(Date)

President/Treasurer

(Type or print title or authority of signer)

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

Form **1023** (Rev. 6-2006)

**Schedule H. Organizations Providing Scholarships, Fellowships, Educational Loans, or Other Educational Grants to Individuals and Private Foundations Requesting Advance Approval of Individual Grant Procedures****Section I** *Names of individual recipients are not required to be listed in Schedule H.*

**Public charities and private foundations complete lines 1a through 7 of this section. See the instructions to Part X if you are not sure whether you are a public charity or a private foundation.**

- 1a Describe the types of educational grants you provide to individuals, such as scholarships, fellowships, loans, etc.  
 b Describe the purpose and amount of your scholarships, fellowships, and other educational grants and loans that you award.  
 c If you award educational loans, explain the terms of the loans (interest rate, length, forgiveness, etc.).  
 d Specify how your program is publicized.  
 e Provide copies of any solicitation or announcement materials.  
 f Provide a sample copy of the application used.
- 2 Do you maintain case histories showing recipients of your scholarships, fellowships, educational loans, or other educational grants, including names, addresses, purposes of awards, amount of each grant, manner of selection, and relationship (if any) to officers, trustees, or donors of funds to you? If "No," refer to the instructions. ☒ Yes ☐ No
- 3 Describe the specific criteria you use to determine who is eligible for your program. (For example, eligibility selection criteria could consist of graduating high school students from a particular high school who will attend college, writers of scholarly works about American history, etc.)
- 4a Describe the specific criteria you use to select recipients. (For example, specific selection criteria could consist of prior academic performance, financial need, etc.)  
 b Describe how you determine the number of grants that will be made annually.  
 c Describe how you determine the amount of each of your grants.  
 d Describe any requirement or condition that you impose on recipients to obtain, maintain, or qualify for renewal of a grant. (For example, specific requirements or conditions could consist of attendance at a four-year college, maintaining a certain grade point average, teaching in public school after graduation from college, etc.)
- 5 Describe your procedures for supervising the scholarships, fellowships, educational loans, or other educational grants. Describe whether you obtain reports and grade transcripts from recipients, or you pay grants directly to a school under an arrangement whereby the school will apply the grant funds only for enrolled students who are in good standing. Also, describe your procedures for taking action if the terms of the award are violated.
- 6 Who is on the selection committee for the awards made under your program, including names of current committee members, criteria for committee membership, and the method of replacing committee members?
- 7 Are relatives of members of the selection committee, or of your officers, directors, or **substantial contributors** eligible for awards made under your program? If "Yes," what measures are taken to ensure unbiased selections? ☐ Yes ☒ No
- Note.** If you are a private foundation, you are not permitted to provide educational grants to **disqualified persons**. Disqualified persons include your substantial contributors and foundation managers and certain family members of disqualified persons.

**Section II** **Private foundations complete lines 1a through 4f of this section. Public charities do not complete this section.**

- 1a If we determine that you are a private foundation, do you want this application to be considered as a request for advance approval of grant making procedures? ☐ Yes ☐ No ☐ N/A
- b For which section(s) do you wish to be considered?  
 • 4945(g)(1)—Scholarship or fellowship grant to an individual for study at an educational institution ☐  
 • 4945(g)(3)—Other grants, including loans, to an individual for travel, study, or other similar purposes, to enhance a particular skill of the grantee or to produce a specific product ☐
- 2 Do you represent that you will (1) arrange to receive and review grantee reports annually and upon completion of the purpose for which the grant was awarded, (2) investigate diversions of funds from their intended purposes, and (3) take all reasonable and appropriate steps to recover diverted funds, ensure other grant funds held by a grantee are used for their intended purposes, and withhold further payments to grantees until you obtain grantees' assurances that future diversions will not occur and that grantees will take extraordinary precautions to prevent future diversions from occurring? ☐ Yes ☐ No
- 3 Do you represent that you will maintain all records relating to individual grants, including information obtained to evaluate grantees, identify whether a grantee is a disqualified person, establish the amount and purpose of each grant, and establish that you undertook the supervision and investigation of grants described in line 2? ☐ Yes ☐ No

**Schedule H. Organizations Providing Scholarships, Fellowships, Educational Loans, or Other Educational Grants to Individuals and Private Foundations Requesting Advance Approval of Individual Grant Procedures (Continued)**

**Section II Private foundations complete lines 1a through 4f of this section. Public charities do not complete this section. (Continued)**

- 4a** Do you or will you award scholarships, fellowships, and educational loans to attend an educational institution based on the status of an individual being an *employee of a particular employer*? If "Yes," complete lines 4b through 4f. ☐ Yes ☐ No
- b** Will you comply with the seven conditions and either the percentage tests or facts and circumstances test for scholarships, fellowships, and educational loans to attend an educational institution as set forth in Revenue Procedures 76-47, 1976-2 C.B. 670, and 80-39, 1980-2 C.B. 772, which apply to inducement, selection committee, eligibility requirements, objective basis of selection, employment, course of study, and other objectives? (See lines 4c, 4d, and 4e, regarding the percentage tests.) ☐ Yes ☐ No
- c** Do you or will you provide scholarships, fellowships, or educational loans to attend an educational institution to employees of a particular employer? ☐ Yes ☐ No ☐ N/A
- If "Yes," will you award grants to 10% or fewer of the eligible applicants who were actually considered by the selection committee in selecting recipients of grants in that year as provided by Revenue Procedures 76-47 and 80-39? ☐ Yes ☐ No
- d** Do you provide scholarships, fellowships, or educational loans to attend an educational institution to children of employees of a particular employer? ☐ Yes ☐ No ☐ N/A
- If "Yes," will you award grants to 25% or fewer of the eligible applicants who were actually considered by the selection committee in selecting recipients of grants in that year as provided by Revenue Procedures 76-47 and 80-39? If "No," go to line 4e. ☐ Yes ☐ No
- e** If you provide scholarships, fellowships, or educational loans to attend an educational institution to children of employees of a particular employer, will you award grants to 10% or fewer of the number of employees' children who can be shown to be eligible for grants (whether or not they submitted an application) in that year, as provided by Revenue Procedures 76-47 and 80-39? ☐ Yes ☐ No ☐ N/A
- If "Yes," describe how you will determine who can be shown to be eligible for grants without submitting an application, such as by obtaining written statements or other information about the expectations of employees' children to attend an educational institution. If "No," go to line 4f.
- Note.** Statistical or sampling techniques are not acceptable. See Revenue Procedure 85-51, 1985-2 C.B. 717, for additional information.
- f** If you provide scholarships, fellowships, or educational loans to attend an educational institution to *children of employees of a particular employer* without regard to either the 25% limitation described in line 4d, or the 10% limitation described in line 4e, will you award grants based on facts and circumstances that demonstrate that the grants will not be considered compensation for past, present, or future services or otherwise provide a significant benefit to the particular employer? If "Yes," describe the facts and circumstances that you believe will demonstrate that the grants are neither compensatory nor a significant benefit to the particular employer. In your explanation, describe why you cannot satisfy either the 25% test described in line 4d or the 10% test described in line 4e. ☐ Yes ☐ No

## **Part IV**

The Fashion Institute Midwest was formed in December 2011. The Corporation is seeking a ruling from the Internal Revenue Service that the Corporation is an entity described under 501(c)(3) of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The Corporation was formed for the promotion of education through the instruction or training of the individual fashion industry segment for the purpose of promoting education through the promotion of arts and culture expressed in the area of fashion design.

As the Corporation is newly formed, the Corporation has no past or present activities. The planned activities are set forth below:

The Fashion Institute Midwest vision is to nurture aspiring designer talent by supporting and developing the Midwest fashion ecosystem through programs that offer creative inspiration, training opportunities, resources and business incubation to unlock the creative entrepreneurial potential in our young people. Developing the fashion ecosystem and its aspiring talent in the Midwest will be done through four main project pillars;

- i) Creative Inspiration
- ii) Skill Development
- iii) Resource Development
- iv) Business Incubation

The Fashion Institute Midwest will serve the needs within the community that could be best served through a non-profit organization that is dedicated to inspiring, training, resourcing and incubating people, ideas and businesses in this niche sector. Doing so will strengthen the fashion ecosystem and ultimately create opportunities for future generations of Midwest fashion designers. Additionally, fashion design as an art form contributes to the Midwest's cultural profile and provides a means of self-expression for young people. Opportunities and resources provided by the Fashion Institute Midwest will position Omaha as the region's fashion capital and home of the nation's premier incubator for young fashion talent.

Under each project pillar is a set of objectives that further the Institute's mission to offer creative inspiration, training opportunities, resources and business incubation to unlock the creative entrepreneurial potential in our young people. Those objectives guide our programming decisions to keep us mission-focused. They are as follows:

### **Pillar 1: Creative Inspiration**

1. To inspire greater creativity among fashion designers through an annual creativity workshop for any designer interested in creating a new collection.
2. To engage the next generation of Midwest fashion designers by providing selected free tickets to Midwest fashion shows to the Omaha middle- and high-school students.
3. To inspire the next generation of Midwest fashion designers to begin flexing their creative muscles now by hosting an annual fashion show featuring the original work of area 12 to 17 year olds, followed by a panel discussion with successful Midwest fashion designers.



4. To inspire and engage fashion designers by bringing some of the biggest names in fashion to Omaha where they can share their stories, answer questions and shine a light on the Midwest fashion ecosystem.
5. To inspire creativity and a broader understanding of the fashion industry among Midwest designers through a biennial travel grant program.
6. To engage kids ages 10-12 in creativity, fashion design and entrepreneurship by developing a Fashion Biz Kit that would allow groups of kids to create mini fashion businesses.

### **Pillar 2 : Skill Development**

1. To improve the quality of collection concepts and designs through an oversight program for designers that begins during concept creation and ends after their show.
2. To foster learning across the designer community by providing platforms that allow all Midwest fashion designers to share knowledge, experiences and expertise with each other.
3. To increase the technical skills of fashion designers by hosting expert-led technical workshops each year.
4. To improve the professional skills of fashion designers each year by hosting a Professional Practicum in the Spring and Fall.
5. To encourage more students to consider fashion design as a viable career option in the Midwest by through a college scholarship program.

### **Pillar 3 : Resource Development**

1. To provide a free web presence to all designers involved in the Institute by building each a page on the Institute website and providing them blogging privileges as requested.
2. To provide a no-cost or low-cost e-commerce solution to designers by providing a group e-commerce package through the Institute that would be available to them for a defined time period following the debut of their latest collection.
3. To provide funding for select designers' collections through a grant program.
4. To provide access to higher quality fabric at lower prices by hosting a trade show for all Midwest fashion designers and facilitating the distribution of donated fabrics to designers who are creating new collections.

### **Objective 4 : Business Incubation**

1. To support designers who want to grow their businesses by partnering with other incubation programs.
2. To advise designers on how to run a fashion design business, including the acquisition of capital, by forming relationships with angel investors and lenders.
3. To advise designers regarding small-run manufacturing projects on how to acquire investment capital and mentoring through the manufacturing process.
4. To create a supportive environment that will allow designers to learn from and challenge each other by providing a free or low-cost work-space to create, exhibit and/or sell their work.



## **Part V**

2a: Nick Hudson and Brook Hudson, two board officers, are married. Wendy Chapman, another board officer, represented them in the sale of a business in 2011.

2b. I am married to fellow board officer, Nick Hudson. Wendy Chapman, another board officer, represented us in the sale of a business in 2011.

5b. All board members are required to sign a statement that they have read and understand our conflict of interest policy. They are required to disclose all potential conflicts of interest to the board and are not allowed to vote on matters of their own compensation. See attached Conflict of Interest Policy.

5c. All board members are required to sign a statement that they have read and understand our conflict of interest policy. They are required to disclose all potential conflicts of interest to the board and are not allowed to vote on matters where they have a material interest. See attached Conflict of Interest Policy.

## **Part VI**

1a. We are intending to provide funds to individuals through up to four grant programs that are intended to begin in 2013. They are a travel grant program that will provide up to \$1,000 grants for Midwest designers to attend New York Fashion week; designer grant program to fund the cost of producing collections for qualified Midwest designers; a manufacturing grant program for qualified Midwest designers; and a scholarship program for graduating high school seniors who live in the Midwest and will be majoring in fashion design at an accredited educational institution. All grants are given on a competitive basis. See schedule H for details on the planned selection process.

1b. The institute intends to provide funds to accredited educational organizations through our scholarship program for high school seniors living in the Midwest who interested in majoring in a fashion-related field.

2. There are limitations on who can receive Fashion Institute Midwest grants. We provide travel, designer and manufacturing grants only to designers living in the Midwest region, which includes the states of Nebraska, Iowa, South Dakota, North Dakota, Minnesota, Kansas, Missouri, Illinois, Oklahoma and Arkansas. The term designer refers to someone who creates clothing garments that can be shown on a runway, either for artistic or commercial purposes. There are limitations on who can receive Fashion Institute Midwest scholarships. Only graduating high school seniors living in the Midwest region, which includes the states of Nebraska, Iowa, South Dakota, North Dakota, Minnesota, Kansas, Missouri, Illinois, Oklahoma and Arkansas, who plan to attend an accredited educational institution majoring in fashion design are eligible to receive an Fashion Institute Midwest scholarship. Both a high school transcript and an essay establishing the student's college plans are required as evidence of eligibility. Scholarships are paid directly to the educational institution.

## **Part VIII**

### **4a. Description of fundraising activities:**

**Mail Solicitations** – Twice a year, we will send a letter to Omaha Fashion Week ticketholders soliciting a donation by check or credit card. Recipients can donate by responding via USPS or online. Funds will be used to support the Institute's mission of educating fashion designers and promoting fashion design as an art form.

**Email Solicitations** – Once a year, we will send a solicitation to members of the Omaha Fashion Guild asking them to renew their membership via a donation. Twice a year, our partner, Omaha Fashion Week will send an email to their database asking for donations. Funds will be used to support the Institute's mission of educating fashion designers and promoting fashion design as an art form.

**Personal Solicitation** – Fashion Institute Midwest will ask for support from their friends, family, and business connections when appropriate, through personal emails, letters and face-to-face requests. Funds will be used to support the Institute's mission of educating fashion designers and promoting fashion design as an art form.

**Foundation Grant Solicitation** – Fashion Institute Midwest will apply for foundation grants when appropriate. We are looking for grant money for programs related to the arts, education, creativity and entrepreneurship. Funds will be used to support the Institute's mission of educating fashion designers and promoting fashion design as an art form.

**Accept Donations on Website** – In the short-term, Fashion Institute Midwest will accept donations through a dedicated page on the Omaha Fashion Week website that connects to the Fashion Institute Midwest bank account. Long-term, Fashion Institute Midwest will accept donations on its own website at [www.fashioninstitutemidwest.org](http://www.fashioninstitutemidwest.org). All Mail, Email and Personal solicitations will be directed back to the online donation form. Funds will be used to support the Institute's mission of educating fashion designers and promoting fashion design as an art form.

**Government Grant Solicitation** – Fashion Institute Midwest will apply for government grants when appropriate. We are looking for grant money for programs related to the arts, education, creativity and entrepreneurship. Funds will be used to support the Institute's mission of educating fashion designers and promoting fashion design as an art form.

**Other** – Fashion Institute Midwest is starting the Omaha Fashion Guild, which is a group of volunteers and supporters who pay yearly dues and plan additional fundraising events for the Institute. Guild members pay yearly dues to receive invitations to Fashion Preview Events and exclusive information on designers who benefit from the Institute. Guild members also plan these Preview Events, which will generate additional income for the institute. Funds will be used to support the Institute's mission of educating fashion designers and promoting fashion design as an art form.

4d. The Fashion Institute Midwest will conduct fundraising activities in the state of Nebraska. Additionally, Omaha Fashion Week and the Omaha Fashion Guild will conduct fundraising activities on behalf of the Institute in the state of Nebraska.

11. The Fashion Institute Midwest will accept the donation of real estate that can be used for administrative offices, classroom space, exhibition space and incubation/workroom space for designers.

15. Yes, Fashion Institute Midwest does have a close relationship with the for-profit organization, Omaha Fashion Week. Omaha Fashion Week is a strong supporter of the Midwest fashion ecosystem and has provided Midwest designers the opportunity to showcase their work for free since it was founded by Nick Hudson in 2008. Our close relationship exists because we will be serving the same population of designers and we have common leadership. Nick Hudson and his wife, Brook, decided to found the Fashion Institute Midwest because they saw there were many needs within the design community that would be better served through a non-profit organization.

#### **Part IX Financial Data**

##### **Line 9 Itemized List: Bi-annual Designer Rack Check for Designers attended by Omaha Fashion Guild Members and Guests**

- Guild members and guests will get a sneak peak at what our designers are working on for their next collection at a bi-annual rack check where they will preview garments and provide valuable feedback to designers as part of the Institute's mission to educate designers and promote arts and culture.
- Each attendee will purchase a \$50 ticket for admission, which includes lunch.
- Per attendee costs are estimated at \$25 for room rental, catering, décor, program printing, video production and audio visual equipment.
- 2012 is projected to attract 250 women at each event for a gross revenue of \$25,000, netting \$12,500.
- 2013 is projected to attract 300 women at each event for a gross revenue of \$30,000, netting \$15,000.
- 2014 is projected to attract 350 women at each event for a gross revenue of \$35,000, netting \$17,500.

##### **Line 9 Itemized List:**

- Manufacturing Grants made in 2013 are expected to bring in \$50,000 in income to the Fashion Institute Midwest in 2014. Grants will be made to help qualified designers to educate them about the manufacturing process. Income will be split between the designer and the Institute, with 30% going to the designer and 70% going to sustain the Institute's mission of educating designers and promoting arts and culture.

##### **Line 15 Itemized List:**

- 2012 no contributions or grants paid out.
- 2013: \$25,000 in grants for manufacturing paid out to two designers in the amounts of \$12,500 each; \$10,000 in travel grants paid out to 10 designers in \$1,000 increments for a trip to New York Fashion Week; \$10,000 in grants paid out to three designers in the amounts of \$5,000 and two \$2,500 awards to cover the costs of samples for upcoming collection; \$1,000 scholarship payable to an accredited educational institution awarded to one high school senior who plans to major in fashion design.
- 2014: \$50,000 in manufacturing grants paid out to five designers in \$10,000 increments; \$20,000 in grants to cover the costs of samples for upcoming collections paid out to designers in two awards of \$5,000 and four awards of \$2,500; \$1,000 scholarship payable to an accredited educational institution awarded to one high school senior who plans to major in fashion design.

Line 23 Itemized List:

- 2012: \$10,000 for annual Creativity Immersion Workshop for designers; \$5,000 for annual Emerging Designer Style Show for middle and high school kids; \$4,000 for two Pattern Grading workshops for designers; \$1,000 for two "Perfect Pitch" practicums to teach designers how to communicate their ideas; \$2,500 for e-commerce solution for all designers involved with Fashion Institute Midwest; \$30,000 for appearance fees and travel costs of special guests and fashion VIPs that are brought in to encourage and inspire Midwest fashion designers.
- 2013: \$10,000 for annual Creativity Immersion Workshop for designers; \$5,000 for annual Emerging Designer Style Show for middle and high school kids; \$4,000 for two Pattern Grading workshops for designers; \$1,000 for two "Perfect Pitch" practicums to teach designers how to communicate their ideas; \$2,500 for e-commerce solution for all designers involved with Fashion Institute Midwest; \$30,000 for appearance fees and travel costs of special guests and fashion VIPs that are brought in to encourage and inspire Midwest fashion designers; \$5,000 for trade show to help fashion designers source wider variety of high quality fabrics at a lower price.
- 2014: \$10,000 for annual Creativity Immersion Workshop for designers; \$5,000 for annual Emerging Designer Style Show for middle and high school kids; \$4,000 for two Pattern Grading workshops for designers; \$1,000 for two "Perfect Pitch" practicums to teach designers how to communicate their ideas; \$2,500 for e-commerce solution for all designers involved with Fashion Institute Midwest; \$30,000 for appearance fees and travel costs of special guests and fashion VIPs that are brought in to encourage and inspire Midwest fashion designers; \$5,000 for trade show to help fashion designers source wider variety of high quality fabrics at a lower price; \$25,000 to develop and distribute 100 fashion business kits for teachers to use with groups of 10 students to teach creativity and entrepreneurship skills to 1,000 10-12 year olds in the Midwest.

## Schedule H

1a. Currently Fashion Institute Midwest does not provide educational grants. However, we plan to raise funds for this purpose in 2012 and begin distributing those funds in the form of educational grants in 2013. We have four planned grant programs, all designed to accomplish our mission of *providing aspiring Midwest fashion designers creative inspiration, training opportunities, resources and business incubation to unlock the creative entrepreneurial potential in our young people*. Three of the four grant programs are geared toward fashion designers who are working in the Midwest, and the fourth program provides scholarships to graduating high school seniors who plan to major in fashion design at an accredited educational institution. Grant programs for working designers have a common application, see attachment. The scholarship program requires a high school transcript and an essay stating the student's future plans and how the scholarship will help in the achievement of those plans.

1b. 1) Travel Grants: We plan to take a group of 10-20 Midwest fashion designers on a three-day biennial trip to New York City where they will see a few New York Fashion Week shows, receive a behind-the-scenes tour of the city's retail scene in Soho from a leading retail expert, and source fabric for their next collections. This program falls under our mission's Creative Inspiration pillar. We will award grants in \$1,000 increments, which will cover roughly half of the cost of the trip. Each designer will be required to come up with the remaining amount. The grants will be given on a competitive basis.

2) Designer Grants: Three grants will be awarded annually starting in 2013 in the amounts of \$5,000 (1) and \$2,500 (2) for Midwest designers who would like assistance in funding their collections. These grants can be used to buy fabric; equipment; hire employees; contract photographers, videographers, stylists, graphic designers or other professionals. This program falls under the resource development pillar of our mission. The grants will be given on a competitive basis.

3) Manufacturing Grants: Two \$12,500 grants will be available in 2013 and five \$10,000 grants will be available in subsequent years to defray manufacturing costs for designers who are ready to take that step. This program falls under our mission's business incubation pillar. The grants will be given on a competitive basis.

4) Fashion Design Scholarships: One \$1,000 scholarship will be awarded each year to a graduating high school senior from the Midwest who plans to major in fashion design at an accredited academic institution. This program falls under our mission's skill development pillar. The grants will be given on a competitive basis.

1c. The Institute will not provide loans.

1d. All of our grant programs and scholarship program will be publicized via Midwest fashion design networks online through Facebook, Twitter, partner websites, blogs and emails and through press releases sent by the Fashion Institute Midwest.

- 1e. No solicitation or announcement materials are available at this time. The Institute doesn't plan to begin promotions for applications until 2013.
- 1f. Grants will be applied for using the common grant application, attached. Scholarships will be applied for through the submission of high school transcripts provided by the applicant, along with a 500-word essay describing the applicant's future goals and how the scholarship will help in the achievement of those goals.

3. Eligibility:

- 1) Grants: Must be a fashion designer living in the Midwest region that includes the states of Minnesota, Nebraska, Iowa, Kansas, Missouri, Arkansas and Oklahoma.
- 2) Scholarships: Must be a high school senior living in the Midwest region that includes the states of Minnesota, Nebraska, Iowa, Kansas, Missouri, Arkansas and Oklahoma who is planning to attend college at an accredited educational institution to major in a fashion-related field.

4a. Selection Criteria:

- 1) Travel Grants: Designers selected based on their readiness for exposure to options that will enrich their creativity that exist in a larger market, along with our confidence in their ability to pay for the remaining portion of travel expenses not covered by the grant.
- 2) Designer Grants: Designers selected based on their readiness and ability to put to good use funding that will increase their ability to obtain materials, equipment and assistance that will aide in their creativity and development.
- 3) Manufacturing Grants: Designers selected based on their readiness to take this next step in their development. They must present a good business case for this funding, which is a great exercise that prepares them for the entrepreneurial side of artistic endeavors that leads to sustainability.
- 4) Scholarship: Students selected based on grades and ability to demonstrate how the scholarship will help them reach their educational goals as a fashion designer.

4b. Determining the number of grants annually

- 1) Travel Grants: We plan to award 10 travel grants in 2013 and 20 in 2015. The exact number of grants awarded is a function of available funds.
- 2) Designer Grants: We plan to award three designer grants in 2013 and six in subsequent years. The exact number of grants awarded is a function of available funds.
- 3) Manufacturing Grants: Two \$12,500 grants will be available in 2013 and five \$10,000 grants will be available in subsequent years. The exact number of grants awarded is a function of available funds.
- 4) Scholarship: One \$1,000 scholarship will be available each year starting in 2013. The exact number of grants awarded is a function of available funds.

4c. Determining the amount of each grant.

- 1) Travel Grants: The amount of \$1,000 was selected because it defrays half the cost of travel in the travel program. We want recipients to have a sense of accountability, so they will be required to pay for the other half.
- 2) Designer Grants: The amounts of \$5,000 and \$2,500 were selected for designer grants because these amounts would adequately cover the cost of a collection for a designer. Grant amounts for each designer will be determined based on the case they present and our confidence in their ability to use the funds to further their development as a designer.
- 3) Manufacturing Grants: The amounts of \$12,500 and \$10,000 were chosen for manufacturing grants because these amounts reflect what is needed to produce a small run of garments in various sizes.
- 4) Scholarship: The amount of \$1,000 was chosen for annual scholarship mainly based on what are projecting to be funds available.

#### 5. Supervision

- 1) Travel Grants: The grant is not renewable. All interested parties must re-apply. Grants can only be used by those going on the trip. Any awardee who opts out of the trip also opts out of the grant.
- 2) Designer Grants: The grant is not renewable. All interested parties must re-apply each year. These grants can be used to buy fabric; equipment; hire employees; contract photographers, videographers, stylists, graphic designers or other professionals. Recipients must request grant funds in writing by explaining how the proposed expenditure will further their development as a designer or further the promotion of fashion design as an art form. Forms will be reviewed by the selection committee on a monthly basis.
- 3) Manufacturing Grants: The grant is not renewable. All interested parties must re-apply. Grants are specifically to be used as start-up capital for small-run manufacturing projects with designers who have built a business case that suggests such an investment will offer them unique educational opportunities related to the business side of fashion as an art form. A mentor from the business community will be assigned to grant recipients who will oversee that expenditures are within the said purpose of the grant. The designer will provide quarterly updates to the selection committee based on discussion and decisions made with their mentor.
- 4) Scholarship: Funds are made payable directly to the accredited educational institution of the recipients choosing. The grant is one-time only and not renewable.

6. Selection Committee: An 8-person selection committee of Midwest fashion industry experts, business leaders and members of the Fashion Institute Midwest Board will determine who will be awarded grants and scholarships. That committee will be established in the third quarter of 2012 once funds for the programs have been secured. Should a committee member need to be replaced, one will be appointed by the Fashion Institute Midwest Board Chair.

## **Fashion Institute Midwest Common Grant Application**

Candidates are asked to provide specific information which outlines:

1. Which grants are being applied for: Travel Grant, Designer Grant or Manufacturing Grant
2. His/her short-term and long-term business goals and objectives;
3. How the grant would encourage and enable the recipient to pursue his/her design career plans;
4. His/her existing business, including:
  - a. current organizational structure (employees/functions filled)
  - b. consultants, outside advisors and professional firms that the candidate works with
  - c. his/her current brand positioning, and where the candidate envisions his/her brand in the future
5. Candidates are asked to submit a portfolio presentation containing work from their Spring and Fall collections, which may include sketches, photos, editorial photos, ads and/or videos.
6. Candidates are asked to submit 3-5 references (editors, retailers and one other fashion industry professional with whom they have a close, working relationship) that the Selection Committee can contact for their comments and opinions.



**ARTICLES OF INCORPORATION**  
**OF**  
**OMAHA FASHION INSTITUTE**

The undersigned hereby organizes a nonprofit corporation under the Nonprofit Corporation Act of the State of Nebraska and adopts Articles of Incorporation as follows:

**ARTICLE I**  
**CORPORATE NAME**

The name of the corporation is **OMAHA FASHION INSTITUTE**.

**ARTICLE II**  
**PUBLIC BENEFIT STATUS**

The corporation is a public benefit corporation.

**ARTICLE III**  
**PERIOD OF DURATION**

The corporation shall commence upon the filing of these Articles with the Secretary of State and shall have perpetual existence.

**ARTICLE IV**  
**PURPOSES**

The purposes for which the corporation is formed are:

(a) To operate exclusively for educational and charitable purposes by providing educational services to support aspiring fashion designers and their initial business efforts, and to utilize such other means and purposes as afforded to corporations established for the purposes permitted pursuant to Section 501(c)(3) of the United States Internal Revenue Code of 1986, as amended (or the corresponding provisions of any future United States Internal Revenue Code (the "IRC")).

(b) No part of the net earnings of the corporation shall inure to the benefit of any member, trustee, officer of the corporation, or any private individual (except that reasonable compensation may be paid for services rendered to or for the corporation affecting one or more of its purposes) and no member, trustee, officer of the corporation, or any private individual shall be entitled to share in the distribution of any of the corporate assets on dissolution of the corporation. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publication or distribution of statements), any political campaign on behalf of any candidate for public office.

(c) If the corporation is determined to be a "private foundation" as defined in Section 509(a) of the IRC, then:

- (i) The corporation shall distribute its income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the IRC.
- (ii) The corporation shall not engage in any act of self-dealing as defined in Section 4941(d) of the IRC.
- (iii) The corporation shall not retain any excess business holdings as defined in Section 4943(c) of the IRC.
- (iv) The corporation shall not make any investments in such manner as to subject it to tax under Section 4944 of the IRC.
- (v) The corporation shall not make any taxable expenditures as defined in Section 4945(d) of the IRC.

(d) Notwithstanding any other provision of these Articles, the corporation shall not conduct or carry on any activities not permitted to be conducted or carried on by an organization exempt under Section 501(c)(3) of the IRC, or by an organization, contributions to which are deductible under Section 170(c)(2) of the IRC.

#### ARTICLE V REGISTERED AGENT/REGISTERED OFFICE

The street address of the initial registered office of the corporation is: 5104 Franklin St. Omaha, NE 68104. The name of the corporation's initial registered agent at such address is: Brook A. Hudson.

#### ARTICLE VI INCORPORATOR

The name and address of the incorporator is as follows:

Brook A. Hudson  
5104 Franklin St.  
Omaha, NE 68104

#### ARTICLE VII MEMBERS

The corporation shall not have members.

ARTICLE VIII  
DISSOLUTION

Upon the dissolution of the corporation, the corporation's board of directors shall, after paying or making provision for the payment of all of the liabilities of the corporation, distribute all assets of the corporation exclusively to such organization or organizations organized and operated exclusively for charitable, educational or scientific purposes as shall at that time qualify as an exempt organization or organizations under Section 501(c)(3) of the IRC, all as the corporation's board of directors shall determine.

Witness my hand as incorporator this 13<sup>th</sup> day of December, 2011.



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Brook A. Hudson, Incorporator

ARTICLES OF AMENDMENT  
OF  
OMAHA FASHION INSTITUTE

The undersigned, being the incorporator of OMAHA FASHION INSTITUTE, a Nebraska non-profit corporation (the "Corporation"), hereby consent, pursuant to applicable state law, to the adoption hereof and hereby approves and adopts the following amendment and declare it to be in full force and effect as if adopted at a regular or special meeting of the Directors of the Corporation:

RESOLVED, that the name of the corporation be changed to Fashion Institute Midwest.

DATED effective the 5th day of June, 2012.

  
\_\_\_\_\_  
Brook A. Hudson, President

**BYLAWS OF  
OMAHA FASHION INSTITUTE**

**ARTICLE I**

**OFFICES**

The principal office of the corporation in the State of Nebraska shall be located as follows: 5104 Franklin St., Omaha, NE 68104.

The registered office of the corporation required by the Nebraska Nonprofit Corporation Act to be maintained in the State of Nebraska may be, but need not be, identical with the principal office in the State of Nebraska, and the address of the registered office may be changed from time to time by the Board of Directors. The current registered agent and office in the State of Nebraska are as follows: **BROOK A. HUDSON**, 5104 Franklin St. Omaha, NE 68104.

**ARTICLE II**

**DIRECTORS**

**Section 1. GENERAL POWERS.** Except as provided in the Nebraska Nonprofit Corporation Act or pursuant to the Articles of Incorporation, all corporate powers shall be exercised by or under the authority of, and the affairs of the corporation managed under the direction of, the Board of Directors.

**Section 2. NUMBER, TENURE AND QUALIFICATIONS.** The number of directors of the corporation shall be six (6). Each director shall hold office for two (2) years or until his or her successor shall have been elected and qualified.

**Section 3. ELECTION OF DIRECTORS.** The Board of Directors shall elect all directors annually.

**Section 4. VOTING.** At all meetings of the Board of Directors, each director shall have one (1) vote. Directors may not cast a vote by agent or by proxy.

**Section 5. MANNER OF ACTING.** Except as otherwise provided in the Nebraska Nonprofit Corporation Act, the Articles of Incorporation or these Bylaws, the act of the majority of the directors present at a meeting at which a quorum is present when a vote is taken shall be the act of the Board of Directors.

**Section 6. ANNUAL AND REGULAR MEETINGS.** The annual meeting of the Board of Directors shall be held at such date, time and place following the end of the fiscal year of the corporation as may be set by the Board of Directors or by an officer of the corporation authorized by the Board of Directors, and as stated in the notice of the meeting. The Board of Directors may provide by resolution the time and place for the holding of one or more additional regular meetings of the Board each year.

**Section 7. SPECIAL MEETINGS.** Special meetings of the Board of Directors may be called by the presiding officer of the Board, by the President, or by at least twenty percent (20%)

of the directors then in office and shall be held at the principal office of the corporation or at such other place, either within or without the State of Nebraska, and at such date and time as the notice may state.

**Section 8. NOTICE.** Notice of the annual meeting or any regular meeting shall be given at least seven (7) days previously thereto and notice of any special meeting shall be given at least two (2) days previously thereto by written notice delivered personally via email or mailed to each director at his or her business or home address. Any Board action to remove a director or to approve a matter that would require approval by the members if the corporation had members pursuant to the Nebraska Nonprofit Corporation Act, shall, in the case of a special meeting, require seven (7) days notice. If mailed, such notice shall be deemed to be delivered five (5) days after it is deposited in the United States mail so addressed, with first class postage thereon affixed. If notice is given personally, such notice shall be deemed to be delivered when given to the director. If sent by registered or certified mail, return receipt requested, such notice shall be deemed to be delivered on the date shown on the return receipt if signed by or on behalf of the addressee. Notice of the annual or a regular meeting shall include a description of any matter that must be approved by the directors in accordance with the Articles of Incorporation, these Bylaws or by the Nebraska Nonprofit Corporation Act. Notice of a special meeting shall include a description of the matters for which the meeting is called. Any director may waive notice of any meeting. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

**Section 9. PLACE OF MEETING.** The Board of Directors or an officer authorized by the Board of Directors may designate any place, either within or without the State of Nebraska, as the place of meeting for any meeting called by the Board of Directors or such officer. If no designation is made or if a special meeting be otherwise called, the place of meeting shall be the principal office of the corporation in the State of Nebraska, but if the directors shall meet at any place, either within or without the State of Nebraska, in accordance with these Bylaws, such meeting shall be valid.

**Section 10. QUORUM.** Except as otherwise provided in the Nebraska Nonprofit Corporation Act, the Articles of Incorporation or these Bylaws, a majority of the number of directors in office immediately before the applicable meeting begins shall constitute a quorum for the transaction of any business at any meeting of the Board of Directors. If less than a quorum is present at any meeting, the majority of those present may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

**Section 11. PRESUMPTION OF ASSENT.** A director of the corporation who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his or her dissent shall be entered in the minutes or unless he or she shall file his or her written dissent to such action with the person acting as Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

**Section 12. TELEPHONIC MEETINGS.** Members of the Board or any committees of the Board may participate in a meeting through the use of a conference telephone or similar communications equipment so long as all persons participating in such meeting can hear one another. Participation in a meeting pursuant to this paragraph constitutes a presence in person at such meeting.

**Section 13. ACTION WITHOUT A MEETING.** Any action required to be taken at a meeting of the Board of Directors may be taken without a meeting, if a consent in writing, setting forth the action so taken, shall be signed by all of the directors. Such consents shall have the same effect as a unanimous vote. The consent may be executed by the directors in counterparts. The action taken under the consent shall be effective when the last director signs the consent unless the consent specifies a different effective date.

**Section 14. RESIGNATION.** A director may resign at any time by delivering written notice to the Board, its presiding officer, or to the President or Secretary of the corporation. The resignation is effective when the notice is effective under the Nebraska Nonprofit Corporation Act unless it specifies a later effective date.

**Section 15. REMOVAL.** At a meeting of the Board of Directors called expressly for that purpose, directors may be removed pursuant to the Nebraska Nonprofit Corporation Act. A director's term may be terminated upon adjournment of the third consecutive regular meeting of the Board held during such term at which such director fails to attend provided a majority of the directors then in office vote for the removal.

**Section 16. VACANCIES.** Any vacancy shall be filled by election at a regular or special meeting of the Board of Directors. A director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office.

**Section 17. COMPENSATION.** Directors shall not receive any compensation for their services unless otherwise determined by the Board of Directors, in which case they may receive no more than reasonable compensation for services rendered to or for the corporation (including attendance at Board meetings) affecting one or more of its purposes based on independent surveys, actual written offers, or other reliable information about compensation paid by similarly situated organizations for similar services. Approval of compensation shall be subject to the Conflict of Interest Policy attached hereto as Exhibit 1. All compensation arrangements must be approved in advance by the Directors in writing prior to any payment. The date of approval, the names of the Directors who approved the arrangement, and the terms thereof must be documented in writing. In addition, expenses may be allowed for attendance at each annual, regular or special meeting of the Board or other corporate business.

**Section 18. CONFLICT OF INTEREST.** A transaction in which a director has a conflict of interest may be approved in accordance with the Conflict of Interest Policy attached hereto as Exhibit 1.

### **ARTICLE III**

#### **OFFICERS**

**Section 1. NUMBER AND DESIGNATION.** The officers of the corporation shall consist of a **Chair, President, Secretary, Treasurer, Vice-Chair**. The Chair, Secretary, Treasurer and Vice Chair shall be elected by the Board of Directors. The officers of the corporation may, but need not, be members of the Board. Such other vice-presidents and officers, assistant officers, managers or agents as may be deemed necessary may be appointed by the President or the Board of Directors. Any two (2) or more offices may be held by the same person.

**Section 2. ELECTION AND TERM OF OFFICE.** The officers of the corporation to be elected by the Board of Directors shall be elected annually by the Board of Directors at the first regular meeting of the Board held after the election of the Board. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be.

Each officer shall hold office until his or her successor shall have been duly elected and shall have qualified or until his or her death or until he or she shall resign or shall have been removed in the manner hereinafter provided.

**Section 3. COMPENSATION.** The Directors may set reasonable compensation for Officers of the Corporation in the same manner and subject to the same conditions as compensation is set for the Directors of the Corporation set forth in Article II, Section 17 above, including abiding by the Conflict of Interest Policy attached hereto as Exhibit 1.

**Section 4. RESIGNATION.** An officer of the corporation may resign at any time by delivering notice to the corporation. A resignation is effective when the notice is effective pursuant to the Nebraska Nonprofit Corporation Act unless the notice specifies a future effective date.

**Section 4. REMOVAL.** The President, Treasurer or Secretary may be removed by the Board of Directors whenever in its judgment the best interests of the corporation will be served thereby. Any other officer of the corporation may be removed by the President. Such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer shall not of itself create a contract.

**Section 5. VACANCIES.** Vacancies occurring in any elected office by reason of death, resignation or otherwise may be filled by the Board of Directors at any meeting. Other offices may be filled by the President.

**Section 6. CHAIR.** The Chair shall convene regularly scheduled Board meetings, shall preside or arrange for other members of the executive committee to preside at each meeting in the following order: President, Vice-Chair, Secretary and Treasurer. As a partner to the President and other board members, the Board Chair will provide leadership to Omaha Fashion Institute as it transitions from a newly formed 501(c)(3) organization into a sustainable regional entity. The Board Chair will support and sustain the work of the Omaha Fashion Institute, and provide governance leadership and strategic fundraising support. The Chair shall make a written report annually to the Board on the activities and financial condition of the corporation.

**Section 7. PRESIDENT.** *President* Acts as CEO for the Omaha Fashion Institute. Except as authorized under the Articles of Incorporation, the President shall in general supervise and control all of the business and affairs of the corporation. The President may sign, with the Secretary or any other proper officer of the corporation who has been authorized by the Board of Directors, any deeds, mortgages, bonds, contracts or other instruments which the Board of Directors has authorized to be executed except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the corporation or shall be required by law to be otherwise signed or executed; and, in general, shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

**Section 8. SECRETARY.** The Secretary shall be responsible for records of the Board and the completeness and accuracy thereof. The Secretary shall see that all actions of the Board are taken in accordance with the Articles of Incorporation, Bylaws, Standing Rules and the Nebraska Nonprofit Corporation Act. The Secretary shall have general charge of the corporate minute books of the corporation and in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the Board of Directors.

**Section 9. TREASURER.** The Treasurer shall have charge and custody and be responsible for all funds and securities of the corporation, receive and give receipts for all securities



and monies due and payable to the corporation from any source whatsoever, deposit all such monies in the name of the corporation in such banks, trust companies, or in other depositories as shall be collected in accordance with the provisions of these Bylaws, and in general perform all of the duties incident to the office of Treasurer and such other duties as, from time to time, may be assigned by the Chair or by the Board of Directors. If required by the Board of Directors, the Treasurer shall give bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board of Directors shall determine. The Treasurer shall submit a written report to the Board each year on activities and the financial condition of the corporation.

**Section 10. VICE CHAIR. ASSISTANT SECRETARY AND ASSISTANT TREASURER.** Any Vice-Chairs shall perform such duties as from time to time may be assigned by the Chair. Any Assistant Secretary shall, in the absence of the Secretary or in the event of his or her death, inability or refusal to act, perform the duties of Secretary and when so acting, shall have all the powers of and be subject to all the restrictions upon the Secretary. Any Assistant Treasurer shall, in the absence of the Treasurer or in the event of his or her death, inability or refusal to act, perform the duties of the Treasurer and when so acting, shall have all the powers of and be subject to all the restrictions upon the Treasurer. The Assistant Treasurer shall, if required by the Board of Directors, give bond for the faithful discharge of his or her duties in such sums and with such sureties as the Board of Directors shall determine. The Assistant Secretary and Assistant Treasurer, in general, shall perform such duties as shall be assigned to them by the Secretary, or Treasurer, respectively, or by the President.

#### **ARTICLE IV**

#### **COMMITTEES**

**Section 1:** The Board may create committees as needed, such as fundraising, nominating, etc. The Board Chair appoints all committee chairs.

**Section 2:** The five officers serve as the members of the Executive Committee. Except for the power to amend the Articles of Incorporation and Bylaws, the Executive Committee shall have all of the powers and authority of the Board of Directors in the intervals between meetings of the Board of Directors, subject to the direction and control of the Board of Directors.

#### **ARTICLE V**

#### **INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS**

To the extent permitted by law, the corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, including an action by or in the right of the corporation, by reason of the fact that he or she is or was a director, officer, employee or agent of the corporation against expenses, including attorney fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful.

To the extent permitted by law, the corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation against any liability asserted against him or her and incurred in such capacity or

arising out of his or her status as such, whether or not the corporation would have the power to indemnify him or her against such liability.

The indemnity provided for by this Article shall not be deemed to be exclusive of any other rights to which those indemnified may be otherwise entitled, nor shall the provisions of this Article be deemed to prohibit the corporation from extending its indemnification to cover other persons or activities to the extent permitted by law or pursuant to any provision in the Bylaws.

Any indemnification under this Article, unless ordered by a court, shall be made by the corporation only as authorized in the specific case upon a determination that indemnification is proper in the circumstances because such person has met the applicable standard of conduct set forth in this Article. Such determination shall be made by the Board of Directors or a committee thereof by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding or, if such a quorum is not obtainable, or, even if obtainable a quorum of disinterested directors so directs, by special legal counsel in a written opinion. Notification shall be given to the Nebraska Attorney General to the extent and as provided by law.

Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the corporation in advance of the final disposition of such action, suit or proceeding provided that a determination is made that the facts then known to those making the determination would not preclude indemnification. Payment shall be further conditioned upon receipt of an undertaking by or on behalf of such person to repay such amount unless it shall ultimately be determined that he or she is entitled to be indemnified by the corporation as authorized in this Article and written affirmation of his or her good faith belief that he or she has met the standard of conduct. In the case of joint representation by legal counsel selected by the corporation, such person shall, in addition, deliver a signed acknowledgement of potential conflict of interest signifying his or her agreement to seek independent legal counsel of his or her own choosing and at his or her own expense in the event a conflict of interest precludes joint representation at any time during the proceedings and waiver of any objection to the continuance of representation of the corporation by such legal counsel.

## ARTICLE VI

### WAIVER OF NOTICE

Whenever any notice is required to be given to any director of the corporation under the provisions of the Articles of Incorporation, these Bylaws or the Nebraska Nonprofit Corporation Act, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice. A director shall be deemed to have waived notice by attending a meeting and not raising an objection at the beginning of the meeting or as to any matters improperly noticed, at such time as the matter is presented.

## ARTICLE VII

### PROHIBITION AGAINST SHARING IN CORPORATE EARNINGS

No director, officer or employee of or person connected with the corporation or any other private individual, shall receive any of the net earnings or pecuniary profit from the operations of the corporation; provided, however, this provision shall not prevent the payment to any such person of such reasonable compensation for services rendered to or for the corporation in effecting any of its purposes as shall be fixed by the Board of Directors, and no such person or persons shall be

entitled to share in the distribution of any of the corporate assets upon the dissolution of the corporation.

## **ARTICLE VIII**

### **ADMINISTRATIVE PROVISIONS**

**Section 1. CONTRACTS.** The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instruments in the name of or on behalf of the corporation, and such authority may be general or confined to specific instances.

**Section 2. LOANS.** No loans shall be contracted on behalf of the corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors or by the Articles of Incorporation. Such authority may be general or confined to specific instances. In no event shall the corporation lend money to or guarantee the obligation of a director or officer of the corporation.

**Section 3. BANK ACCOUNTS.** The funds of the corporation shall be deposited in such banks, trust funds or depositories as the Board of Directors may designate and shall be withdrawn upon the signature of the Chair and/or upon the signatures of such other person or persons as the directors may by resolution authorize.

**Section 4. BOOKS AND RECORDS.** The corporation shall keep as permanent records minutes of all meetings of its Board of Directors, a record of all actions taken by the directors without a meeting, and a record of all actions taken by committees of the Board of Directors. In addition, the corporation shall maintain appropriate accounting records. The corporation shall keep a copy of the following records at the principal office:

- a. The Articles of Incorporation and all amendments to them currently in effect;
- b. The Bylaws and all amendments to them currently in effect;
- c. A list of the names and business or home addresses of its current directors and officers;
- d. Its most recent biennial report delivered to the Secretary of State; and
- e. Standing Rules of the corporation.
- f. Such other records as may be required by law.

**Section 5. MINUTES.** Minutes of all meetings shall be prepared by the person appointed to take the minutes of the meeting and submitted in draft form to those persons entitled to attend such meeting within three (3) weeks of the date such meeting is held. Final drafts of the minutes shall be approved at the next meeting of the applicable body. The approved minutes shall be certified by the Secretary or Assistant Secretary and placed on file in the records of the corporation.

**Section 6. FISCAL YEAR.** The fiscal year of the corporation shall begin on the first day of January and end on the last day of December in each year.

## **ARTICLE IX**

## **AMENDMENTS**

These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by the Board of Directors at any regular or special meeting of the Board of Directors by two-thirds (2/3) vote of the directors constituting a quorum. Notice of the meeting shall state that the purpose of the meeting is to consider a proposed amendment to the Bylaws or be accompanied by a copy or summary of the amendment or state the general nature of the amendment.

## **ARTICLE X**

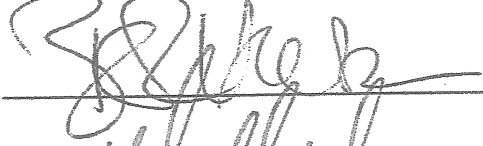
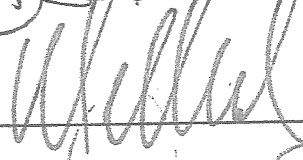
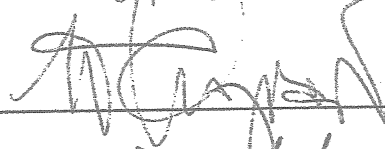
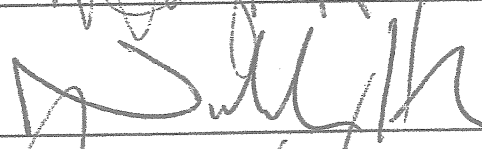
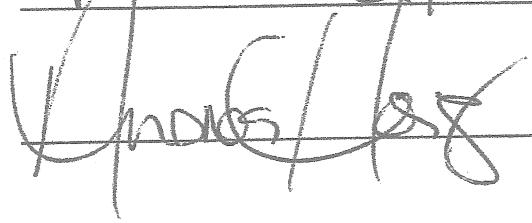
### **SEAL**

The corporation shall not have a seal.

**[Remainder of Page Left Intentionally Blank - Signature Page Follows]**

IN WITNESS WHEREOF, the undersigned, being all the Directors of the Corporation,  
hereby adopt and execute these Bylaws as of the 15 day of May, 2012.

**DIRECTORS:**

  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
\_\_\_\_\_

**EXHIBIT 1**

**Conflict of Interest Policy**

**(see attached)**

**CONFLICT OF INTEREST POLICY**  
**OF**  
**OMAHA FASHION INSTITUTE**

Article I

Purpose

The purpose of the conflict of interest policy is to protect the interest of Omaha Fashion Institute (the "Company") when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Company or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Article II

Definitions

- 1) **Interested Person**—Any director, principal officer, or member of a committee with powers delegated by the Board of Directors, who has a direct or indirect financial interest, as defined below, is an interested person.
- 2) **Financial Interest**—A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
  - a) An ownership or investment interest in any entity with which the Company has a transaction or arrangement,
  - b) A compensation arrangement with the Company or with any entity or individual with which the Company has a transaction or arrangement, or
  - c) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Company is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the Board of Directors or an appropriate committee decides that a conflict of interest exists.

Article III

Procedures

- 1) **Duty to Disclose**—In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with board delegated powers considering the proposed transaction or arrangement.

- 2) **Determining Whether a Conflict of Interest Exists**—After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.
- 3) **Procedures for Addressing the Conflict of Interest**—
- a) An interested person may make a presentation at the board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
  - b) The chairperson of the Board of Directors or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
  - c) After exercising due diligence, the Board of Directors or committee shall determine whether the Company can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
  - d) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board of Directors or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Company's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.
- 4) **Violations of the Conflicts of Interest Policy**
- a) If the Board of Directors or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
  - b) If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board of Directors or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

#### Article IV

##### Records of Proceedings

The minutes of the Board of Directors and all committees with board delegated powers shall contain:

- a) The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board of Directors' or committee's decision as to whether a conflict of interest in fact existed.



- b) The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

#### Article V

##### Compensation

- a) A voting member of the Board of Directors who receives compensation, directly or indirectly, from the Company for services is precluded from voting on matters pertaining to that member's compensation.
- b) A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Company for services is precluded from voting on matters pertaining to that member's compensation.
- c) No voting member of the Board of Directors or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Company, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

#### Article VI

##### Annual Statements

Each director, principal officer and member of a committee with board delegated powers shall annually sign a statement which affirms such person:

- a) Has received a copy of the conflicts of interest policy,
- b) Has read and understands the policy,
- c) Has agreed to comply with the policy, and
- d) Understands the Company is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax exempt purposes.

#### Article VII

##### Periodic Reviews

To ensure the Company operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a) Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.

- b) Whether partnerships, joint ventures, and arrangements with management organizations conform to the Company's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

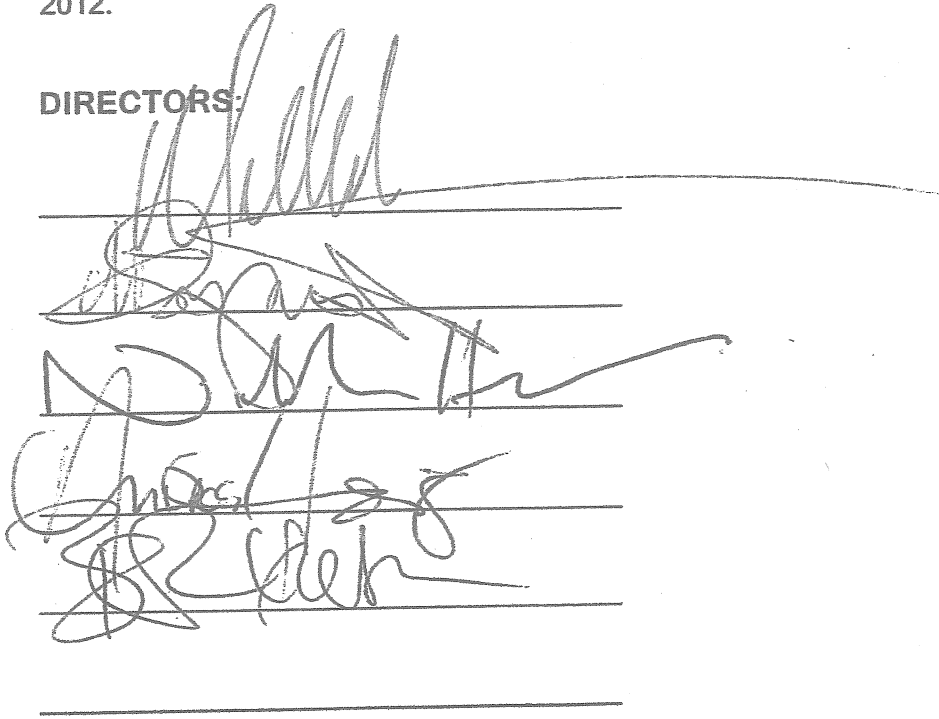
#### Article VIII

##### Use of Outside Experts

When conducting the periodic reviews as provided for in Article VII, the Company may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of Directors of its responsibility for ensuring periodic reviews are conducted.

IN WITNESS WHEREOF, the undersigned, being all the Directors of the Company, hereby adopt and execute this Conflict of Interest Policy effective as of the \_\_\_\_ day of May, 2012.

DIRECTORS:

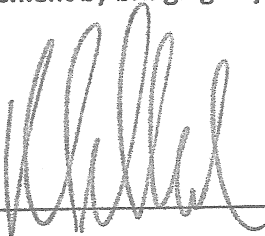


ANNUAL CONFLICT OF INTEREST STATEMENT

FOR

OMAHA FASHION INSTITUTE

I have received, read and understand fully the Conflict of Interest Policy and will comply with the statement by bringing any potential conflict of interest situations to the board for consideration.

A handwritten signature in dark ink, consisting of several loops and a long horizontal stroke at the end, positioned above a horizontal line.

Date Signature

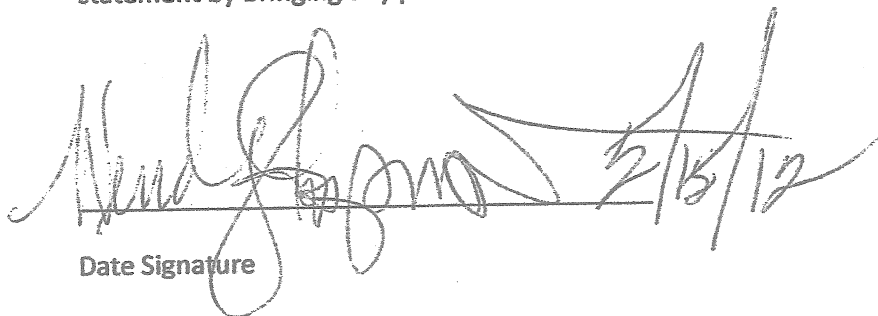
5-15-2012

ANNUAL CONFLICT OF INTEREST STATEMENT

FOR

OMAHA FASHION INSTITUTE

I have received, read and understand fully the Conflict of Interest Policy and will comply with the statement by bringing any potential conflict of interest situations to the board for consideration.

A handwritten signature in cursive script, followed by the date 2/15/12, written over a horizontal line.

Date Signature

**ANNUAL CONFLICT OF INTEREST STATEMENT**

**FOR**

**OMAHA FASHION INSTITUTE**

**I have received, read and understand fully the Conflict of Interest Policy and will comply with the statement by bringing any potential conflict of interest situations to the board for consideration.**

A handwritten signature in black ink, appearing to be "D. Miller", is written over a horizontal line.

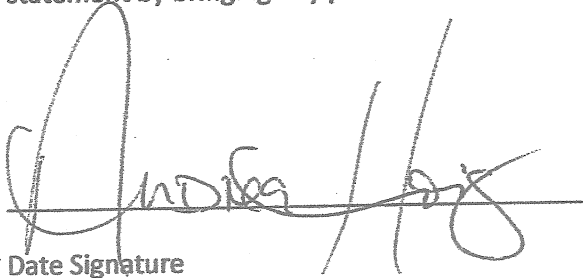
**Date Signature**

ANNUAL CONFLICT OF INTEREST STATEMENT

FOR

OMAHA FASHION INSTITUTE

I have received, read and understand fully the Conflict of Interest Policy and will comply with the statement by bringing any potential conflict of interest situations to the board for consideration.

A handwritten signature in dark ink, appearing to read "Andrew H. [unclear]", is written over a horizontal line.


Date Signature

ANNUAL CONFLICT OF INTEREST STATEMENT

FOR

OMAHA FASHION INSTITUTE

I have received, read and understand fully the Conflict of Interest Policy and will comply with the statement by bringing any potential conflict of interest situations to the board for consideration.

 5/15/12

Date Signature

**MINUTES OF THE MEETING OF THE  
BOARD OF DIRECTORS  
FOR  
OMAHA FASHION INSTITUTE, INC.**

The Board of Directors for the corporation met on June 5, 2012, and hereby subscribed to the following resolution:

**WHEREAS**, the Board of Directors for the corporation, Omaha Fashion Institute, Inc., does hereby intend to change the name of the corporation to "Fashion Institute Midwest, Inc."

**NOW, THEREFORE**, it is resolved, after unanimous vote of the quorum of the Board of Directors, that:

**RESOLVED**, the President of the corporation is authorized to execute all such documents, consents, and other agreements that are necessary to change the name of the corporation from Omaha Fashion Institute, Inc. to Fashion Institute Midwest, Inc.

Dated effective this 5th day of June, 2012.

  
\_\_\_\_\_  
Brook Hudson, President



Date of this notice: 12-13-2011

Employer Identification Number:  
45-4025396

Form: SS-4

Number of this notice: CP 575 A

For assistance you may call us at:  
1-800-829-4933

OMAHA FASHION INSTITUTE  
% BROOK HUDSON  
5104 FRANKLIN ST  
OMAHA, NE 68104

IF YOU WRITE, ATTACH THE  
STUB AT THE END OF THIS NOTICE.

**WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER**

Thank you for applying for an Employer Identification Number (EIN). We assigned you EIN 45-4025396. This EIN will identify you, your business accounts, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records.

When filing tax documents, payments, and related correspondence, it is very important that you use your EIN and complete name and address exactly as shown above. Any variation may cause a delay in processing, result in incorrect information in your account, or even cause you to be assigned more than one EIN. If the information is not correct as shown above, please make the correction using the attached tear off stub and return it to us.

Based on the information received from you or your representative, you must file the following form(s) by the date(s) shown.

Form 1120

03/15/2012

If you have questions about the form(s) or the due date(s) shown, you can call us at the phone number or write to us at the address shown at the top of this notice. If you need help in determining your annual accounting period (tax year), see Publication 538, *Accounting Periods and Methods*.

We assigned you a tax classification based on information obtained from you or your representative. It is not a legal determination of your tax classification, and is not binding on the IRS. If you want a legal determination of your tax classification, you may request a private letter ruling from the IRS under the guidelines in Revenue Procedure 2004-1, 2004-1 I.R.B. 1 (or superseding Revenue Procedure for the year at issue). Note: Certain tax classification elections can be requested by filing Form 8832, *Entity Classification Election*. See Form 8832 and its instructions for additional information.

**IMPORTANT INFORMATION FOR S CORPORATION ELECTION:**

If you intend to elect to file your return as a small business corporation, an election to file a Form 1120-S must be made within certain timeframes and the corporation must meet certain tests. All of this information is included in the instructions for Form 2553, *Election by a Small Business Corporation*.

If you are required to deposit for employment taxes (Forms 941, 943, 940, 944, 945, CT-1, or 1042), excise taxes (Form 720), or income taxes (Form 1120), you will receive a Welcome Package shortly, which includes instructions for making your deposits electronically through the Electronic Federal Tax Payment System (EFTPS). A Personal Identification Number (PIN) for EFTPS will also be sent to you under separate cover. Please activate the PIN once you receive it, even if you have requested the services of a tax professional or representative. For more information about EFTPS, refer to Publication 966, *Electronic Choices to Pay All Your Federal Taxes*. If you need to make a deposit immediately, you will need to make arrangements with your Financial Institution to complete a wire transfer.

The IRS is committed to helping all taxpayers comply with their tax filing obligations. If you need help completing your returns or meeting your tax obligations, Authorized e-file Providers, such as Reporting Agents (payroll service providers) are available to assist you. Visit the IRS Web site at [www.irs.gov](http://www.irs.gov) for a list of companies that offer IRS e-file for business products and services. The list provides addresses, telephone numbers, and links to their Web sites.

To obtain tax forms and publications, including those referenced in this notice, visit our Web site at [www.irs.gov](http://www.irs.gov). If you do not have access to the Internet, call 1-800-829-3676 (TTY/TDD 1-800-829-4059) or visit your local IRS office.

### IMPORTANT REMINDERS:

- \* Keep a copy of this notice in your permanent records. This notice is issued only one time and the IRS will not be able to generate a duplicate copy for you.
- \* Use this EIN and your name exactly as they appear at the top of this notice on all your federal tax forms.
- \* Refer to this EIN on your tax-related correspondence and documents.

If you have questions about your EIN, you can call us at the phone number or write to us at the address shown at the top of this notice. If you write, please tear off the stub at the bottom of this notice and send it along with your letter. If you do not need to write us, do not complete and return the stub. Thank you for your cooperation.

Keep this part for your records.

CP 575 A (Rev. 7-2007)

Return this part with any correspondence  
so we may identify your account. Please  
correct any errors in your name or address.

CP 575 A

999999999999

Your Telephone Number    Best Time to Call  
(       )                      -

DATE OF THIS NOTICE: 12-13-2011  
EMPLOYER IDENTIFICATION NUMBER: 45-4025396  
FORM: SS-4 NOBOD

INTERNAL REVENUE SERVICE  
CINCINNATI OH 45999-0023

A standard linear barcode consisting of vertical black bars of varying widths on a white background, located at the bottom of the document.

OMAHA FASHION INSTITUTE  
% BROOK HUDSON  
5104 FRANKLIN ST  
OMAHA, NE 68104