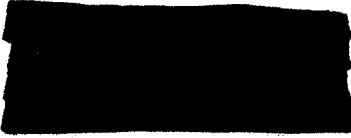


DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
WASHINGTON, D.C. 20224

Date: JUN - 6 2000



Contact Person:

ID Number:

Telephone Number:

Dear Sir or Madam:

We have completed our consideration of your application for recognition of exemption from federal income tax and we have concluded that you are not exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code. The reasons for our conclusion are explained below.

Your organization was formed as a public health benefit organization. Your articles of incorporation provides that you will secure medical supplies, deliver public health education and support health research in order to improve the lives of needy individuals in developing countries. Your organization proposes to seek donations of used and affordable medical supplies that will be utilized in the delivery of health care. Your organization is seeking sponsors to assist it in conducting medical research, delivering public education and other health related activities.

Your organization has not conducted any medical research nor has it identified any beneficiaries for its medical supply project. Your organization has not secured any donor agencies to sponsor any of your health-related activities. You have not provided a clear explanation of how your organization will solicit, transport, store and distribute medical supplies and pharmaceutical products. You have provided no explanation of how these donated items will be valued or if these pharmaceutical products will be used after their expiration dates. You have not provided an explanation of who will take physical possession of the donated items. You have failed to adequately discuss how your organization will assure that the donated medical supplies will be used for charitable purposes. You also have not provided a resolution signed by the principal officers of your organization stating that members of the board of directors would not vote on their own compensation.

Revenue Procedure 90-27, 1990-1 C.B. 514, provides, in part, that exempt status will be recognized in advance of operations if proposed operations can be described in sufficient detail to permit a conclusion that the organization will clearly meet the particular requirements of the section under which exemption is claimed. A mere statement of purposes or statement that

proposed activities will be in furtherance of such purposes will not satisfy this requirement. The organization must fully describe the activities in which it expects to engage, including the standards, criteria, procedures, or other means adopted or planned, and the nature of contemplated expenditures. Where the organization cannot demonstrate to the satisfaction of the Service that its proposed activities will be exempt, a record of actual operations may be required before a ruling or determination letter will be issued. In those cases where an organization is unable to describe fully its purposes and activities, a refusal to issue a ruling or determination from which administrative appeal or protest rights will be afforded.

In summary, based on the information that you have submitted, we are unable to determine that the operational requirements for exemption under section 501(c)(3) and the regulations thereunder have been met. We are unable to conclude that your future activities will meet the requirements of section 1.501(c)(3)-1(d)(ii) of the Income Tax Regulations, which require that a public rather than a private interests be served, and you have not established that you are not organized or operated for the benefit of private persons controlled, directly, or indirectly, by such interests. Also we are unable to conclude, based on the information that you have submitted, that your future activities, will meet the requirements of section 1.501(c)(3)-1(c)(2) of the regulations, which state that an organization is not operated exclusively for exempt purposes if its net earnings inure in whole or in part to the benefit of private individuals.

Accordingly, since you have not provided sufficient information about the proposed operation of your organization, a determination as to your exempt status under section 501(c)(3) of the Code will not be made at this time. You are, therefore, required to file Federal income tax returns until such time as your exempt status is recognized.

Contributions to your organization are not deductible under section 170(c)(2) of the Code.

You have the right to protest this ruling if you believe it is incorrect. To protest, you should submit a statement of your views to this office, with a full explanation of your reasoning. This statement, signed by one of your officers, must be submitted within 30 days from the date of this letter. You also have a right to a conference in this office after your statement is submitted. You must request the conference, if you want one, when you file your protest statement. If you are to be represented by someone, who is not one of your officers, that person will need to file a proper power of attorney and otherwise qualify under our Conference and Practices Requirements.

If you do not protest this ruling in a timely manner, it will be considered by the Internal Revenue Service as a failure to exhaust available administrative remedies. Section 7428(b)(2) of the Code provides, in part, that a declaratory judgement or decree under this section shall not be issued in any proceeding unless the Tax Court, the United States Court of Federal Claims, or the District Court of the United States for the District of Columbia determines that the organization involved has exhausted administrative remedies available to it within the Internal Revenue Service.

[REDACTED]

If we do not hear from you within 30 days, this ruling will become final and a copy will be forwarded to the Ohio EP/EO key district office. Thereafter, any questions about your federal income tax status should be directed to that office, either by calling 877-829-5500 (a toll free number) or sending correspondence to: Internal Revenue Service, EP/EO Customer Service, P.O. Box 2508, Cincinnati, OH 45201. The appropriate State Officials will be notified of this action in accordance with Code section 6104(c).

When sending additional letters to us with respect to this case, you will expedite their receipt by using the following address:

Internal Revenue Service  
[REDACTED] T: EO: RA: T: 3  
Room 6137  
1111 Constitution Avenue, N.W.  
Washington, DC 20224

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely,  
(signed) Robert C. Harper, Jr.

Robert C. Harper, Jr.  
Manager, Exempt Organizations  
Technical Group 3

[REDACTED]

[REDACTED]

[REDACTED]