

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 <input checked="" type="checkbox"/> No ___
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) Art. II(A) - '12 amend
 - Location of Dissolution Clause from Part III, line 2b or 2c (Page, Article and Paragraph Number) or by operation of state law Art. VII - 2012 amend
- ☒ 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



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

1 Full name of organization (exactly as it appears in your organizing document)		2 c/o Name (if applicable)	
Bristol Baseball, Incorporated			
3 Mailing address (Number and street) (see instructions)	Room/Suite	4 Employer Identification Number (EIN)	
P.O. Box 1434		54-0849290	
City or town, state or country, and ZIP + 4		5 Month the annual accounting period ends (01 - 12)	
Bristol, Virginia 24203		12	
6 Primary contact (officer, director, trustee, or authorized representative)		b Phone: 276-708-6109	
a Name: Lucas Hobbs, Vice President		c Fax: (optional) 276-466-8161	
7 Are you represented by an authorized representative, such as an attorney or accountant? If "Yes," provide the authorized representative's name, and the name and address of the authorized representative's firm. Include a completed Form 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	
8 Was a person who is not one of your officers, directors, trustees, employees, or an authorized representative listed in line 7, paid, or promised payment, to help plan, manage, or advise you about the structure or activities of your organization, or about your financial or tax matters? If "Yes," provide the person's name, the name and address of the person's firm, the amounts paid or promised to be paid, and describe that person's role.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
9a Organization's website: www.bristolsox.com			
b Organization's email: (optional) brisox@btes.tv			
10 Certain organizations are not required to file an information return (Form 990 or Form 990-EZ). If you are granted tax-exemption, are you claiming to be excused from filing Form 990 or Form 990-EZ? If "Yes," explain. See the instructions for a description of organizations not required to file Form 990 or Form 990-EZ.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
11 Date incorporated if a corporation, or formed, if other than a corporation. (MM/DD/YYYY)		04 / 23 / 1984	
12 Were you formed under the laws of a foreign country ? If "Yes," state the country.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

Part II Organizational Structure

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

- 1 Are you a **corporation**? If "Yes," attach a copy of your articles of incorporation showing **certification of filing** with the appropriate state agency. Include copies of any amendments to your articles and be sure they also show state filing certification. **See attached** ☒ 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. **See attached** ☒ 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. **See attached**

- 1 Section 501(c)(3) requires that your organizing document state your exempt purpose(s), such as charitable, religious, educational, and/or scientific purposes. Check the box to confirm that your organizing document meets this requirement. Describe specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document. Refer to the instructions for exempt purpose language. Location of Purpose Clause (Page, Article, and Paragraph): **Article II(A) - 2012 amendment** ☒
- 2a Section 501(c)(3) requires that upon dissolution of your organization, your remaining assets must be used exclusively for exempt purposes, such as charitable, religious, educational, and/or scientific purposes. Check the box on line 2a to confirm that your organizing document meets this requirement by express provision for the distribution of assets upon dissolution. If you rely on state law for your dissolution provision, do not check the box on line 2a and go to line 2c. ☒
- 2b If you checked the box on line 2a, specify the location of your dissolution clause (Page, Article, and Paragraph). Do not complete line 2c if you checked box 2a. **Article VII - 2012 amendment**
- 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. **See attached**

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)
Mahlon Luttrell	President and General Manager	224 Memory Lane Bristol, TN 37620	None
Lucas Hobbs	Vice President	15286 Monticello Drive Bristol, VA 24202	None
Lynn Armstrong	Vice President	146 McArthur Circle Bristol, VA 24201	None
Perry Hustad	Vice President/Official Scorer	629 Garden Lane Bristol, VA 24201	\$850
See attached			

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

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

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

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

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

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

- 2a** Are any of your officers, directors, or trustees **related** to each other through **family or business relationships**? If "Yes," identify the individuals and explain the relationship. **See attached** ☒ **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. **See attached** ☒ **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. **See attached**
- 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
See attached
- 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. See attached
- c Identify with whom you have or will have such arrangements. See attached
- d Explain how the terms are or will be negotiated at arm's length. See attached
- e Explain how you determine you pay no more than fair market value or you are paid at least fair market value. See attached
- f Attach copies of any signed leases, contracts, loans, or other agreements relating to such arrangements. N/A
- 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. See attached ☒ 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. See attached ☒ 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 See attached response to Part VI, 1a, and Schedule H
- 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 See attached
- 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. See attached

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 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. See attached

- 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. See attached
- 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
See attached
- 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. See attached
- 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. See attached
- e** Describe the records you keep with respect to the grants, loans, or other distributions you make. See attached
- f** Describe your selection process, including whether you do any of the following: See attached
- (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. See attached
- 14a** Do you or will you make grants, loans, or other distributions to foreign organizations? If "Yes," answer lines 14b through 14f. If "No," go to line 15. ☐ Yes ☒ No
- b** Provide the name of each foreign organization, the country and regions within a country in which each foreign organization operates, and describe any relationship you have with each foreign organization.
- c** Does any foreign organization listed in line 14b accept contributions earmarked for a specific country or specific organization? If "Yes," list all earmarked organizations or countries. ☐ Yes ☐ No
- d** Do your contributors know that you have ultimate authority to use contributions made to you at your discretion for purposes consistent with your exempt purposes? If "Yes," describe how you relay this information to contributors. ☐ Yes ☐ No
- e** Do you or will you make pre-grant inquiries about the recipient organization? If "Yes," describe these inquiries, including whether you inquire about the recipient's financial status, its tax-exempt status under the Internal Revenue Code, its ability to accomplish the purpose for which the resources are provided, and other relevant information. ☐ Yes ☐ No
- f** Do you or will you use any additional procedures to ensure that your distributions to foreign organizations are used in furtherance of your exempt purposes? If "Yes," describe these procedures, including site visits by your employees or compliance checks by impartial experts, to verify that grant funds are being used appropriately. ☐ Yes ☐ No

Part VIII Your Specific Activities (Continued)

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

See attached for 2007

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 XXXXXX 2007 through 2011
	(a) From 1/1/11 To 12/31/11	(b) From 1/1/10 To 12/31/10	(c) From 1/1/09 To 12/31/09	(d) From 1/1/08 To 12/31/08		
Revenues	1 Gifts, grants, and contributions received (do not include unusual grants)	0	0	0	0	0
	2 Membership fees received	0	0	0	0	0
	3 Gross investment income	733	3592	3782	5452	18244
	4 Net unrelated business income	0	0	0	0	0
	5 Taxes levied for your benefit	0	0	0	0	0
	6 Value of services or facilities furnished by a governmental unit without charge (not including the value of services generally furnished to the public without charge)	0	0	0	0	0
	7 Any revenue not otherwise listed above or in lines 9-12 below (attach an itemized list)	0	0	0	0	0
	8 Total of lines 1 through 7	733	3592	3782	5452	18244
	9 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to your exempt purposes (attach itemized list)	104972	84127	74056	80212	427563
	10 Total of lines 8 and 9	105705	87719	77838	85664	445807
11 Net gain or loss on sale of capital assets (attach schedule and see instructions)	0	0	0	0	19	
12 Unusual grants	0	0	0	0	0	
13 Total Revenue Add lines 10 through 12	105705	87719	77838	85664	445826	
Expenses	14 Fundraising expenses	0	0	0	0	
	15 Contributions, gifts, grants, and similar amounts paid out (attach an itemized list)	500	1670	3810	2800	
	16 Disbursements to or for the benefit of members (attach an itemized list)	0	0	0	0	
	17 Compensation of officers, directors, and trustees	4590	850	850	850	
	18 Other salaries and wages	0	0	0	0	
	19 Interest expense	1477	3659	0	0	
	20 Occupancy (rent, utilities, etc.)	4000	0	2000	2000	
	21 Depreciation and depletion	12440	8354	4296	10538	
	22 Professional fees -Accountant	1600	1600	1500	1400	
	23 Any expense not otherwise classified, such as program services (attach itemized list)	71557	59104	64625	60664	
	24 Total Expenses Add lines 14 through 23	96164	75237	77081	78252	

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

Year End: 2011

Assets		(Whole dollars)
1	Cash	188,260
2	Accounts receivable, net	0
3	Inventories	13,279
4	Bonds and notes receivable (attach an itemized list)	0
5	Corporate stocks (attach an itemized list)	0
6	Loans receivable (attach an itemized list)	0
7	Other investments (attach an itemized list)	0
8	Depreciable and depletable assets (attach an itemized list)	127,099 (net)
9	Land	0
10	Other assets (attach an itemized list)	421
11	Total Assets (add lines 1 through 10)	329,059
Liabilities		
12	Accounts payable	0
13	Contributions, gifts, grants, etc. payable	0
14	Mortgages and notes payable (attach an itemized list)	50,000
15	Other liabilities (attach an itemized list)	1,477
16	Total Liabilities (add lines 12 through 15)	51,477
Fund Balances or Net Assets		
17	Total fund balances or net assets	277,582
18	Total Liabilities and Fund Balances or Net Assets (add lines 16 and 17)	329,059
19	Have there been any substantial changes in your assets or liabilities since the end of the period shown above? If "Yes," explain. See attached	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Part X Public Charity Status

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

- 1a Are you a private foundation? If "Yes," go to line 1b. If "No," go to line 5 and proceed as instructed. ☐ 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 or by calling toll-free 1-800-829-3676. Signing this consent will not deprive you of any appeal rights to which you would otherwise be entitled. If you decide not to extend the statute of limitations, you are not eligible for an advance ruling. ☐

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

For Organization

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

(Type or print name of signer)

(Date)

(Type or print title or authority of signer)

For IRS Use Only

IRS Director, Exempt Organizations

(Date)

- b Request for Definitive Ruling:** Check this box if you have completed one tax year of at least 8 full months and you are requesting a definitive ruling. To confirm your public support status, answer line 6b(i) if you checked box g in line 5 above. Answer line 6b(ii) if you checked box h in line 5 above. If you checked box i in line 5 above, answer both lines 6b(i) and (ii). ☒
- (i)** **(a)** Enter 2% of line 8, column (e) on Part IX-A. Statement of Revenues and Expenses. **365**
- (b)** Attach a list showing the name and amount contributed by each person, company, or organization whose gifts totaled more than the 2% amount. If the answer is "None," check this box. ☒
- (ii)** **(a)** For each year amounts are included on lines 1, 2, and 9 of Part IX-A. Statement of Revenues and Expenses, attach a list showing the name of and amount received from each **disqualified person**. If the answer is "None," check this box. ☒
- (b)** For each year amounts are included on line 9 of Part IX-A. Statement of Revenues and Expenses, attach a list showing the name of and amount received from each payer, other than a disqualified person, whose payments were more than the larger of (1) 1% of line 10, Part IX-A. Statement of Revenues and Expenses, or (2) \$5,000. If the answer is "None," check this box. ☒
- 7** Did you receive any unusual grants during any of the years shown on Part IX-A. Statement of Revenues and Expenses? If "Yes," attach a list including the name of the contributor, the date and amount of the grant, a brief description of the grant, and explain why it is unusual. ☐ Yes ☒ No

Part XI User Fee Information

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

- 1 Have your annual gross receipts averaged or are they expected to average not more than \$10,000? ☐ Yes ☒ No
 If "Yes," check the box on line 2 and enclose a user fee payment of \$300 (Subject to change—see above).
 If "No," check the box on line 3 and enclose a user fee payment of \$750 (Subject to change—see above).
- 2 Check the box if you have enclosed the reduced user fee payment of \$300 (Subject to change). ☐
- 3 Check the box if you have enclosed the user fee payment of ~~\$750 (Subject to change)~~ \$850 ☒

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)

Lucas Hobbs

(Type or print name of signer)

Vice President

(Type or print title or authority of signer)

5/23/12
 (Date)

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

Form 1023 (Rev. 6-2006)

Schedule E. Organizations Not Filing Form 1023 Within 27 Months of Formation

Schedule E is intended to determine whether you are eligible for tax exemption under section 501(c)(3) from the postmark date of your application or from your date of incorporation or formation, whichever is earlier. If you are not eligible for tax exemption under section 501(c)(3) from your date of incorporation or formation, Schedule E is also intended to determine whether you are eligible for tax exemption under section 501(c)(4) for the period between your date of incorporation or formation and the postmark date of your application.

- 1** Are you a church, association of churches, or integrated auxiliary of a church? If "Yes," complete Schedule A and stop here. Do not complete the remainder of Schedule E. ☐ Yes ☒ No
- 2a** Are you a public charity with annual **gross receipts** that are normally \$5,000 or less? If "Yes," stop here. Answer "No" if you are a private foundation, regardless of your gross receipts. ☐ Yes ☒ No
- b** If your gross receipts were normally more than \$5,000, are you filing this application within 90 days from the end of the tax year in which your gross receipts were normally more than \$5,000? If "Yes," stop here. ☐ Yes ☒ No
- 3a** Were you included as a subordinate in a group exemption application or letter? If "No," go to line 4. ☐ Yes ☒ No
- b** If you were included as a subordinate in a group exemption letter, are you filing this application within 27 months from the date you were notified by the organization holding the group exemption letter or the Internal Revenue Service that you cease to be covered by the group exemption letter? If "Yes," stop here. ☐ Yes ☐ No
- c** If you were included as a subordinate in a timely filed group exemption request that was denied, are you filing this application within 27 months from the postmark date of the Internal Revenue Service final adverse ruling letter? If "Yes," stop here. ☐ Yes ☐ No
- 4** Were you created on or before October 9, 1969? If "Yes," stop here. Do not complete the remainder of this schedule. ☐ Yes ☒ No
- 5** If you answered "No" to lines 1 through 4, we cannot recognize you as tax exempt from your date of formation unless you qualify for an extension of time to apply for exemption. Do you wish to request an extension of time to apply to be recognized as exempt from the date you were formed? If "Yes," attach a statement explaining why you did not file this application within the 27-month period. Do not answer lines 6, 7, or 8. If "No," go to line 6a. ☐ Yes ☒ No
- 6a** If you answered "No" to line 5, you can only be exempt under section 501(c)(3) from the postmark date of this application. Therefore, do you want us to treat this application as a request for tax exemption from the postmark date? If "Yes," you are eligible for an advance ruling. Complete Part X, line 6a. If "No," you will be treated as a private foundation. ☒ Yes ☐ No
- Note.** Be sure your ruling eligibility agrees with your answer to Part X, line 6.
- b** Do you anticipate significant changes in your sources of support in the future? If "Yes," complete line 7 below. ☐ Yes ☒ No

Schedule E. Organizations Not Filing Form 1023 Within 27 Months of Formation (Continued)

- 7 Complete this item only if you answered "Yes" to line 6b. Include projected revenue for the first two full years following the current tax year.

Type of Revenue	Projected revenue for 2 years following current tax year		
	(a) From To	(b) From To	(c) Total
1 Gifts, grants, and contributions received (do not include unusual grants)			
2 Membership fees received			
3 Gross investment income			
4 Net unrelated business income			
5 Taxes levied for your benefit			
6 Value of services or facilities furnished by a governmental unit without charge (not including the value of services generally furnished to the public without charge)			
7 Any revenue not otherwise listed above or in lines 9-12 below (attach an itemized list)			
8 Total of lines 1 through 7			
9 Gross receipts from admissions, merchandise sold, or services performed, or furnishing of facilities in any activity that is related to your exempt purposes (attach itemized list)			
10 Total of lines 8 and 9			
11 Net gain or loss on sale of capital assets (attach an itemized list)			
12 Unusual grants			
13 Total revenue. Add lines 10 through 12			

- 8 According to your answers, you are only eligible for tax exemption under section 501(c)(3) from the postmark date of your application. However, you may be eligible for tax exemption under section 501(c)(4) from your date of formation to the postmark date of the Form 1023. Tax exemption under section 501(c)(4) allows exemption from federal income tax, but generally not deductibility of contributions under Code section 170. Check the box at right if you want us to treat this as a request for exemption under 501(c)(4) from your date of formation to the postmark date. ▶ ☐

Attach a completed Page 1 of Form 1024, Application for Recognition of Exemption Under Section 501(a), to this application.

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. See attached
- b Describe the purpose and amount of your scholarships, fellowships, and other educational grants and loans that you award. See attached
- c If you award educational loans, explain the terms of the loans (interest rate, length, forgiveness, etc.). See attached
- d Specify how your program is publicized. See attached
- e Provide copies of any solicitation or announcement materials. See attached
- f Provide a sample copy of the application used. See attached
- 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.) See attached
- 4a Describe the specific criteria you use to select recipients. (For example, specific selection criteria could consist of prior academic performance, financial need, etc.) See attached
- b Describe how you determine the number of grants that will be made annually. See attached
- c Describe how you determine the amount of each of your grants. See attached
- 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.) See attached
- 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. See attached
- 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? See attached
- 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

Form 1023 attachments
Bristol Baseball, Incorporated
EIN: 54-0849290
Part II, 1 and Part III

ARTICLES OF INCORPORATION
OF
BRISTOL BASEBALL, INCORPORATED

We hereby associate to form a nonstock corporation under the provisions of Chapter 2 of Title 13.1 of the 1950 Code of Virginia, as amended, and certify the following:

ARTICLE I

NAME

The name of the corporation is BRISTOL BASEBALL, INCORPORATED.

ARTICLE II

PURPOSE

A. The purpose for which this corporation is formed is to operate, manage, support and promote a professional baseball team located in the City of Bristol, Virginia and participating in the Appalachian League.

ARTICLE III

MEMBERS

This corporation shall have no members.

ARTICLE IV

DIRECTORS

The number of directors constituting the initial Board of Directors is three, and the names and addresses of the persons to serve as initial directors are:

Peter Curcio
600 Cumberland Street
Bristol, Virginia 24201

Boyes Cox
40 Chettry Lane
Bristol, Virginia 24201

George Stone
Route 2
Bristol, Tennessee 37620

The initial Board of Directors are authorized to elect a Board of Directors and thereafter any replacement of

Form 1023 attachments
Bristol Baseball, Incorporated
EIN: 54-0849290
Part II, I and Part III

any director who ceases to be a director of said corporation shall be by a majority vote of the then duly constituted Board of Directors.

ARTICLE V

INITIAL REGISTERED OFFICE AND AGENT

The post office address of the initial registered office of the corporation is 600 Cumberland Street, located in the City of Bristol, Virginia 24201.

The name of the initial registered agent is Peter Curcio, who is a resident of the Commonwealth of Virginia and who is a member of the Virginia State Bar and whose business address is the same as the address of the initial registered office of the corporation.

ARTICLE VI

NONPROFIT

A. No part of the net earnings, properties or assets of this corporation on dissolution or otherwise shall enure to the benefit of any private person or individual or any member or director of this corporation, and on liquidation or dissolution all properties and assets of this corporation

ARTICLE VII

DISSOLUTION

Upon the dissolution of the corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation exclusively for the purposes of the corporation in such manner or to such organization or organizations organized and operated exclusively for charitable education, religious or scientific purposes as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any

PREPARED BY:

G. WALTER BRESLEN
ATTORNEY AT LAW
BRISTOL, VIRGINIA

Form 1023 attachments
Bristol Baseball, Incorporated
EIN: 54-0849290
Part II, 1 and Part III

futuce United States Internal Revenue law) as the Board of Directors shall determine. Any such assets not so disposed of shall be disposed of by the Circuit Court of the City in which the principal office of the corporation has been located, exclusively for such purposes or to such organizational organizations as the Court shall determine which are organized or operated exclusively for such purposes.

IN WITNESS WHEREOF, we have hereunto subscribed our hands this 30th day of March, 1984.

Peter Curcio
Incorporator

Louis R. Burnett
Incorporator

David H. Dunn
Incorporator

Form 1023 attachments
Bristol Baseball, Incorporated
EIN: 54-0849290
Part II, I and Part III
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COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

RICHMOND, April 23, 1984

The accompanying articles having been delivered to the State Corporation Commission on behalf of

BRISTOL BASEBALL, INCORPORATED

and the Commission having found that the articles comply with the requirements of law and that all required fees have been paid, it is

ORDERED that this CERTIFICATE OF INCORPORATION

be issued, and that this order, together with the articles, be admitted to record in this office of the Commission; and that the corporation have the authority conferred on it by law in accordance with the articles, subject to the conditions and restrictions imposed by law.

Upon the completion of such recordation, this order and the articles shall be forwarded for recordation in the office of the Clerk of the Circuit Court, City of Bristol.

STATE CORPORATION COMMISSION

By Thomas P. Hamwood, Jr.
Commissioner

RECORDED

201

Part II, 1 and Part III
Commonwealth of Virginia



State Corporation Commission

I Certify the Following from the Records of the Commission:

The foregoing is a true copy of all documents constituting the charter of BRISTOL BASEBALL, INCORPORATED on file in the Clerk's Office of the Commission.

Nothing more is hereby certified.



*Signed and Sealed at Richmond on this Date:
October 5, 2011*

Joel H. Peck

Joel H. Peck, Clerk of the Commission

ARTICLES OF AMENDMENT OF BRISTOL BASEBALL, INCORPORATED

The undersigned, on behalf of the nonstock corporation set forth below, pursuant to Title 13.1, Chapter 10, Article 10 of the Code of Virginia, states as follows:

1. The name of the corporation is Bristol Baseball, Incorporated.
2. The corporation amends its Articles of Incorporation as follows:

By replacing Article II(A) with the following language: "The organization is organized exclusively for charitable, educational, scientific, and literary purposes, and to foster amateur sports competition, under section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code."

and

By replacing Article VII with the following language: "Upon the dissolution of this organization, its net assets shall be distributed by its Board of Directors for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose."

3. The foregoing amendments were adopted by the corporation on February 9, 2012.
4. The foregoing amendments were adopted by unanimous consent of the members.

Executed in the name of the corporation by:

<u>Mahlon Luttrell</u>	<u>February 9, 2012</u>
<u>Mahlon Luttrell</u>	<u>President</u>
<u>SCC ID No. 02554301</u>	<u>276-206-9946</u>

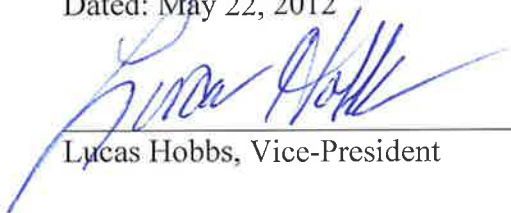
Form 1023 attachments
Bristol Baseball, Incorporated
EIN: 54-0849290

Part II, 1 and Part III

DECLARATION

Pursuant to the Instructions for Form 1023 (Part II, line 1 – page 7 of instructions), I, Lucas Hobbs, Vice-President of Bristol Baseball, Incorporated (“the corporation”), an officer of the corporation authorized to sign this document on behalf of the corporation, do hereby state and declare that the attached Articles of Amendment of Bristol Baseball, Incorporated have been filed and approved earlier this year by the State Corporation Commission of the Commonwealth of Virginia, and that together with the original Articles of Incorporation of the corporation, which were previously filed and approved by the State Corporation Commission of the Commonwealth of Virginia in 1984, contain all the powers, principles, purposes, functions and other provisions by which the corporation currently governs itself.

Dated: May 22, 2012



Lucas Hobbs, Vice-President

BRISTOL BASEBALL, INCORPORATED BY-LAWS

REVISED FEBRUARY 9, 2012

ARTICLE 1

Corporation Status

Bristol Baseball, Incorporated, hereinafter referred to as the "Corporation," is a non-profit corporation formed under the laws of the Commonwealth of Virginia.

ARTICLE 2

Purpose

The purpose of this Corporation is to foster and advance amateur sports competition – primarily baseball, and advance other charitable, educational, scientific and literary purposes by providing the residents of Bristol, Virginia-Tennessee and the surrounding area, with the experiences afforded by professional minor league baseball.

ARTICLE 3

Membership

The Corporation shall be governed by a self-perpetuating Board of Directors which shall consist of no less than 20, but no more than 30, members.

Board members shall serve without compensation. Members may be reimbursed for travel and incurred expenses while attending, professional baseball meetings, conferences and workshops as required by the Corporation, Appalachian League, Minor League Baseball or a Major League Baseball team affiliated with the Corporation. Such reimbursements must be approved by the Treasurer and one other Officer of the Corporation.

The process to become a member of the Board of the Corporation is as follows: A sitting member in good standing shall present the name of the candidate that he or she recommends at a regular scheduled Board meeting. After discussion by the board, if there is a unanimous vote to consider the candidate for membership on the Board, the presiding officer will request a background check on the candidate within the week. If there are any "no" votes to consider the candidate for membership on the Board, the membership process for that candidate shall cease, although the candidate may be presented by another sitting member in good standing at a subsequent regular scheduled Board meeting. The presiding officer will report the findings of that check to the presenting member and the Board at the next regular scheduled Board meeting. The presenting member will request the candidate attend that next scheduled Board meeting to discuss why they want to become member of the Board of the Corporation. After the discussion, the candidate will be excused to leave. Once the candidate has left, the presiding officer will call for any discussion. After discussion, the presiding officer will call for a vote on adding the candidate as a member of the Board. If there is a unanimous vote to add the

candidate, the candidate will be added as a member of the Board. If there are any "no" votes, the presiding officer will again ask for discussion and then call again for another vote. If there are again any "no" votes, then the candidate shall not be added as a member of the Board. If at that time, there is a unanimous vote to add the candidate, then the candidate shall be added as a member of the Board.

Members of the Board under the age of 21 shall be classified as junior members until they reach the age of 21.

In order to remain in good standing as a Board member, you are required to attend and perform assigned duties and assist others as necessary in the performance of their assigned areas of responsibilities during the home games, attend at least 70% of those home games and attend at least 60% of Board meetings (not missing more than three in a row), unless undue circumstances occur. You also must be willing to assist in work days before, during and after the season as needed. Board members shall help raise revenue to meet operating expenses by selling Game Tickets, Program Ads and Signage. Whether undue circumstances exist to excuse a failure to meet these requirements shall be determined by majority vote of the Board. Members who fail to meet these requirements to remain in good standing may be removed by majority vote of the Board.

Sitting board members shall always conduct themselves in a very professional manner while attending functions for the Corporation. Any reports of any sitting Board member engaging in misconduct or other activity which may negatively reflect on the Corporation as an entity or its members shall be investigated by the Board of Directors. Upon the completion of the investigation, the Board may remove the individual as a member by majority vote.

ARTICLE 4

Officers

The Corporation shall have the following officers: President, as many as three Vice Presidents, Treasurer, and Secretary. The officers shall be elected at the regularly scheduled meeting in September of each year and are to remain for 1 year from this date or till a successor shall be elected. Officers may be re-elected to serve in the same capacity if desired by the Board, but must be nominated and voted on as well as any newly appointed officers.

Any officer may be removed by majority vote of the Board if they are proven to be negligent in their responsibilities or as described in the final two paragraphs of Article 3.

ARTICLE 5

OFFICERS' DUTIES

President

The President is responsible for the day-to-day operations of the Corporation and shall in good faith and effort carry out the duties of this position and shall do such in a very professional manner without

prejudice and with extreme integrity. This position shall be responsible for presiding at all meetings and shall inform the Board members of concerning interests, needs, objectives, and progress of any factors as it pertains to the success of the Corporation. This position shall sign all official documents, appoint committees, and call special meetings as required. This position shall be the official medium of communication between the Corporation and any media source. This position shall attend all functions as required by the Corporation, the Appalachian League, Minor League Baseball and a Major League Baseball team affiliated with the Corporation. This office shall also assist in determining members who have qualified to attend, and will attend, Baseball's Winter Meetings at the expense of the Corporation.

Vice Presidents

The Vice Presidents of the Corporation, in the absence of the President, shall perform all of the duties of the President. In the absence of both President and a Vice President, the Board shall elect a President Pro Tempore to carry out the duties as described under the President's duties. The Vice Presidents shall also be charged with the responsibility to see that all standing and temporary committees function as planned by the Board. This office shall assist the President to establish an annual operating budget. This office shall also assist in determining members who have qualified to attend Baseball's Winter Meetings at the expense of the Corporation.

Treasurer

The office of Treasurer shall accurately prepare, track and maintain all financial records including payables, receipts, statements for reimbursements, deposits, invoices, monthly financial reports for the Corporation, quarterly and yearly tax statements, and yearly financial reports that must be presented to the Offices of the Appalachian League and Minor League Baseball. This office shall also communicate with the office of a Major League Baseball team affiliated with the Corporation on a regular basis in assisting Coaches, Players, Field Staff and Roving Instructors regarding housing and possible travel. This office shall assist the President to establish an annual operating budget. This office shall also assist in determining members who have qualified to attend Baseball's Winter Meetings at the expense of the Corporation.

Secretary

The office of Secretary shall keep or cause to be kept a full and true permanent record of all scheduled or called meetings of the Corporation. This shall also include any committee reports. This office shall keep a record of attendance and time for all members who attend meetings, participate in work days, attend games, ticket sales, signage sales, program ad sales and reserved seat sales. This office shall assist the President to establish an annual operating budget. This office shall also assist in determining members who have qualified to attend Baseball's Winter Meetings at the expense of the Corporation.

ARTICLE 6

General Manager

The Corporation shall retain a General Manager. This position is responsible for the daily operations and communications with the Major League Baseball team affiliated with the Corporation, players, field staff, clubhouse, rovers or special assistants to insure that all requirements are met for the purpose of daily workouts, games being played, statistics communicated, field preparations are met and facility standards are satisfied. This position shall also communicate with and assure that the needs of the game day Umpires are met. This position shall also assist in the needs of the visiting team. This position shall assist the League President, Minor League Baseball, and the Major League Baseball team affiliated with the Corporation in resolving any disputes or protests that may occur during any game that is played or any issues that may occur on or off the field. This position shall assist in addressing the players' and staff's needs regarding to finding suitable housing or other reasonable requests that are made.

The Corporation may also retain as many assistant General Managers as it may determine are needed to assist the General Manager in the performance of his or her duties, with the duties of such assistant General Manager(s) to be assigned by the General Manager or directly by the Board, as the Board may direct.

ARTICLE 7

Meetings

1. Regular meetings shall be held at 7:00 pm on the second Thursday of each month during the year. Exclusions to this will be during the playing season, or at times as the Board or President deems necessary.
2. Special meetings may be called as necessary.
3. Meetings will be held at a convenient location to the Board Members. In the event there is a change in time or location, all Members will be notified as soon as possible.
4. The first regular meeting in September of each year shall be called the organizational meeting. The purpose of this meeting shall be the election of officers, presentation of the annual report, reviewing of the inventory analysis, and other business that may need attention.
5. A quorum of the Board shall consist of one half of the members of the Board who are in good standing. Unless otherwise provided in these bylaws, a majority of those present at a Board meeting is required to approve any motion.
6. Meetings may be open to the press or public for general discussion. If such a request is made, it must be approved by the President, prior to the scheduled meeting.
7. Meetings shall not be open to the public or press during such time there are discussions pertaining to finances or any other sensitive form of business.
8. Meetings shall be conducted in accordance with procedures prescribed in the By-Laws. Decisions may only be reached after full consideration in the issue in question. There may be cases that a special committee is deemed necessary to complete the investigation of the issue

and then report back to the Board. In such case, the President will call for such committee and appoint the members.

9. The following shall be the order of business of the Board for regularly scheduled meetings. However the Rules of Order may be suspended or postponed and matters considered could be postponed by actions of the Board.
- a. Call to order
 - b. Roll call
 - c. Reading of the minutes
 - d. Treasurers report
 - e. General Managers report (if applicable).
 - f. Unfinished Business
 - g. Committee Reports
 - h. New Business
 - i. Other Business
 - j. Adjournment

ARTICLE 8

Financial duties and responsibilities

No Board Member or Officer shall enter into any contract or incur any obligation binding without prior approval by the Board.

All disbursements of Corporate funds must bear the signature of the Treasurer and another officer.

No funds will be disbursed without proper documentation.

The President shall prepare and present to the Board an annual operating budget that is sufficient to finance the activities that the Board feels is necessary for the operation of the Corporation as prescribed under Article 2. The budget shall be submitted to the Board on or before November 1st of each year.

The Board shall at that time review the proposed budget for accuracy and determine if modifications are required. Then at such time the President will call for the budget to be voted on. Once approved, the budget will be handed over to the Treasurer for implementation, tracking and reporting.

ARTICLE 9

Baseball Winter Meeting eligibility requirements

To further the purposes of the Corporation, and to provide for a more effective and efficient organization, the Corporation shall send certain Board members to the annual Baseball Winter Meetings, where the Board members may interact with representatives from the Major League Baseball team affiliated with the Corporation and others affiliated with professional baseball. The Officers will examine the Corporation's finances and determine the per person cost to send a Board member to the Winter Meeting, and will determine how many Board members the Corporation will send to the Winter

Meetings. For Board Members to qualify to attend the Winter Meeting on behalf of, and at the expense of the Corporation, they must be in good standing and attain a minimum of 400 points, as determined by the following point system. In case of tie, those qualifying members' names will be put into a hat and a non-qualifying Board member will be asked to draw for the winner.

Points System (tracked on a September to August basis):

Banquet Attendance - 3

Each meeting attended - 4

Workday - 1 point per hour worked. This shall also apply to special projects assigned by the President or the Board.

Merchant Night gifts - 4 per gift

New Program Ads – 5 for full page color ads

4 for full page black and white ads

3 for a half page ad

2 for a quarter-page ad

1 for an eighth-page or business card ad

Raffle ticket book - 5 per book sold

New Reserved season tickets - 7

General Admission season ticket book - 6 per book sold

Outfield Fence signs - 8 per sign sold

Concourse signs - 5 per sign sold

Games - 1 point per inning worked, and 1 point per hour worked before or after a game

All points attributable to renewals of ads, signs and reserved seats are retained by the Corporation and shall not be credited to any individual.

ARTICLE 10

Amendments

Once a proposed amendment to the By-Laws has been submitted to the Board it may be voted on at the next regular scheduled meeting or called meeting of the Board, as prescribed under Article 7, item 6.

Form 1023 attachments
Bristol Baseball, Incorporated
EIN: 54-0849290

Introduction

For almost 30 years, Bristol Baseball, Incorporated (“BBI”) has operated a minor league baseball franchise in the City of Bristol, along the border of Virginia and Tennessee, first for a Detroit Tigers affiliate and now a Chicago White Sox affiliate. As indicated by its 1984 Articles of Incorporation, which were recently slightly amended, the organization was created with the intent it be a nonprofit, charitable entity. It has been operated as such through the present time, although it has not applied for 501(c)(3) certification until now.

For 28 years, BBI has operated a minor league franchise for the benefit of the local community. BBI’s work to maintain a City-owned park has achieved significant tax savings for the City and its residents, and allowed the City’s resources to further other public purposes. The fact that a diverse and independent group of volunteers comprise the membership of BBI’s Board and themselves directly perform much of the work required to carry out its activities also saves a significant amount of private resources. The work performed by BBI to improve the facility would otherwise be a burden of local government. The volunteer nature of BBI’s work also permits it to offer low ticket, concession, and other prices to the public.

BBI applies all of its net operating revenues over expenses of operating the minor league franchise to improve the stadium and to promote amateur baseball in particular and amateur sports in general, among its charitable purposes. It intends to provide additional funding for existing local sports programs (including using its expertise gained from improving the City-owned stadium’s field to rebuild local Little League fields) and/or institute new sports programs in local public schools and/or on an extracurricular basis. If funds remain after the stadium is further improved, BBI will seek out other youth development programs to support, and will donate and encourage private businesses to purchase and donate tickets for use by disadvantaged youth in the area.

In addition to operating the minor league team, BBI has worked to improve the City-owned stadium, so that it meets or exceeds all Minor League facility standards applicable to that stadium, and also meets or exceeds several other standards that it is not required to meet. BBI’s work has made the stadium a community asset available for use for events, exhibitions and commercial activities at other times of the year, potentially providing additional jobs for the area.

Form 1023 attachments
Bristol Baseball, Incorporated
EIN: 54-0849290

BBI's activities also indirectly assist with economic development in the Bristol area, in the sense that an improving stadium and the operation of a minor league baseball team attract tourists, and increases retail, hotel and entertainment activity in the region. That is in addition to the approximately 50 baseball players and coaches who move to the area each year for at least some part of the baseball season. BBI also offers on-the-job training and internships to area students in fields such as sports management, public relations and advertising, and communications.

In sum, BBI meets the organizational and operational tests for being classified as a section 501(c)(3) organization. Its articles of incorporation establish that it is organized for one or more exempt purposes; it is not expressly empowered to engage, otherwise than as an insubstantial part of its activities, in activities not in furtherance of one or more such purposes; and its assets are dedicated to an exempt purpose. *See* Treas. Reg. § 1.501(c)(3)-1(b); Amended Articles of Incorporation Articles II and VII. Its articles of incorporation and its purposes are consistent with the definition of "charitable purposes" as encompassing activities which lessen the burdens of government, and the definition of "educational purposes" as instructing the public on subjects useful and beneficial to both individuals and the community. *See* Treas. Reg. §§ 1.501(c)(3)-1(d)(2) and (3); *Hutchinson Baseball Enterprises v. Commissioner*, 696 F.2d 757, 761 (10th Cir. 1982) (promotion of sports among young people is educational, as their bodies must be improved just as their minds).

Operationally, BBI's activities reduce the burdens of government, as BBI has worked to maintain and improve a City-owned facility for the benefit of residents of the community, while at the same time working to retain a professional sports team to play in that facility during the summer. *See* Treas. Reg. § 1.501(c)(3)-1(d)(2); Priv. Ltr. Rul. 950024 (May 1, 1995) (working to retain a professional sports team in a community can lessen the burdens of government and constitute a benefit on the entire community).

None of BBI's earnings inure to the benefit of any individual. *See* Treas. Reg. § 1.501(c)(3)-1(c)(2). Its operation of a minor league team, which operations fund facility improvements and thus further its exempt purposes, is consistent with its status as a 501(c)(3) organization. *See* Treas. Reg. § 1.501(c)(3)-1(e)(1).

Form 1023 attachments
Bristol Baseball, Incorporated
EIN: 54-0849290

BBI's activities supporting amateur competition at the facility have also been recognized as "charitable" and "educational" from an operational standpoint. *See Hutchinson*, 696 F.2d at 758-62 (promotion of amateur baseball by organization which improved baseball facility, financed through sales of tickets, advertising, concessions, contribution solicitation and operation of baseball team, and permitted its free use by young baseball players, falls within definition of terms "charitable" and "educational"); Rev. Rul. 80-215, 1980-2 C.B. 174 (promotion of sports for young people combats juvenile delinquency).

Part IV

BBI is comprised of an all-volunteer Board of Directors, with an all-volunteer slate of officers, which seeks to enrich and improve the cities of Bristol, Virginia, and Bristol, Tennessee, and the surrounding counties, through its non-profit activities, with a particular focus on promoting, and providing for, amateur athletics, most notably baseball.

BBI's non-profit activities can be divided into two (2) primary ones: operation of a minor league Rookie level baseball team in the Appalachian League, the Bristol White Sox (a/k/a Bristol Sox); and its hands-on work to maintain and improve a local athletic facility which hosts amateur baseball competitions at both the high school and collegiate levels (in addition to the aforementioned minor league baseball team).

BBI is responsible for the day-to-day operations of the Bristol Sox, which activities run throughout the year, but are greatest during a three-month period running from early June through early September of each year. The Board members, along with occasional game-day volunteers, and a few interns, are responsible for this activity.

BBI's all-volunteer Board is responsible for the maintenance activities, with Board members engaging in hands-on maintenance and improvement activities to keep the facility available to Virginia High School and Virginia Intermont College, and their respective athletic associations. These activities generally occur outside the Rookie league season, which runs from mid-to-late June until late August of each year.

Form 1023 attachments
Bristol Baseball, Incorporated
EIN: 54-0849290

Approximately 75 percent of BBI's total time is devoted to operation of the minor league team, with the remaining 25 percent of time devoted to maintenance and improvement activities.

Both of those activities further BBI's charitable tax-exempt purposes. Operation of the Bristol Sox generates revenue which is used to fund improvements to Boyce Cox Field to provide local amateur athletes an opportunity to compete on a professional-quality field. Throughout the minor league season, BBI also recognizes and honors local Little League teams and hosts them on the field for pre-game and between innings activities. BBI has also provided free admission to ballgames for local Little Leaguers. BBI also partners with local schools and other non-profit organizations to allow those other groups to raise funds by participating in the sales of concessions at minor league games.

Additionally, BBI enriches the community by providing affordable, family-friendly entertainment in the form of the National Pastime. In large part because BBI's Board members are not paid for their many hours of work, BBI is able to offer the lowest ticket and concession prices in the Appalachian League, and, we believe, in all of minor league baseball.

With respect to the athletic facility (Boyce Cox Field), BBI maintains, and upgrades where possible, the field itself, stadium signage and related facilities, including two clubhouses, an umpire room, press box, and concession and souvenir areas. Where certain projects are beyond the scope of its members' skills and abilities, it retains others to perform those services. Thus, in recent years, BBI has been able to replace and regrade the infield, rebuild the pitching mounds on the field and in two bullpens, improve sidewalks to allow elderly and handicapped fans better access to baseball games, upgrade seating, improve batting cage facilities, install an underground drain system, purchase field maintenance equipment, and upgrade the facility's sound system and picnic pavilion. BBI is now saving money with which to fund additional upgrades, including a new outfield fence, an improved outfield surface, better weight training facilities, and others. BBI hopes that approval of its 501(c)(3) application will assist it in raising funds from the community to support these and other activities to provide an improved playing surface and facilities for local high school and collegiate athletes.

BBI sells tickets to the Bristol Sox games to help fund its activities. Volunteer board members actively solicit donations from merchants and others in

Form 1023 attachments
Bristol Baseball, Incorporated
EIN: 54-0849290

the community, as well as engaging in the sale of advertisements on signs and programs in the ballpark, along with souvenirs and concessions, in order to raise additional funds to support BBI's programs.

Part V

1(a) See attached list of remaining officers and members of the Board of Trustees. BBI has taken a broad view of the term "compensation;" the amounts reported as compensation are not employee wages, but instead are monies paid to independent contractors, and are reported as such on 1099 forms.

2(a) Jim Buckles is the father of Josh Buckles. Tim Johnston is the father of Caleb Johnston. John and Jean Leonard are married, and are the parents of Cindy Rose. Allen McCracken is the father-in-law of Jim Buckles and Tim Johnston. Mahlon Luttrell and Jean Luttrell are married.

2(b) While no Board member or officer receives compensation for their services as such, four of them have a business relationship as independent contractors, as noted above. Perry Hustad serves as official scorer for Bristol Sox minor league baseball games, Caleb Johnston and Josh Buckles have served as interns assisting with the preparation of the baseball field during batting practice, and Bentley Hudgins serves as clubhouse manager.

3(a) Perry Hustad has served as an official scorer for minor league baseball games for 4 years. In his current independent contractor capacity as official scorer, he is responsible for keeping the official score records of each home Bristol Sox game. He works, on average, four to five hours during each of the 34 home games. He is paid \$25 per game, for a total of \$850 for the season. In addition to the work for which he is compensated, he works in the off-season as needed to assist with field maintenance, and works additional hours during each of the home games, as needed. He has served on the Board since 2006, and also holds a full-time job as a quality engineer for Aerus, LLC

Caleb Johnston is engaged as an independent contractor in physical labor in preparing the baseball field during batting, and other, practice before Bristol Sox games. He has 1 year experience setting up, taking down and moving batting cages, along with their attendant mats and accessories, and those are his primary tasks in preparing the field during practice. He works, on average, about four and

Form 1023 attachments
Bristol Baseball, Incorporated
EIN: 54-0849290

one-half hours per game day. He is paid by the hour, at a rate equivalent to federal minimum wage. He was paid \$1106.94 in 2011. In addition for the work for which he is compensated, he works in the off-season as needed to assist with field maintenance and works about five and one-half hours each game night. He has served on the Board since 2008, and is a full-time college student.

Josh Buckles also is engaged as an independent contractor performing physical labor in preparing the baseball field during batting, and other, practice before Bristol Sox games. He has 1 year experience setting up, taking down and moving batting cages, along with their attendant mats and accessories, and those are his primary tasks in preparing the field during practice. He works, on average, about six hours on each game day. He is paid by the hour, at a rate equivalent to federal minimum wage. He was paid \$1555.48 in 2011. In addition to the work for which he is compensated, he works in the off-season as needed to assist with field maintenance, and works about five and one-half hours each game night, helping to broadcast Bristol Sox games. He provides additional hours to service to the Board as a technical consultant, and helps to maintain the website, Facebook and Twitter presence of the Board. He has served on the Board since 2008, and is a full-time student.

Bentley Hudgins has served as an independent contractor clubhouse manager for the Bristol Sox games for 2 years. In that capacity, he is responsible for preparing the home and visitor clubhouses, as well as the umpire's room, prior to each game. In the home clubhouse, he is also responsible for doing game-day related laundry, inventorying game day supplies – such as bats and balls, and for preparing or coordinating the preparation of a pre-game meal for the team. He works, on average, 8 hours each day throughout the Bristol Sox two-and-one-half month season. He is paid a set stipend of \$1,078. In addition for the work for which he is compensated, he works in the off-season as needed to assist with field maintenance, and works additional hours during each of the home games, as needed. This is his tenth year of service on the BBI Board. He is retired from Norfolk Southern.

Mahlon Luttrell has served on the Board since 2002 and enters his fifth season as General Manager of the Bristol Sox. In addition to his full-time employment as Director of Quality and Engineering, he spends approximately 25-35 hours per week on Board activities during the off-season and 40-50 hours per week on such activities during the Bristol Sox season.

Form 1023 attachments
Bristol Baseball, Incorporated
EIN: 54-0849290

Lynn Armstrong is retired and has served on the Board for more than 20 years. He works in the off-season as needed to assist with field maintenance and works about six hours each game night.

Lucas Hobbs is entering his second year of service to the Board. In addition to his full-time employment as an attorney, he helps to maintain the Facebook and Twitter presence of the Board, in addition to other service to the Board. He spends 10-20 hours per week on Board activities during the off-season and works about five and one-half hours per game night.

Wade Beverly is retired and has served on the Board since 2009. His primary task on game nights is the sale of programs, and he works about 3 hours per game night, and as needed during the off-season.

Jim Buckles holds a full-time position as an operating room technician at Wellmont Health Systems, and has served on the Board since 2008. He works in the off-season as needed to assist with field maintenance and works about six hours each game night.

Dottie Cox has served on the Board since its inception, and has served as Treasurer of the Board during that entire time. She is a retired finance director for a local school system. Much of her time on Board duties is spent “behind the scenes” with the organization’s finances, and she also works about 4-5 hours per game night assisting with souvenir sales.

David Cullop is in his first season of service on the Board. He also is a full-time employee of the City of Bristol, Tennessee. He works in the off-season as needed to assist with field maintenance and works about five and one-half hours each game night.

Buford Ferguson is retired, and has served on the Board since 1988. He works in the off-season as needed to assist with field maintenance and works about five and one-half hours each game night.

Tyrone Foster is a Detective with the City of Bristol Police Department, and also serves on the City School Board. He has served on the BBI Board since 2006.

Form 1023 attachments
Bristol Baseball, Incorporated
EIN: 54-0849290

He works in the off-season as needed to assist with field maintenance and works about five hours on game nights.

Caleb Frye is a full-time college student who is beginning his second year of service on the BBI Board. He works in the off-season as needed to assist with field maintenance and works about five hours on game nights.

Melissa Gladwell is an engineering systems director's secretary, who is in her second year of service on the Board. She works several hours each week to manage BBI's on-line souvenir sales.

Lawrence Harr is retired, and has served on the Board since 1996. He has recently become an emeritus member of the Board, having slowed his activities for health reasons.

Tim Johnston is beginning his sixth year on the Board. In addition to serving as Board secretary, he also holds a full-time job as a computer systems programmer. He serves as a technical consultant to the Board, and is responsible for helping to maintain the Board's website, Facebook and Twitter presence. He works in the off-season as needed to assist with field maintenance and works about six hours on game nights, as one of the voices of the Bristol Sox radio broadcasting team.

Winnie Johnston is retired and has served on the Board since 1988. She is now an emeritus member of the Board.

Jean Leonard is retired and has served on the Board since 1988 also. She works several hours each game night running the ticket booth at Sox home games.

John Leonard is also retired, and has served on the Board for six years. He is now an emeritus member of the Board.

Jean Luttrell holds a full-time job as a school secretary, and has served on the Board since 2010. She assists with maintaining financial records and coordinates reservations for some of the facilities as Boyce Cox Field. In addition to performing some of that work during the off-season, she works about six hours a night during each home game.

Form 1023 attachments
Bristol Baseball, Incorporated
EIN: 54-0849290

Allen McCracken is entering his second year on the Board, and is retired. His primary task on game nights is the sale of programs, and he works about three hours each home game night.

Chuck Necessary has served on the Board for more than a decade, and is retired. He is the public address announcer for the Bristol Sox games, and works about six hours per home game.

Chris Phillips is beginning his first year of service on the Board. He holds a full-time position maintaining cell phone towers with Crown Castle. He works about 4-5 hours at each weekday and Sunday home game.

Cindy Rose has served on the Board since 2006 and is a housewife. She works in the souvenir stand each home game, working about 4-5 hours per night.

David Rosenbalm has served on the Board since 2004, and is also a full-time customer service representative for U.S. Solutions. He performs a variety of tasks on game night, including the updating of rotating signage at Boyce Cox Field and transportation of older and ill fans to and from the parking lot to their seats, working about five hours per game.

Jim Saul is in his first year of service on the Board. He is retired, following a long career in baseball. He works about five and one-half hours per night on game nights.

Judy Stemple is a part-time medical office assistant, and begins her 22nd year of service on the Board. She works about 4-5 hours per game in the souvenir stand.

Mark Young is a full-time mechanical engineer for Titan Wheel, and has served on the Board since 2006. He works in the off-season as needed to assist with field maintenance and works about five and one-half hours on game nights, assisting with on-field promotions and other activities.

5(a) The attached conflict of interest policy was adopted by unanimous vote of the Board of Directors at its regularly-scheduled March 8, 2012 meeting, although the policy was erroneously dated "2013."

Form 1023 attachments
Bristol Baseball, Incorporated
EIN: 54-0849290

8(a)-(e) The only such contracts are oral agreements with Perry Hustad, Caleb Johnston, Josh Buckles and Bentley Hudgins, to serve as individual contractors for the work performed and at the rates described herein. Those individuals, and their family members (if any), are not involved in any determination of a rate of pay, or otherwise in determining the terms and conditions of employment, to ensure that the terms are negotiated at arm's length. The Board ensures that all these oral arrangements do not result in any more than fair market value compensation by paying Caleb Johnston and Josh Buckles the equivalent of the federal hourly minimum wage, by paying Perry Hustad a sum near the middle of the range of rates of pay paid by other Appalachian League teams to their official scorers, and by paying Bentley Hudgins a minimal sum mandated by the major league affiliate.

Part VI

1(a) BBI has provided funds to individuals in previous years in the form of college scholarships to local high school baseball players. This activity is an insubstantial part of BBI's activities. BBI plans to continue this program. BBI has rotated its \$1,000 annual scholarship among six (6) local high schools, and in order to avoid any improper influence or appearance of impropriety on the part of BBI, its Board or officers, delegates the administration of the scholarship to that school's officials. BBI does request that financial need be considered in making the award.

1(b) BBI has provided funds to organizations, namely those set forth below in response to Part VII, 13(d). BBI has provided these funds as part of its practice of making occasional grants to other charitable organizations, which serve – in whole or part – the Bristol community. Doing so furthers BBI's charitable purposes, as part of its desire to give back to the community.

Part VII

3(a) In previous years, BBI held some 50/50 drawings, which seem to fall under the definition of "gaming," which encompasses "Split-the-Pot" activities. Those drawings were a minor part of BBI's activities, and are reflected in the Part IX, Financial Data for those years (2007, 2008 and 2009).

3(c) The 50/50 drawings were held in Virginia.

Form 1023 attachments
Bristol Baseball, Incorporated
EIN: 54-0849290

4(a) Email solicitations: BBI emails a regular update of its activities and programs to its supporters who opt-in to receive such emails. BBI anticipates soliciting donations as a part of such emails.

Personal solicitations: BBI will ask some of the businesses which sponsor program ads or signage at the facility, and the individuals involved in management at such businesses, to consider further supporting BBI's charitable programs. In addition, BBI may ask long-time supporters and fans of athletics in the region who attend Bristol Sox games to further support BBI's charitable programs.

Foundation grant solicitations: BBI will apply for grants from local, regional and national foundations in order to gain additional funding for its charitable programs. At present, BBI plans to target grant monies which would permit it to upgrade the outfield surface and fence at the facility. It is also considering making application to the local United Way for support for a program which would provide free tickets to underprivileged local children, including those living in subsidized housing.

Accept donations on your website: BBI plans to incorporate a donation form or similar device on its website at www.bristolsox.com to accept donations.

Government grant solicitations: BBI will apply for grants from local, state and federal government grantors in order to secure additional monies to fund its charitable activities. At present, BBI plans to apply for CBGB funding to improve the facilities at Boyce Cox Field.

Other: BBI will operate a food booth at a regional music festival in the fall (Bristol Rhythm & Roots), and sell food in order to raise money to support its charitable activities. BBI also organizes trips to major league baseball games for members of the community, and derives revenue from those trips which helps to fund its charitable activities.

4(d) BBI will fundraise for itself in Virginia and Tennessee.

11 BBI does not anticipate being asked to receive any of those types of properties, nor does it plan to ask for any of those properties. However, if a donor were to choose to donate those types of properties, BBI would determine whether it could use the property efficiently to further its charitable purposes (taking into

Form 1023 attachments
Bristol Baseball, Incorporated
EIN: 54-0849290

consideration any restrictions proposed by the donor). If BBI elected to receive any such property under any restrictions, it would document such restrictions. If BBI elected not to receive any such property, due to the nature of the requested restrictions or otherwise, it would encourage the donor to consider making a gift to another local charitable organization.

13(b) BBI uses a small part of its revenues to make occasional grants to other charitable organizations, which serve – in whole or part – the Bristol community. Doing so furthers BBI's charitable purposes, as part of its desire to improve the community. Where BBI has the opportunity to use some of its resources in a way that can better its community, by meeting needs that BBI cannot, BBI has supported these other local charitable organizations.

13(d) The following organizations have received grants from BBI: Bristol Life Saving Crew, National Fire Safety Council, Wellmont Foundation, Special Olympics, Western Little League, Beech Grove United Methodist Church, Blountville Little League, Wonder Kids, Virginia High School, Theater Bristol, Fellowship Chapel, Children's Miracle Network, Santa Pal and CDLS Handicap Foundation.

None of the listed organizations have any relationship with BBI.

13(e) Records of each distribution to another organization are maintained by BBI. These records include the amount of the distribution, the date of the distribution and the name of the organization. These records are provided to BBI's accountants annually.

13(f) BBI does not maintain a formal selection process for its occasional grants to organizations. Any organization which can meet the needs of the Bristol community which BBI cannot, may request a grant. Such organizations describe the purposes of the proposed grant funding. BBI's Board selects and approves requests which, within the confines of its financial abilities, address needs of the community which are not directly met through BBI's charitable activities.

13(g) BBI does not require the submission of formal reports from other local charitable organizations which receive grants from it. However, BBI exercises oversight of distributions by obtaining periodic oral reports from the executive

Form 1023 attachments
Bristol Baseball, Incorporated
EIN: 54-0849290

directors and/or Board members from those other organizations, and by staying aware of the community activities of those organizations.

Part IX

A. Statement of Revenues and Expenses

Itemized List of Receipts (line 9)

2011

Admissions	\$42,326
Advertising	\$36,172
Sales of merchandise	\$25,461
Royalties	\$1,013

2010

Admissions	\$36,977
Advertising	\$22,539
Sales of merchandise	\$23,455
Royalties	\$1,156

2009

Admissions	\$32,026
Advertising	\$25,634
Sales of merchandise	\$15,782
Raffle	\$614

2008

Admissions	\$29,278
Advertising	\$17,975
Sales of merchandise	\$32,116
Raffle	\$843

2007

Admissions	\$32,488
Advertising	\$23,391
Sales of merchandise	\$26,589
Raffle	\$1,728

Form 1023 attachments
Bristol Baseball, Incorporated
EIN: 54-0849290

Itemized List of Contributions, Gifts, Grants and Similar Amounts Paid Out (line 15)

2011

Bristol Life Saving Crew	\$100 (charitable contribution)
CDLS Handicap Foundation	\$250 (charitable contribution)
National Fire Safety Council	\$150 (charitable contribution)

2010

Blountville Little League	\$200 (charitable contribution)
Bristol Life Saving Crew	\$100 (charitable contribution)
Childrens Miracle Network	\$120 (charitable contribution)
National Fire Safety Council	\$150 (charitable contribution)
Santa Pal	\$100 (charitable contribution)
David Allison	\$1,000 (scholarship recipient from Sullivan East High School)

2009

Beech Grove United Meth. Church	\$200 (charitable contribution)
Blountville Little League	\$150 (charitable contribution)
Childrens Miracle Network	\$240 (charitable contribution)
Fellowship Chapel	\$200 (charitable contribution)
National Fire Safety Council	\$150 (charitable contribution)
Theater Bristol	\$620 (charitable contribution)
Virginia High School	\$600 (charitable contribution)
Wellmont Foundation	\$250 (charitable contribution)
Western Little League	\$300 (charitable contribution)
Wonder Kids	\$100 (charitable contribution)
Justin Hutton	\$500 (scholarship recipient from John S. Battle High School)
Daniel Hughes	\$500 (scholarship recipient from John S. Battle High School)

2008

National Fire Safety Council	\$150 (charitable contribution)
Bristol Life Saving Crew	\$100 (charitable contribution)
Wellmont Foundation	\$250 (charitable contribution)

Form 1023 attachments
Bristol Baseball, Incorporated
EIN: 54-0849290

Western Little League	\$300 (charitable contribution)
Special Olympics	\$1,000 (charitable contribution)
Corey White	\$1,000 (scholarship recipient from Tennessee High School)

2007

National Fire Safety Council	\$225 (charitable contribution)
Bristol Life Saving Crew	\$100 (charitable contribution)
Preston Smith	\$1,000 (scholarship recipient from Virginia High School)

Itemized List of Other Expenses (line 23)

2011

Cost of goods sold	\$18,258
Repairs and maintenance	\$82
Virginia corporate income tax	\$967
Federal corporate income tax	\$2,283
Advertising	\$5,282
Contract labor/tarp service	\$500
Dues and subscriptions	\$332
Field maintenance	\$12,098
Independent contractor maintenance payments	\$5,349
Insurance	\$1,239
League fees	\$13,370
Meetings and conventions (training)	\$3,992
Office supplies	\$1,929
Telephone	\$1,482
Rounding	\$3
Player welcome breakfast	\$471
Award plaques	\$181
Stadium official apparel and signage	\$939
End of season banquet	\$1,058
July 4 watermelon for fans	\$123
Minor League baseball president's reception	\$1,619

Form 1023 attachments
Bristol Baseball, Incorporated
EIN: 54-0849290

2010

Cost of goods sold	\$15,446
Sales tax on purchases	\$532
Virginia corporate income tax	\$964
Federal corporate income tax	\$2,342
Advertising	\$5,851
Field maintenance	\$1,151 ¹
Insurance	\$1,257
League fees	\$13,147
Meetings and conventions (training)	\$10,645
Telephone	\$686
Office supplies	\$2,620
Award plaques	\$637
Easter candy expense for mascot appearance	\$34
Chamber of Commerce dues	\$319
Stadium official apparel and signage	\$548
Player welcome breakfast	\$480
End of season banquet	\$1,475
Press box supplies	\$970

2009

Cost of goods sold	\$13,770
Repairs and maintenance	\$1,097
Sales tax on purchases	\$759
Virginia corporate income tax	\$290
Federal corporate income tax	\$845
Advertising	\$8,039
Field maintenance	\$15,270
Independent contractor maintenance payments	\$1,050
Insurance	\$1,299
League fees	\$12,602
Telephone	\$593
Office supplies	\$1,767
Meetings and conventions (training)	\$4,674
End of season banquet	\$850
Raffle prizes	\$307

¹ For 2010, this amount drawn from BBI's tax return reflects the net of field maintenance income less expenses, which expenses included independent contractor maintenance payments of \$5,643.

Form 1023 attachments
Bristol Baseball, Incorporated
EIN: 54-0849290

Award plaques	\$246
Player welcome breakfast	\$937
Press box supplies	\$230

2008

Cost of goods sold	\$12,776
Repairs and maintenance	\$1,598
Sales tax on purchases	\$465
Virginia corporate income tax	\$706
Federal corporate income tax	\$1,727
Advertising	\$7,212
Field maintenance	\$7,123
Independent contractor maintenance payments	\$1,085
Insurance	\$1,394
League fees	\$13,032
Printing expense	\$215
Meetings and conventions (training)	\$8,066
Office supplies	\$993
Raffle prizes	\$421
Stadium official apparel and signage	\$853
Award plaques	\$760
Parade fees	\$65
Player welcome breakfast	\$2173

2007

Cost of goods sold	\$12,838
Repairs and maintenance	\$3,874
Sales tax on purchases	\$473
Virginia corporate income tax	\$546
Federal corporate income tax	\$1,435
Advertising	\$8,839
Field maintenance	\$2,703
Independent contractor maintenance payments	\$1,050
Insurance	\$1,394
League fees	\$12,842
Telephone	\$231
Meetings and conventions (training)	\$7,583
Office supplies	\$2,102

Form 1023 attachments
Bristol Baseball, Incorporated
EIN: 54-0849290

Raffle prizes	\$63
Raffle payouts	\$801
Stadium official apparel and signage	\$610
Press box supplies	\$182
Award plaques	\$195
Player welcome breakfast	\$2,186

Statement of Revenues and Expenses for 1/1/07 through 12/31/07

1. \$0
2. \$0
3. \$4,685
4. \$0
5. \$0
6. \$0
7. \$0
8. \$4,685
9. \$84,196
10. \$88,881
11. \$19 (capital gain from the sale of other capital property via Minor League
Baseball trust; no known cost basis)
12. \$0
13. \$88,900
14. \$0
15. \$1,325
16. \$0
17. \$850
18. \$0
19. \$0
20. \$2,000
21. \$15,411
22. \$1,350
23. \$59,947
24. \$80,883

B. Balance Sheet (for tax year ended December 31, 2011)

8. See attached itemized listing of depreciable and depletable assets.
10. Other assets: Prepaid insurance \$313

Form 1023 attachments
Bristol Baseball, Incorporated
EIN: 54-0849290

Prepaid income tax \$108

14. Mortgages and notes payable: Loan from Highlands Union Bank to finance field improvements
15. Other liabilities consist of accrued interest
19. The only substantial change in BBI's liabilities since December 31, 2011 was a \$10,000 loan payment on January 12, 2012, to reduce the balance of mortgages and notes payable to \$40,000.

Schedule H, Section I

1(a) BBI has, in the past, provided an educational scholarship to a local graduating high school senior. It may resume this practice in the future. Please note that in one year (2009), the selected school choose to divide this scholarship between two of its students.

1(b) A \$1,000.00 one-time scholarship is designed to help a local high school baseball player with financial need and an interest in attending college achieve that goal. As noted above, the selected school may choose to divide this \$1,000 amount among two of its students.

1(c) N/A

1(d) BBI has rotated among six (6) area (City of Bristol, VA; City of Bristol, Tennessee; Sullivan County, TN; and Washington County, VA) high schools with respect to making this scholarship award. The school selected for a given year is responsible for publicizing the scholarship, at school or otherwise. In order to avoid any appearance of impropriety and accusations of undue influence by any BBI Board member or officer, BBI delegates the application, selection, and award processes to that school. BBI is notified of the winner(s), and will appear at a scholarship award dinner to honor the selected student, if requested.

1(e) Because BBI delegates authority for announcement or solicitations for the scholarship to the local high schools, it does not have copies of any such materials.

1(f) Because BBI delegates authority for the application process to the local high schools, it does not have copies of any such materials.

Form 1023 attachments
Bristol Baseball, Incorporated
EIN: 54-0849290

3 BBI encourages the local high schools who administer its scholarship program to consider financial need, but establishes no other criteria than that the recipient be a high school baseball player from that specific high school (the schools, which have been rotated, are Virginia High School, Tennessee High School, John S. Battle High School, Sullivan Central High School, Abingdon High School and Sullivan East High School) who intends to attend college.

4a The individual school selected for each year determines their own criteria to select a recipient (or recipients), taking into consideration BBI's request that financial need be considered.

4b BBI's Board long ago determined to make one (1) scholarship available annually, and to rotate it through the area schools, so that no one school dominates the recipient list, and also to ease administration of the application and selection process. It has permitted the school selected each year to, in its discretion, divide the annual scholarship amount between two students.

4c BBI's Board long ago determined that \$1,000.00 was both a significant amount of a grant as to be important to students, and within BBI's budget.

4d Scholarships are awarded for one (1) year only, and may not be renewed.

5 Scholarship monies are paid directly to the recipients. Because scholarships are not renewable, BBI does not require reports or transcripts from recipients.

6 The selection committees are determined by the principals of each school.

7 BBI believes that its practice of deferring to the local high school is the best way to avoid any appearance of impropriety, or the belief that a BBI officer, Board member or contributor has influenced, in any way or manner, the selection of a scholarship recipient. BBI trusts that the schools' selection committees institute appropriate safeguards to ensure that the appearance of impropriety or undue influence is also avoided with respect to the members of those selection committees.

Form 1023 attachments
Bristol Baseball, Incorporated
EIN: 54-0849290

Part V – attachment to complete response to 1(a)

NAME	POSITION	STREET ADDRESS	CITY/STATE/ZIP	COMPENSATION
Wade Beverly	Board member	321 Wimberly Way	Bristol, Tn 37620	None
Jim Buckles	Board member	157 Saul Drive	Bristol, Va 24201	None
Josh Buckles	Board member/field preparer	157 Saul Drive	Bristol, Va 24201	\$1555
Dotie Cox	Treasurer	40 Cherry Lane	Bristol, Va 24201	None
David Cullop	Board member	750 Highway 394	Blountville, Tn 37617	None
Butford Ferguson	Board member	2007 Pioneer Rd	Lebanon, Va 24266	None
Tyrone Foster	Board member	2309 Osborne Street	Bristol, Va 24201	None
Caleb Fyfe	Board member	P O Box 663	Glade Spring, Va 24340	None
Melissa Gladwell	Board member	75 Old Airport Road, Apt 6	Bristol, Va 24201	None
Lawrence Harr	Board member	259 Blackburn Circle	Bristol, Tn 37620	None
Bentley Hudgins	Board member	141 Lark Meadows Circle	Bluff City, Tn 37618	\$1078
Caleb Johnston	Board member/Clubhouse manager	10227 Oakwinds Circle	Bristol, Va 24202	\$1107
Tim Johnston	Secretary	10227 Oakwinds Circle	Bristol, Va 24202	None
Winnie Johnson	Board member	19 Virginia Drive	Bristol, Va 24201	None
Jean Leonard	Board member	258 Suncrest Drive	Bristol, Va 24201	None
John Leonard	Board member	224 Memory Lane	Bristol, Va 24201	None
Jean Luttrell	Board member	903 Wagner Road	Bristol, Tn 37620	None
Allen McCracken	Board member	360 Highway 75	Bristol, Va 24201	None
Chuck Necessary	Board member	173 Ramey Road	Blountville, Tn 37617	None
Chris Phillips	Board member	605 Glenway Avenue	Bristol, Tn 37620	None
Cindy Rose	Board member	PO Box 394	Bristol, Va 24201	None
David Rosenbalm	Board member	24045Osborne Street	Blountville, Tn 36717	None
Jim Saul	Board member	175 Kilgore Drive	Bristol, Va 24201	None
Judy Stemple	Board member	1705 Blountville Blvd A-9	Blountville, Tn 37617	None
Mark Young	Board member			None

BRISTOL BASEBALL, INCORPORATED
CONFLICT OF INTEREST POLICY

Article 1. Purpose.

The purpose of this conflict of interest policy is to protect this tax exempt organization's ("BBI") interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of BBI 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 2. Definitions.

1. Interested Person. Any officer, director or member of a committee with governing board-delegated powers, 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 BBI has a transaction or arrangement; (b) a compensation arrangement with BBI or with any entity or individual with which BBI has a transaction or arrangement; or (c) a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which BBI 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 3, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Article 3. 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 governing 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, any after any discussion with the interested person, he/she shall leave the governing 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 governing 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 chair of the governing board 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 governing board or committee shall determine whether BBI 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 governing board or committee shall determine by a majority vote of the disinterested directors or members whether the transaction or arrangement is in BBI'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 governing board or committee has reasonable cause to believe a member has failed to disclose actually 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 governing board 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 4. Records of Proceedings.

The minutes of the governing board 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 governing board's 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 5. Compensation.

1. A voting member of the governing board who receives compensation, directly or indirectly, from BBI for services is precluded from voting on matters pertaining to that member's compensation.

2. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from BBI for services is precluded from voting on matters pertaining to that member's compensation.

3. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from BBI, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Article 6. Annual Statements.

Each director, officer and member of a committee with governing 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 BBI 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 7. Periodic Reviews.


To ensure BBI 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; and (b) whether partnerships, joint ventures, and arrangements with management organizations conform to BBI'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 8. Use of Outside Experts.

When conducting the periodic reviews as provided for in Article 7, BBI may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

I hereby certify that the foregoing Conflict of Interest Policy was adopted in conformity with the Charter and Bylaws of Bristol Baseball, Incorporated ("the Corporation") now in force and effect and that the Board of Directors is a body of the Corporation authorized to adopt such resolutions.

WITNESS MY HAND as Secretary of the Corporation on this 8th day of March, 2013.


Tim Johnston, Secretary
Bristol Baseball, Incorporated

Depreciation and Amortization Detail OTHER DEPRECIATION

OTHER

Asset Number	Description of property							
	Date placed in service	Method/IRC sec.	Life or rate	Line No.	Cost or other basis	Basis reduction	Accumulated depreciation/amortization	Current year deduction
1	SOUND SYSTEM							
	08/01/90	200DB	7.00	17	1,000.		1,000.	0.
4	HARD HELD MICROPHONE							
	01/24/92	200DB	7.00	17	150.		150.	0.
5	WATER COOLER							
	06/15/92	200DB	5.00	17	315.		315.	0.
6	REFRIGERATOR							
	06/15/92	200DB	5.00	17	541.		541.	0.
8	CORDLESS DRILL							
	02/06/93	200DB	5.00	17	48.		48.	0.
9	PVC RECREATION TABLE							
	03/05/93	200DB	5.00	17	495.		495.	0.
10	LINE MARKER							
	06/01/93	200DB	5.00	17	84.		84.	0.
11	CAGE CANVAS							
	06/08/93	200DB	5.00	17	41.		41.	0.
12	CARPET - DRESSING ROOMS							
	06/25/93	200DB	5.00	17	125.		125.	0.
13	LAWN MOWER							
	09/20/93	200DB	7.00	17	2,860.		2,860.	0.
14	PICNIC TABLES							
	09/20/93	200DB	7.00	17	1,027.		1,027.	0.
15	LEASEHOLD IMPROVEMENTS							
	07/01/94	SL	39.00	17	37,958.		16,015.	973.
16	AIR CONDITIONER							
	03/02/95	200DB	7.00	17	500.	500.		0.
17	CLOTHES DRYER							
	04/06/95	200DB	7.00	17	1,604.	1,604.		0.
18	RADIO RECORDER							
	05/02/95	200DB	7.00	17	65.	65.		0.
19	HAND HELD WIRELESS SYSTEM							
	05/19/95	200DB	7.00	17	189.	189.		0.
20	CARPET							
	06/02/95	200DB	7.00	17	273.	273.		0.
21	IMPROVEMENTS							
	07/12/95	200DB	7.00	17	5,000.	5,000.		0.
22	CLOCK							
	12/01/95	200DB	7.00	17	1,500.	1,500.		0.
23	FLAG							
	03/08/96	200DB	7.00	17	125.	125.		0.
24	DRAPERIES							
	03/16/96	200DB	7.00	17	161.	161.		0.
25	BRICK SPORT TRACK							
	03/26/96	200DB	7.00	17	480.	480.		0.
26	BULL PEN							
	06/01/96	200DB	7.00	17	2,557.	2,557.		0.
27	HANDHELD MIKE							
	06/01/96	200DB	5.00	17	432.	432.		0.
28	REFRIGERATOR							
	06/19/96	200DB	7.00	17	418.	418.		0.
29	CARPET							
	06/21/96	200DB	7.00	17	94.	94.		0.
30	FOLDING CARD CHAIR							
	07/23/96	200DB	7.00	17	105.	105.		0.

Depreciation and Amortization Detail OTHER DEPRECIATION

OTHER

Asset Number	Description of property							
	Date placed in service	Method/ IRC sec.	Life or rate	Line No.	Cost or other basis	Basis reduction	Accumulated depreciation/amortization	Current year deduction
31	IMPROVEMENTS							
	090396	200DB	7.00	17	5,000.	5,000.		0.
32	PRINTER							
	020397	200DB	5.00	17	299.	299.		0.
34	SCOREBOARD UPDATE							
	021497	200DB	7.00	17	900.	900.		0.
35	COMPUTER SOFTWARE							
	022597	200DB	5.00	17	35.	35.		0.
36	SCOREBOARD							
	040197	200DB	7.00	17	1,300.	1,300.		0.
37	ICE MACHINE							
	042197	200DB	7.00	17	1,587.	1,587.		0.
38	GARBAGE CAN							
	070597	200DB	7.00	17	56.	56.		0.
39	IMPROVEMENTS							
	081697	200DB	7.00	17	5,000.	5,000.		0.
40	SCOREBOARD							
	072498	200DB	7.00	17	5,000.	5,000.		0.
41	SCOREBOARD COMPUTER							
	060200	200DB	5.00	17	751.	751.		0.
42	IMPROVEMENTS							
	081898	200DB	7.00	17	10,000.	10,000.		0.
43	IMPROVEMENTS							
	102898	200DB	7.00	17	4,600.	3,500.	1,100.	0.
44	FIELD HOUSE - SOX							
	031400	SL	39.00	17	17,823.		3,561.	457.
45	BLEACHERS							
	110700	200DB	7.00	17	7,208.	7,208.		0.
46	TELEVISION							
	060899	200DB	5.00	17	70.	70.		0.
47	SIX TRASH CANS							
	061699	200DB	7.00	17	2,190.	2,190.		0.
48	TWO BERBER RUGS							
	080299	200DB	7.00	17	155.	155.		0.
49	FAX MACHINE							
	052300	200DB	5.00	17	104.	104.		0.
50	COMPUTER SYSTEM							
	110200	200DB	5.00	17	1,337.	1,337.		0.
51	AIR CONDITIONER							
	062100	200DB	7.00	17	459.	459.		0.
52	SOUND EQUIP							
	061699	200DB	7.00	17	344.	344.		0.
53	TORO SANDPRO							
	092499	200DB	7.00	17	5,000.	5,000.		0.
54	WHIRLPOOL							
	092000	200DB	7.00	17	225.	225.		0.
55	OUTFIELD FENCE							
	111601	200DB	7.00	17	10,770.		10,770.	0.
56	CART FOR BALL FIELD							
	031301	200DB	7.00	17	2,000.	2,000.		0.
57	COPIER							
	060501	200DB	7.00	17	626.	626.		0.
58	LAMP - PRESS BOS							
	021601	200DB	7.00	17	22.	22.		0.

OTHER

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05-01-11