

EXEMPTION APPLICATION

To be filed with  
the District  
Director for  
your District.

(To be made only by a principal officer of the organization claiming exemption)

For use of organizations applying for exemption under section 501 (a) and described in section 501 (c) (3) of the Internal Revenue Code of 1954, which are organized and operated exclusively for one of the following purposes (check purpose(s)):

- Religious
- Charitable
- Scientific
- Testing for Public Safety
- Educational
- For the prevention of cruelty to children or animals
- Literary

If the space provided for the insertion of information or data under any of the questions below is inadequate for the purposes, additional sheets may be used which should be properly identified and securely attached hereto.

1. FULL NAME OF ORGANIZATION <b>National Cystic Fibrosis Research Foundation</b>		2. DATE OF APPLICATION <b>January 10, 1956</b>	
3. COMPLETE ADDRESS (Number and street, post office box, etc.) <b>2300 Westmoreland Street, Philadelphia 40, Pennsylvania</b>			
4a. IS THE ORGANIZATION INCORPORATED? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		4b. IF INCORPORATED, UNDER LAWS OF WHAT STATE? <b>Delaware</b>	
4c. DATE OF INCORPORATION <b>December 16, 1955</b>		4d. DATE OF ORGANIZATION <b>Not applicable</b>	
5a. IS THE ORGANIZATION THE OUTGROWTH OR CONTINUATION OF ANY FORM OF PREDECESSOR? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		5b. IF SO, STATE NAME OF PREDECESSOR <b>Children's Exocrine Research Foundation</b>	
5c. PERIOD DURING WHICH IT WAS IN EXISTENCE <b>10/8/54 - 12/16/55</b>		5d. SUBMIT COPIES OF ALL PAPERS BY WHICH THE TRANSFER OF ASSETS, IF ANY, WAS EFFECTED <b>Not applicable</b>	
6a. HAS ORGANIZATION FILED FEDERAL INCOME TAX RETURNS? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		6b. IF SO, STATE RETURN FORM NUMBER <b>Not applicable</b>	
		6c. YEAR OR YEARS FILED <b>Not applicable</b>	
7. STATE BRIEFLY THE SPECIFIC PURPOSES FOR WHICH THE ORGANIZATION WAS FORMED (Do not quote from, or make reference to, the articles of incorporation or bylaws for this purpose.) <b>Exclusively in aid of scientific research, study, training and the dissemination of information with respect to the disease known as "mucoviscidosis" (otherwise known as "cystic fibrosis") and related diseases</b>			
8a. IS CAPITAL STOCK ISSUED AND OUTSTANDING? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		8b. IF SO, STATE (A) CLASS OR CLASSES OF SUCH STOCK, (B) THE NUMBER AND PAR VALUE OF THE SHARES, (C) THE CONSIDERATION FOR WHICH ISSUED, AND (D) WHETHER OR NOT ANY DIVIDENDS OR INTEREST HAS BEEN OR MAY BE PAID ON ANY CLASS OF SUCH STOCK. <b>Not applicable</b>	
9a. HAS ANY DISTRIBUTION OF CORPORATE PROPERTY EVER BEEN MADE TO SHAREHOLDERS OR MEMBERS? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		9b. IF SO, ATTACH HERETO A SEPARATE STATEMENT CONTAINING FULL DETAILS THEREOF, INCLUDING (1) AMOUNTS OR VALUE, (2) SOURCE OF FUNDS OR PROPERTY DISTRIBUTED, AND (3) BASIS OF AND AUTHORITY FOR DISTRIBUTION <b>Not applicable</b>	
10. STATE ALL SOURCES FROM WHICH THE ORGANIZATION'S INCOME IS DERIVED <input type="checkbox"/> <b>Contributions and bequests</b>			
11a. DOES ANY PART OF THE RECEIPTS REPRESENT PAYMENT FOR SERVICES OF ANY CHARACTER RENDERED BY THE ORGANIZATION? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		11b. IF SO, EXPLAIN IN DETAIL <b>Not applicable</b>	
12. STATE ALL THE ACTIVITIES IN WHICH THE ORGANIZATION IS PRESENTLY ENGAGED <b>Receipt of contributions and disbursement of funds to charitable, scientific or educational organizations in aid of scientific research, study, training and the dissemination of information with respect to the disease known as "mucoviscidosis" (otherwise known as "cystic fibrosis") and related diseases.</b>			
13. EXPLAIN IN DETAIL EACH FUND-RAISING ACTIVITY AND EACH BUSINESS ENTERPRISE ENGAGED IN, ACCOMPANIED BY COPIES OF ALL AGREEMENTS, IF ANY, WITH OTHER PARTIES FOR THE CONDUCT OF THAT BUSINESS <b>None</b>			
14. WHAT, IF ANY, SPECIFIC ACTIVITIES OF THE ORGANIZATION HAVE BEEN DISCONTINUED? (Explain fully, giving dates of commencement and termination and the reason for discontinuance.) <b>None</b>			

15a. IS THE ORGANIZATION NOW, OR HAS IT EVER BEEN, ENGAGED IN CARRYING ON PROPAGANDA, OR OTHERWISE EITHER ADVOCATING OR OPPOSING PENDING OR PROPOSED LEGISLATION?

Yes  No

15b. IF SO, FURNISH A DETAILED EXPLANATION OF SUCH ACTIVITIES, AND FURNISH COPIES OF LITERATURE, IF ANY, DISTRIBUTED BY THE ORGANIZATION

Not applicable

16a. DOES THE ORGANIZATION PARTICIPATE IN OR INTERVENE IN (INCLUDING THE PUBLISHING OR DISTRIBUTING OF STATEMENTS) ANY POLITICAL CAMPAIGN ON BEHALF OF ANY CANDIDATE FOR PUBLIC OFFICE?

Yes  No

16b. IF SO, FURNISH A DETAILED EXPLANATION AND COPIES OF LITERATURE DISTRIBUTED

Not applicable

17. FOR WHAT PURPOSES, OTHER THAN IN PAYMENT FOR SERVICES RENDERED OR SUPPLIES FURNISHED, ARE THE ORGANIZATION'S FUNDS EXPENDED? IF CONTRIBUTIONS, GIFTS, ETC., WERE MADE TO OTHER ORGANIZATIONS, ATTACH LIST. Exclusively in aid of scientific research, study, training and the dissemination of information with respect to the disease known as "micoviscidosis" (otherwise known as "cystic fibrosis") and related diseases. For list of grants, see attached statement of receipts and disbursements.

18a. ARE ANY PAYMENTS MADE TO MEMBERS OR SHAREHOLDERS FOR SERVICES RENDERED THE ORGANIZATION?

Yes  No

18b. IF SO, ATTACH DETAILED EXPLANATION SHOWING AMOUNT SO PAID AND THE CHARACTER OF THE SERVICES RENDERED

None

19. DOES ANY PART OF THE NET INCOME OF THE ORGANIZATION INURE TO THE BENEFIT OF ANY PRIVATE SHAREHOLDER OR INDIVIDUAL?

Yes  No

20a. IF THE ORGANIZATION IS A HOSPITAL, STATE WHETHER IT ACCEPTS PATIENTS IN NEED OF HOSPITAL CARE WHO CANNOT PAY FOR SUCH SERVICES

Not applicable

Yes  No

20b. FOR THE LAST COMPLETE YEAR OF OPERATION, STATE NUMBER OF PATIENT DAYS OF TREATMENT OF

Not applicable

(1) FULL PAY PATIENTS

Not applicable

(2) PART PAY PATIENTS

Not applicable

(3) CHARITY PATIENTS (admitted as such)

Not applicable

21. IN THE EVENT OF THE DISSOLUTION OF THE ORGANIZATION, WHAT DISPOSITION WOULD BE MADE OF ITS PROPERTY? The organization cannot be dissolved unless and until all assets have been disposed of exclusively in aid of charitable, educational and scientific uses and purposes.

22. AFTER JULY 1, 1950, DID THE CREATOR OF YOUR ORGANIZATION, OR A CONTRIBUTOR TO YOUR ORGANIZATION, OR A BROTHER OR SISTER (WHOLE OR HALF BLOOD), SPOUSE, ANCESTOR, OR LINEAL DESCENDANT OF SUCH CREATOR OR CONTRIBUTOR, OR A CORPORATION OWNED (50 PERCENT OR MORE OF VOTING STOCK OR 50 PERCENT OR MORE OF VALUE OF ALL STOCK) DIRECTLY OR INDIRECTLY BY SUCH CREATOR OR CONTRIBUTOR—If answer to any of the following is "Yes," attach detailed statement.

	Yes	No		Yes	No		Yes	No
A. Borrow any part of your income or corpus?		<input checked="" type="checkbox"/>	C. Have any part of your services made available to him?		<input checked="" type="checkbox"/>	E. Sell any securities or other property to you?		<input checked="" type="checkbox"/>
B. Receive any compensation for personal services from you?		<input checked="" type="checkbox"/>	D. Purchase any securities or other property from you?		<input checked="" type="checkbox"/>	F. Have any part of your income or corpus diverted to him by any transaction?		<input checked="" type="checkbox"/>

23. ATTACH TO THIS APPLICATION

- A. A classified statement of receipts and expenditures during the last complete year of operation.
- B. A complete statement of assets and liabilities as of the end of the last complete year of operation.
- C. If incorporated, a copy of your articles of incorporation, or if not incorporated,

porated, a copy of your constitution, articles of association, declaration of trust, or other document setting forth your aims and purposes (conformed copies should be furnished).

- D. A copy of your bylaws or other similar code of regulations.
- E. A copy of each lease, if any, in which you are the lessee or lessor of property (real, personal, gas, oil, or mineral) or in which you own an interest under such lease, together with copies of all agreements with other parties for development of the property.

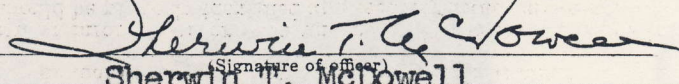
24. If exemption is claimed as an exclusively educational organization and a regular curriculum and faculty are not normally maintained and a regularly organized body of pupils or students is not normally in attendance at the place where the educational activities are regularly carried on, there should be attached specimen copies of any books, pamphlets, leaflets, or other printed matter issued or distributed during the latest complete year of operations.

### SIGNATURE AND VERIFICATION

I, the undersigned, president, vice president, treasurer, assistant treasurer, chief accounting officer (or other duly authorized officer) of the organization for which this application is made, declare under the penalties of perjury that this application (including any accompanying statements) has been examined by me and is, to the best of my knowledge and belief, a true, correct, and complete application, made in good faith pursuant to the Internal Revenue Code and the regulations thereunder.

January 3, 1956

(Date)

  
 (Signature of officer)

Sherwin T. McDowell

Secretary

(Title)

### IMPORTANT

A mere claim or contention by an organization that it is exempt from income tax under section 501 (a) of the Internal Revenue Code of 1954 and the corresponding provisions of prior revenue acts will not relieve the organization from filing income tax returns and paying the tax. Unless the Commissioner has determined that an organization is exempt, it must prepare and file a complete income tax return for each taxable year of its existence. Accordingly, every organization that claims to be exempt should furnish the information and data specified herein, together with any other facts deemed material to the question, with the least possible delay, in order that the Commissioner can determine whether or not it is exempt. As soon as practicable after the information and data are received, the organization will be advised of the Commissioner's determination, and, the annual returns which will be required.

# EXEMPTION APPLICATION

FOR USE OF RELIGIOUS, CHARITABLE, SCIENTIFIC, LITERARY, OR EDUCATIONAL ORGANIZATIONS

CLAIMING EXEMPTION FROM FEDERAL INCOME TAX UNDER SECTION 101(6) OF THE INTERNAL REVENUE CODE

(To be made only by a principal officer of the organization claiming the exemption)

June 2, 1953  
(Date)

I, WYNNE SHARPLES, M. D., declare under the penalties  
(Name of declarant)

of perjury that I am the Chairman of the Board of Trustees of the  
(Title of declarant—as president, secretary, etc.)

Children's Exocrine Research Foundation, located at  
(Full name of organization)

23rd and Westmoreland Streets, Philadelphia, Penna.,  
(Complete address, including street and number—post office box, etc.)

and that the following answers and statements, including all statements attached hereto, are complete and true to the best of my knowledge and belief:

1. Is the organization incorporated? No If so, under the laws of what State? \_\_\_\_\_  
(Yes or no) (Name of State)

When? \_\_\_\_\_ If not incorporated, state the manner of organization and the date thereof  
Created by Indenture of Trust dated Oct. 8, 1954 (copy attached) and  
name changed by First Amendment dated March 21, 1955 to Indenture of  
Trust dated Oct. 8, 1954 (copy attached)

2. Is the organization the outgrowth or continuation of any form of predecessor? No If so, state the  
(Yes or no)

name of such predecessor, the period during which it was in existence and submit copies of all papers by which the transfer of assets, if any, was effected. \_\_\_\_\_

3. Has the organization filed Federal income tax returns? No If so, state return form number and year or  
(Yes or no)

years. \_\_\_\_\_

4. State briefly the specific purposes for which the organization was formed. (Do not quote from, or make reference to, the articles of incorporation or bylaws for this purpose.) Exclusively in aid of scientific research, study, training and the dissemination of information with respect to the disease known as "mucoviscidosis" and related diseases.

5. Is the organization authorized to issue capital stock? No (Yes or no) If so, state (1) the class or classes of such stock, (2) the number and par value of shares of each class outstanding, and (3) the consideration paid for outstanding shares -----

6. If capital stock is outstanding, state whether any dividends or interest has been or may be paid thereon No (Yes or no) If so, give facts in detail -----

7. If any distribution of corporate property of any character has ever been made to shareholders or members, attach hereto a separate statement containing full details thereof, including (1) amounts or value, (2) source of funds or property distributed, and (3) basis of and authority for distribution. None made

8. State all sources from which the organization's income is derived Contributions and bequests.

9. Does any part of the receipts represent payment for services of any character rendered by the organization? No (Yes or no) If so, explain in detail -----

10. State all the activities in which the organization is presently engaged. (Explain in detail, each fund-raising activity and each business enterprise engaged in, accompanied by copies of all agreements, if any, with other parties for the conduct of that business. Attach additional sheets as required.—See footnote.) Receipt of contributions and disbursement of funds to charitable, scientific or educational organizations in aid of scientific research, study, training and the dissemination of information with respect to the disease known as "mucoviscidosis" and related dis-

11. What, if any, specific activities of the organization have been discontinued? (Explain fully, giving dates of commencement and termination and the reason for discontinuance.) None

12. Is the organization now, or has it ever been, engaged in carrying on propaganda, or otherwise either advocating or opposing pending or proposed legislation? No (Yes or no) If so, furnish a detailed explanation of such activities, and furnish copies of literature, if any, distributed by the organization. (Use additional sheets as required—See footnote.)

13. (a) For what purposes, other than in payment for services rendered or supplies furnished, are the organization's funds expended? Exclusively in aid of scientific research, study, training and the dissemination of information with respect to the disease known as "mucoviscidosis" and related diseases.

(b) If any payments are made to members or shareholders for services rendered the organization, attach a separate statement showing the amounts so paid and the character of the services rendered. None

14. Does any part of the net income of the organization inure to the benefit of any private shareholder or individual? No

15. If the organization is a hospital, attach a separate statement showing the number of days of treatment of (1) full-pay patients, (2) part-pay patients, and (3) charity patients (admitted as such) during the last complete year of operation. Not applicable

16. In the event of the dissolution of the organization, what disposition would be made of its property? The organization cannot be dissolved unless and until all assets have been disposed of exclusively in aid of charitable, educational and scientific uses and purposes.

17. After July 1, 1950, did—

- The creator of your organization, or
- A contributor to your organization, or
- A brother or sister (whole or half blood), spouse, ancestor, or lineal descendant of such creator or contributor, or
- A corporation owned (50 percent or more of voting stock or 50 percent or more of value of all stock) directly or indirectly by such creator or contributor

- (a) Borrow any part of your income or corpus? No  
(Yes or no)
- (b) Receive any compensation for personal services from you? No  
(Yes or no)
- (c) Have any part of your services made available to him? No  
(Yes or no)
- (d) Purchase any securities or other property from you? No  
(Yes or no)
- (e) Sell any securities or other property to you? No  
(Yes or no)
- (f) Have any part of your income or corpus diverted to him by any transaction? No  
(Yes or no)

If answer to any question is "yes," attach detailed statement.

## 18. Attach to this application:

- (1) A classified statement of receipts and expenditures during the last complete year of operation;
- (2) A complete statement of assets and liabilities as of the end of the last complete year of operation;
- (3) If incorporated, a copy of your articles of incorporation, or  
If not incorporated, a copy of your constitution, articles of association, declaration of trust, or other document setting forth your aims and purposes;
- (4) A copy of your bylaws or other similar code of regulations;
- (5) A copy of each lease, if any, in which you are the lessee or lessor of property (real, personal, gas, oil, or mineral) or in which you own an interest under such lease, together with copies of all agreements with other parties for development of the property.

19. If exemption is claimed as an exclusively educational organization and a regular curriculum and faculty are not normally maintained and a regularly organized body of pupils or students is not normally in attendance at the place where the educational activities are regularly carried on, there should be attached specimen copies of any books, pamphlets, leaflets, or other printed matter issued or distributed during the latest complete year of operations.

*W. Wynne Sharples*

(Signature of officer making declaration)

(If the space provided for the insertion of information or data under any of the above questions is inadequate for the purposes, additional sheets may be used which should be properly identified and securely attached hereto.)

### IMPORTANT

A mere claim or contention by an organization that it is exempt from income tax under section 101 of the Internal Revenue Code and the corresponding provisions of prior revenue acts will not relieve the organization from filing income tax returns and paying the tax. Unless the Commissioner has determined that an organization is exempt, it must prepare and file a complete income tax return for each taxable year of its existence. Accordingly, every organization that claims to be exempt should furnish the information and data specified herein, together with any other facts deemed material to the question, with the least possible delay, in order that the Commissioner can determine whether or not it is exempt. As soon as practicable after the information and data are received, the organization will be advised of the Commissioner's determination, and, the annual returns which will be required.