

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: **OCT 25 2007**

THE KINDNESS RANCH ANIMAL SANCTUARY
C/O KEVIN M. NOONAN
PATZIK, FRANK & SAMOTNY LTD.
150 S. WACKER DR. #1500
CHICAGO, IL 60606

Employer Identification Number:
84-1561923
DLN:
507288002
Contact Person:
TRACY PRATER ID# 31330
Contact Telephone Number:
(877) 829-5500

60 Month Period Ends:
December 31, 2012
Addendum Applies:
No

Dear Applicant:

We have received your notification of intent to terminate your private foundation status under section 507(b)(1)(B) of the Internal Revenue Code during a 60 month period beginning January 1, 2008.

The information submitted indicates that you intend to operate as an organization described in sections 509(a)(1) and 170(b)(1)(A)(vi) of the Code during the 60 month period.

Based on your proposed activities and support, it is held that you can reasonably be expected to terminate your private foundation status under section 507(b)(1)(B) of the Code. Accordingly, you will be treated as a public charity described in sections 509(a)(1) and 170(b)(1)(A)(vi) of the Code for an advance ruling period of 60 months beginning January 1, 2008.

Within 90 days after the end of your 60 month period, you must establish to the satisfaction of the Internal Revenue Service that you have qualified as an organization which meets the requirements of paragraph (1), (2), or (3) of section 509(a) of the Code for the 60 month period. If you do establish that fact, you will be so classified for all purposes beginning with the first day of the first taxable year of the 60 month period and, thereafter, so long as you continue to meet the requirements of section 509(a)(1), (2), or (3). If, however, you do not meet these requirements for the 60 month period, you will be classified as a private foundation as of the first day of the first taxable year of the 60 month period.

If you satisfy the requirements of section 507(b)(1)(B) of the Code at the end of your 60 month period, you will not be subject to the provisions of section 507(a), (c), or (g) of the Code.

Grantors and donors may rely on the determination that you are not a private foundation until 90 days after the end of your advance ruling period. If you submit the required information within the 90 days, grantors and contributors may continue to rely on the advance determination until the Service makes a final determination of your foundation status.

Letter 2245 (DO/CG)

THE KINDNESS RANCH ANIMAL SANCTUARY

You are required to file Form 990-PF, Return of Private Foundation or Section 4947(a)(1) Trust Treated as a Private Foundation, until you complete your 60 month termination and are classified as a section 509(a)(1) organization. Form 990-PF must be filed by the 15th day of the fifth month after the end of your annual accounting period. The law imposes a penalty of \$20 a day, up to a maximum of \$10,000 or 5 percent of your gross receipts (whichever is less), for failure to file a return on time unless there is reasonable cause for the delay. For organizations with gross receipts exceeding \$1,000,000 in any year, the penalty is \$100 per day per return, unless there is reasonable cause for the delay. The maximum penalty for an organization with gross receipts exceeding \$1,000,000 shall not exceed \$50,000. This penalty may also be charged if a return is not complete, so please be sure your return is complete before you file it.

If you do not pay the tax imposed by section 4940 of the Code for any taxable year or years during the 60 month period, and it is subsequently determined that such tax is due for such year or years, you will be liable for interest in accordance with section 6601 of the Code. Since any failure to pay such taxes during the 60 month period is due to reasonable cause, the penalty under section 6651 with respect to the tax imposed by section 4940 shall not apply.

If the heading of this letter indicate that an addendum applies, the addendum enclosed is an integral part of this letter.

Because this letter could help resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

We have sent a copy of this letter to your representative as indicated in your power of attorney.

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

Sincerely yours,



Robert Choi
Director, Exempt Organizations
Rulings and Agreements

Enclosure(s):
Form 872

Form 872 (Rev. Dec. 2004)	Department of the Treasury-Internal Revenue Service	In reply refer to:
	Consent to Extend the Time to Assess Tax	Taxpayer Identification Number

The Kindness Ranch Animal Sanctuary
(Name(s))
 taxpayer(s) of 854 State Highway 270, Hartville, Wyoming 82215
(Number, Street, City or Town, State, ZIP Code)

and the Commissioner of Internal Revenue consent and agree to the following:

(1) The amount of any Federal IRC Section 4940 tax on net investment income _____ tax due on any return(s) made by or
(Kind of tax)
 for the above taxpayer(s) for the period(s) ended December 31, 2008, December 31, 2009, December 31, 2010, December 31, 2011
 and December 31, 2012.

may be assessed at any time on or before May 15, 2017. However, if a notice of deficiency in tax for any such
(Expiration date)
 period(s) is sent to the taxpayer(s) on or before that date, then the time for assessing the tax will be further extended by the number of
 days the assessment was previously prohibited, plus 60 days.

(2) The taxpayer(s) may file a claim for credit or refund and the Service may credit or refund the tax within 6 months after this
 agreement ends.

Your Rights as a Taxpayer

You have the right to refuse to extend the period of limitations or limit this extension to a mutually agreed-upon issue(s) or mutually
 agreed-upon period of time. Publication 1035, *Extending the Tax Assessment Period*, provides a more detailed explanation of your
 rights and the consequences of the choices you may make. If you have not already received a Publication 1035, the publication can be
 obtained, free of charge, from the IRS official who requested that you sign this consent or from the IRS' web site at www.irs.gov or by
 calling toll free at 1-800-829-3676. Signing this consent will not deprive you of any appeal rights to which you would otherwise be
 entitled.

YOUR SIGNATURE HERE → _____
 I am aware that I have the right to refuse to sign this consent or to limit the extension to mutually agreed-upon issues and/or period of time as set forth in I.R.C. § 6501(c)(4)(B). (Date signed)

SPOUSE'S SIGNATURE → _____
 I am aware that I have the right to refuse to sign this consent or to limit the extension to mutually agreed-upon issues and/or period of time as set forth in I.R.C. § 6501(c)(4)(B). (Date signed)

TAXPAYER'S REPRESENTATIVE
SIGN HERE → _____
 I am aware that I have the right to refuse to sign this consent or to limit the extension to mutually agreed-upon issues and/or period of time as set forth in I.R.C. § 6501(c)(4)(B).
 In addition, the taxpayer(s) has been made aware of these rights. (Date signed)

CORPORATE NAME → The Kindness Ranch Animal Sanctuary
CORPORATE OFFICER(S) SIGN HERE → *David Stool* Director (Title) *9-20-07* (Date signed)
(Date signed)

I (we) am aware that I (we) have the right to refuse to sign this consent or to limit the extension to mutually agreed-upon issues and/or period of time as set forth in I.R.C. § 6501(c)(4)(B).

INTERNAL REVENUE SERVICE SIGNATURE AND TITLE
(Division Executive Name - See instructions.) (Division Executive Title - see instructions.)
 BY *Robert Davis* (Signature and Title - See instructions.) **OCT 25 2007** (Date signed)

KEVIN M. NOONAN
Tel. (312) 551.3076
knoonan@pfs-law.com

Refer To: 4839.001

December 13, 2007

Mr. David Groobman
1927 Senda Rocosa Street
Boulder, Colorado 80303**Re: The Kindness Ranch Animal Sanctuary**

Dear David:

I am very pleased that the IRS has recognized Kindness Ranch's intent to terminate its private foundation status and operate as a public charity under Section 170(b)(1)(A)(vi) of the Internal Revenue Code, beginning on January 1, 2008. Although you have received a copy of the determination letter directly from the IRS, I am enclosing an additional copy for your records. Please review the letter carefully, as it includes important information related to Kindness Ranch's exempt status and its administration and operations. As you review the IRS determination letter, please pay particular attention to the following areas:

- ***Public Support:*** The IRS has issued an advance ruling that Kindness Ranch will be treated as a public charity based on its anticipated level of support from the general public. Within 90 days after the end of its advance ruling period (which ends on December 31, 2012), Kindness Ranch will be required to substantiate its actual level of public support by completing IRS Form 8734 (Support Schedule for Advance Ruling Period). Assuming its amount of support from the general public equals at least one-third ($\frac{1}{3}$) of its entire support, Kindness Ranch should continue to be treated as a public charity. Therefore, it is very important that Kindness Ranch have and maintain accurate books and records documenting all amounts it receives as support (*e.g.*, revenues and contributions).
- ***Reliance By Donors:*** Grantors and donors may rely on the determination that you are a public charity (and not a private foundation) until 90 days after the end of your advance ruling period. If you submit the required information within those 90 days (as discussed above), grantors and donors may continue to rely on the advance ruling until the IRS makes a final determination of your foundation status.

150 South Wacker Drive - Suite 1500
Chicago, Illinois 60606
Tel. (312) 551.8300 Fax. (312) 551.1101

Mr. David Groobman
December 13, 2007
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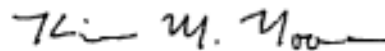
- Reporting Requirements: Kindness Ranch is subject to the following reporting requirements.
 - (i) Federal. It must file an annual information return on IRS Form 990-PF (Return of Private Foundation) during its advance ruling period. IRS Form 990-PF will be due by the 15th day of the fifth month after the end of Kindness Ranch's annual accounting period (*i.e.*, May 15th of each year), and there is a penalty for failure to file by the due date. Repeated instances of noncompliance will result in the revocation of Kindness Ranch's exempt status. If Kindness Ranch receives more than \$1,000 annually in gross income from an unrelated trade or business, it must file IRS Form 990-T (Exempt Organization Business Income Tax Return) as it may be subject to unrelated business income tax.
 - (ii) Colorado. Because Kindness Ranch has been a private foundation (and, thus, a charitable organization) from the date of its inception, the Colorado reporting requirements with respect to charitable organizations will continue to apply to Kindness Ranch during the period that it is treated as a public charity.
- Public Inspection of Information Returns and Determination Letter: Kindness Ranch is required to make its IRS Form 990-PF available for public inspection for three years after the later of (i) the due date of the return, or (ii) the date the return is filed. Kindness Ranch is also required to make available for public inspection its determination letter and any supporting documents. Kindness Ranch must also provide copies of these documents to any individual, upon written or in person request, without charge (other than reasonable fees for copying and postage). Kindness Ranch may fulfill this requirement by placing these documents on a website for public inspection. Penalties may be imposed for failure to comply with these requirements.
- Lobbying Expenditures: If Kindness Ranch intends to engage in lobbying activities, it should consider making a Section 501(h) election regarding the amount it will expend on lobbying activities. Section 501(h) calculates the amount that a charitable organization may expend on lobbying activities. If Kindness Ranch is interested in pursuing lobbying activities, please contact me so that we may discuss whether it should make a Section 501(h) election.

Mr. David Groobman
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- Political Activities: Please note that there is an absolute prohibition on "political campaign activities" (which essentially consist of attempting to influence any federal, state or local election) by Kindness Ranch. As such, Kindness Ranch must avoid interfering in any such election or making statements in favor of or in opposition to any candidate for any federal, state or local office.
- Change in Status: Kindness Ranch is required to notify the IRS if it changes its name, address, purposes, operations or sources of financial support. If Kindness Ranch amends its organizational document or bylaws, it must provide the IRS with a copy of the amended documents.

If I can be of further assistance with respect to any issues relating to Kindness Ranch, please call me at (312) 551-3076. I wish you much luck in your charitable endeavors.

Sincerely,



Kevin M. Noonan

KMN/cp
Enclosure
cc: Sanford Bokor (w/encl.) ✓