

Part II Activities and Operational Information (Continued)

4 Give the following information about the organization's governing body:

a Names, addresses, and titles of officers, directors, trustees, etc.	b Annual compensation
Rev. David E. Alei, President > 255 Valle Verde Place Rev. Delores Alei, Secretary > Bosque Farms, NM 87068	Ø (zero)
Wendell Seitz, Vice-Pres. > Rt. 1 Box 48 Deanna Seitz, Vice-Pres. > Turkey, TX 79261	Ø (zero)
Brent Talley, Director > 823 47th St. Nancy Talley, Director > Los Alamos, NM 87544	Ø (zero)

c Do any of the above persons serve as members of the governing body by reason of being public officials or being appointed by public officials? Yes No
If "Yes," name those persons and explain the basis of their selection or appointment.

d Are any members of the organization's governing body "disqualified persons" with respect to the organization (other than by reason of being a member of the governing body) or do any of the members have either a business or family relationship with "disqualified persons"? (See Specific Instructions for Part II, Line 4d, on page 3.) Yes No
If "Yes," explain.

5 Does the organization control or is it controlled by any other organization? Yes No
Is the organization the outgrowth of (or successor to) another organization, or does it have a special relationship with another organization by reason of interlocking directorates or other factors? Yes No
If either of these questions is answered "Yes," explain.

6 Does or will the organization directly or indirectly engage in any of the following transactions with any political organization or other exempt organization (other than a 501(c)(3) organization): (a) grants; (b) purchases or sales of assets; (c) rental of facilities or equipment; (d) loans or loan guarantees; (e) reimbursement arrangements; (f) performance of services, membership, or fundraising solicitations; or (g) sharing of facilities, equipment, mailing lists or other assets, or paid employees? Yes No
If "Yes," explain fully and identify the other organizations involved.

7 Is the organization financially accountable to any other organization? Yes No
If "Yes," explain and identify the other organization. Include details concerning accountability or attach copies of reports if any have been submitted.

Part II Activities and Operational Information (Continued)

8 What assets does the organization have that are used in the performance of its exempt function? (Do not include property producing investment income.) If any assets are not fully operational, explain their status, what additional steps remain to be completed, and when such final steps will be taken. If none, indicate "N/A."

None at this time.

9 Will the organization be the beneficiary of tax-exempt bond financing within the next 2 years? Yes No

10a Will any of the organization's facilities or operations be managed by another organization or individual under a contractual agreement? Yes No

b Is the organization a party to any leases? Yes No
If either of these questions is answered "Yes," attach a copy of the contracts and explain the relationship between the applicant and the other parties.

11 Is the organization a membership organization? Yes No
If "Yes," complete the following:

a Describe the organization's membership requirements and attach a schedule of membership fees and dues.

b Describe the organization's present and proposed efforts to attract members and attach a copy of any descriptive literature or promotional material used for this purpose.

c What benefits do (or will) the members receive in exchange for their payment of dues?

12a If the organization provides benefits, services, or products, are the recipients required, or will they be required, to pay for them? N/A Yes No
If "Yes," explain how the charges are determined and attach a copy of the current fee schedule.

b Does or will the organization limit its benefits, services, or products to specific individuals or classes of individuals? N/A Yes No
If "Yes," explain how the recipients or beneficiaries are or will be selected.

13 Does or will the organization attempt to influence legislation? Yes No
If "Yes," explain. Also, give an estimate of the percentage of the organization's time and funds that it devotes or plans to devote to this activity.

14 Does or will the organization intervene in any way in political campaigns, including the publication or distribution of statements? Yes No
If "Yes," explain fully.

Part III Technical Requirements

1 Are you filing Form 1023 within 15 months from the end of the month in which your organization was created or formed? Yes No
If you answer "Yes," do not answer questions on lines 2 through 6 below.

2 If one of the exceptions to the 15-month filing requirement shown below applies, check the appropriate box and proceed to question 7.

Exceptions—You are not required to file an exemption application within 15 months if the organization:

- a Is a church, interchurch organization of local units of a church, a convention or association of churches, or an integrated auxiliary of a church. See **Specific Instructions**, Line 2a, on page 4;
- b Is not a private foundation and normally has gross receipts of not more than \$5,000 in each tax year; or
- c Is a subordinate organization covered by a group exemption letter, but only if the parent or supervisory organization timely submitted a notice covering the subordinate.

3 If the organization does not meet any of the exceptions on line 2 above, are you filing Form 1023 within 27 months from the end of the month in which the organization was created or formed? Yes No

If "Yes," your organization qualifies under Regulation section 301.9100-2, for an automatic 12-month extension of the 15-month filing requirement. Do not answer questions 4 through 6.

If "No," answer question 4.

4 If you answer "No" to question 3, does the organization wish to request an extension of time to apply under the "reasonable action and good faith" and the "no prejudice to the interest of the government" requirements of Regulations section 301.9100-3? Yes No

If "Yes," give the reasons for not filing this application within the 27-month period described in question 3. See **Specific Instructions**, Part III, Line 4, before completing this item. Do not answer questions 5 and 6.

If "No," answer questions 5 and 6.

5 If you answer "No" to question 4, your organization's qualification as a section 501(c)(3) organization can be recognized only from the date this application is filed. Therefore, do you want us to consider the application as a request for recognition of exemption as a section 501(c)(3) organization from the date the application is received and not retroactively to the date the organization was created or formed? Yes No

6 If you answer "Yes" to question 5 above and wish to request recognition of section 501(c)(4) status for the period beginning with the date the organization was formed and ending with the date the Form 1023 application was received (the effective date of the organization's section 501(c)(3) status), check here and attach a completed page 1 of Form 1024 to this application.

N/A

Part VII.—Basis for Status as a Private Operating Foundation

If the organization—

(a) bases its claim to private operating foundation status on normal and regular operations over a period of years; or (b) is newly created, set up as a private operating foundation, and has at least one year's experience; provide the information under the income test and under one of the three supplemental tests (assets, endowment, or support). If the organization does not have at least one year's experience, complete line 21. If the organization's private operating foundation status depends on its normal and regular operations as described in (a) above, attach a schedule similar to the one below showing the data in tabular form for the three years next preceding the most recent tax year. (See regulations section 53.4942(b)-1 for additional information before completing the "Income Test" section of Part VII.)

Income Test		Most recent tax year
1 (a)	Adjusted net income, as defined in regulations section 53.4942(a)-2(d). (Complete this line for each tax year covered by the application.)	
(b)	Minimum investment return, as defined in regulations section 53.4942(a)-2(c). (Complete this line only for tax years beginning after December 31, 1981.)	
2	Qualifying distributions:	
(a)	Amounts (including administrative expenses) paid directly for the active conduct of the activities for which organized and operated under section 501(c)(3) (attach schedule)	
(b)	Amounts paid to acquire assets to be used (or held for use) directly in carrying out purposes described in sections 170(c)(1) or 170(c)(2)(B) (attach schedule)	
(c)	Amounts set aside for specific projects which are for purposes described in section 170(c)(1) or 170(c)(2)(B) (attach schedule)	
(d)	Total qualifying distributions (add lines 2(a), (b), and (c))	
3	For tax years beginning before January 1, 1982, enter an amount on 3(a) only. For tax years beginning after December 31, 1981, enter an amount on 3(a) or 3(b) whichever is smaller.	
(a)	Percentage of qualifying distributions to adjusted net income (divide line 2(d) by line 1(a))	%
(b)	Percentage of qualifying distributions to minimum investment return (divide line 2(d) by line 1(b)) (Percentage must be at least 85% for 3(a))	%
Assets Test		
4	Value of organization's assets used in activities that directly carry out the exempt purposes. Do not include assets held merely for investment or production of income (attach schedule)	
5	Value of any stock of a corporation that is controlled by applicant organization and carries out its exempt purposes (attach statement describing corporation)	
6	Value of all qualifying assets (add lines 4 and 5)	
7	Value of applicant organization's total assets	
8	Percentage of qualifying assets to total assets (divide line 6 by line 7—percentage must exceed 65%)	%
Endowment Test		
9	Value of assets not used (or held for use) directly in carrying out exempt purposes:	
(a)	Monthly average of investment securities at fair market value	
(b)	Monthly average of cash balances	
(c)	Fair market value of all other investment property (attach schedule)	
(d)	Total (add lines 9(a), (b), and (c))	
10	Subtract acquisition indebtedness related to line 9 items (attach schedule)	
11	Balance (subtract line 10 from line 9(d))	
12	Multiply line 11 by 3 1/3% (2/3 of the percentage for the minimum investment return computation under section 4942(e)). Line 2(d) above must equal or exceed the result of this computation.	
Support Test		
13	Applicant organization's support as defined in section 509(d)	
14	Subtract amount of gross investment income as defined in section 509(e)	
15	Support for purposes of section 4942(j)(3)(B)(iii) (subtract line 14 from line 13)	
16	Support received from the general public, five or more exempt organizations, or a combination of these sources (attach schedule)	
17	For persons (other than exempt organizations) contributing more than 1% of line 15, enter the total amounts that are more than 1% of line 15	
18	Subtract line 17 from line 16	
19	Percentage of total support (divide line 18 by line 15—must be at least 85%)	%
20	Does line 16 include support from an exempt organization that is more than 25% of the amount on line 15? <input type="checkbox"/> Yes <input type="checkbox"/> No	
21	Newly created organizations with less than one year's experience: Attach a statement explaining how the organization is planning to satisfy the requirements of section 4942(j)(3) for the income test and one of the supplemental tests during its first year's operation. Include a description of plans and arrangements, press clippings, public announcements, solicitations for funds, etc.	

Part IV Financial Data (Continued)

B. Balance Sheet (at the end of the period shown)		Current tax year Date <u>2003</u>
Assets		
1	Cash	1 \emptyset
2	Accounts receivable, net	2 \emptyset
3	Inventories	3 \emptyset
4	Bonds and notes receivable (attach schedule)	4 \emptyset
5	Corporate stocks (attach schedule)	5 \emptyset
6	Mortgage loans (attach schedule)	6 \emptyset
7	Other investments (attach schedule)	7 \emptyset
8	Depreciable and depletable assets (attach schedule)	8 \emptyset
9	Land	9 \emptyset
10	Other assets (attach schedule)	10 \emptyset
11	Total assets (add lines 1 through 10)	11 \emptyset
Liabilities		
12	Accounts payable	12 \emptyset
13	Contributions, gifts, grants, etc., payable	13 \emptyset
14	Mortgages and notes payable (attach schedule)	14 \emptyset
15	Other liabilities (attach schedule)	15 \emptyset
16	Total liabilities (add lines 12 through 15)	16 \emptyset
Fund Balances or Net Assets		
17	Total fund balances or net assets	17 \emptyset
18	Total liabilities and fund balances or net assets (add line 16 and line 17)	18 \emptyset

If there has been any substantial change in any aspect of the organization's financial activities since the end of the period shown above, check the box and attach a detailed explanation

Brand new corporation - one month old. We have been in full-time ministry for 15 years but just recently (this year) returned to the USA from a long period as missionaries overseas.

Schedule A. Churches

1 Provide a brief history of the development of the organization, including the reasons for its formation.

Lifeline Ministries was formed upon the return of Pastors David and Delores Alei from the mission field in 2003. They and like-hearted Christian friends formed the ministry to meet the needs of local Christians, as well as bless other churches regionally, and facilitate sharing the gospel of Jesus Christ with the world.

2 Does the organization have a written creed or statement of faith? Yes No
If "Yes," attach a copy. Copy attached at back.

3 Does the organization require prospective members to renounce other religious beliefs or their membership in other churches or religious orders, to become members? Yes No

4 Does the organization have a formal code of doctrine and discipline for its members? Yes No
If "Yes," describe.

5 Describe the form of worship and attach a schedule of worship services. Our worship services are not on a regular schedule at this time. Our worship is free-flowing and happens whenever we meet together locally to pray, teach the Bible, etc. and whenever we minister in other churches.

6 Are the services open to the public? Yes No
If "Yes," describe how the organization publicizes its services and explain the criteria for admittance. Word of mouth, personal invitations, flyers (rarely)
There is no criteria for admittance.

7 Explain how the organization attracts new members.
word of mouth, same as above

8 (a) How many active members are currently enrolled in the church?
we do not have a formal membership.
(b) What is the average attendance at the worship services? It depends. Our local gatherings are small but we have ministered in regional gatherings that were several hundred.

9 In addition to worship services, what other religious services (such as baptisms, weddings, funerals, etc.) does the organization conduct?
baptisms, weddings, funerals, youth meetings, city-wide meetings, missions trips, evangelistic meetings, retreats.

Schedule A. Churches (Continued)

10 Does the organization have a school for the religious instruction of the young? Yes No

11 Were the current deacons, minister, and/or pastor formally ordained after a prescribed course of study? Yes No

12 Describe the organization's religious hierarchy or ecclesiastical government.
pastors/directors

13 Does the organization have an established place of worship? Yes No

If "Yes," provide the name and address of the owner or lessor of the property and the address and a description of the facility.

Rev. David and Delores Alei
255 Valle Verde Place, Bosque Farms, NM 87068.

If the organization has no regular place of worship, state where the services are held and how the site is selected. worship also takes place in other homes, and churches by invitation, around the community and region.

14 Does (or will) the organization license or otherwise ordain ministers (or their equivalent) or issue church charters? Yes No

If "Yes," describe in detail the requirements and qualifications needed to be so licensed, ordained, or chartered.

15 Did the organization pay a fee for a church charter? Yes No

If "Yes," state the name and address of the organization to which the fee was paid, attach a copy of the charter, and describe the circumstances surrounding the chartering.

16 Show how many hours a week the minister/pastor and officers each devote to church work and the amount of compensation paid to each of them. If the minister or pastor is otherwise employed, indicate by whom employed, the nature of the employment, and the hours devoted to that employment.

Minister/pastor Rev. David Alei - currently 15 hrs /wk - compensation \$ zero
minister/pastor Rev. Delores Alei - currently 30 hrs /wk - " \$ zero
Other directors about 10 hours per week each at this time - also no compensation.

Rev. David Alei also employed as a Self-employed Contractor, working 30-40 hours per week in that capacity.

Schedule A. Churches (Continued)

- 17 Will any funds or property of the organization be used by any officer, director, employee, minister, or pastor for his or her personal needs or convenience? Yes No

If "Yes," describe the nature and circumstances of such use.

- 18 List any officers, directors, or trustees related by blood or marriage.

President and Secretary (marriage)
Both Vice-Presidents are related to each other by marriage
Two remaining directors are related to each other by marriage

- 19 Give the name of anyone who has assigned income to the organization or, made substantial contributions of money or other property. Specify the amounts involved. None as of yet.

Instructions

Although a church, its integrated auxiliaries, or a convention or association of churches is not required to file Form 1023 to be exempt from Federal income tax or to receive tax-deductible contributions, such an organization may find it advantageous to obtain recognition of exemption. In this event, you should submit information showing that your organization is a church, synagogue, association or convention of churches, religious order or religious organization that is an integral part of a church, and that it is carrying out the functions of a church.

In determining whether an admittedly religious organization is also a church, the IRS does not accept any and every assertion that such an organization is a church. Because beliefs and practices vary so widely, there is no single definition of the word "church" for tax purposes. The IRS considers the facts and circumstances of each organization applying for church status.

The IRS maintains two basic guidelines in determining that an organization meets the religious purposes test:

1. That the particular religious beliefs of the organization are truly and sincerely held, and
2. That the practices and rituals associated with the organization's religious beliefs or creed are not illegal or contrary to clearly defined public policy.

In order for the IRS to properly evaluate your organization's activities and religious purposes, it is important that all questions in Schedule A be answered.

The information submitted with Schedule A will be a determining factor in granting the "church" status requested by your organization. In completing the schedule, consider the following points:

1. The organization's activities in furtherance of its beliefs must be exclusively religious, and
2. An organization will not qualify for exemption if it has a substantial nonexempt purpose of serving the private interests of its founder or the founder's family.

Application for Employer Identification Number

(For use by employers, corporations, partnerships, trusts, estates, churches, government agencies, certain individuals, and others. See instructions.)

▶ **Keep a copy for your records.**

EIN _____
 OMB No. 1545-0003

Please type or print clearly.

1 Name of applicant (Legal name) (See instructions.)
Lifeline Ministries, Inc.

2 Trade name of business (if different from name on line 1)
Same as above.

3 Executor, trustee, "care of" name
Rev. Delores S. Alei

4a Mailing address (street address) (room, apt., or suite no.)
255 Valle Verde Place

5a Business address (if different from address on lines 4a and 4b)
Same.

4b City, state, and ZIP code
Bosque Farms, NM 87068

5b City, state, and ZIP code

6 County and state where principal business is located
Valencia County, New Mexico

7 Name of principal officer, general partner, grantor, owner, or trustor—SSN required (See instructions.) ▶
N/A

8a Type of entity (Check only one box.) (See instructions.)

<input type="checkbox"/> Sole proprietor (SSN)	<input type="checkbox"/> Partnership	<input type="checkbox"/> Personal service corp.	<input type="checkbox"/> Estate (SSN of decedent)
<input type="checkbox"/> REMIC	<input type="checkbox"/> State/local government	<input type="checkbox"/> Limited liability co.	<input type="checkbox"/> Plan administrator-SSN
<input type="checkbox"/> Other nonprofit organization (specify) ▶ _____	<input type="checkbox"/> National Guard	<input type="checkbox"/> Other (specify) ▶ _____	<input type="checkbox"/> Other corporation (specify) ▶ _____
<input type="checkbox"/> Other (specify) ▶ _____		<input type="checkbox"/> Trust	<input type="checkbox"/> Farmers' cooperative
		<input type="checkbox"/> Federal Government/military	<input checked="" type="checkbox"/> Church or church-controlled organization

8b If a corporation, name the state or foreign country (if applicable) where incorporated

State <u>New Mexico, USA</u>	Foreign country _____
---------------------------------	--------------------------

9 Reason for applying (Check only one box.)

<input type="checkbox"/> Started new business (specify) ▶ _____	<input type="checkbox"/> Banking purpose (specify) ▶ _____
<input type="checkbox"/> Hired employees	<input type="checkbox"/> Changed type of organization (specify) ▶ _____
<input type="checkbox"/> Created a pension plan (specify type) ▶ _____	<input type="checkbox"/> Purchased going business
	<input type="checkbox"/> Created a trust (specify) ▶ _____
	<input checked="" type="checkbox"/> Other (specify) ▶ <u>Church/Ministry Organization</u>

10 Date business started or acquired (Mo., day, year) (See instructions.)
11/06/03

11 Closing month of accounting year (See instructions.)
12/31

12 First date wages or annuities were paid or will be paid (Mo., day, year). Note: If applicant is a withholding agent, enter date income will first be paid to nonresident alien. (Mo., day, year) ▶ N/A

13 Highest number of employees expected in the next 12 months. Note: If the applicant does not expect to have any employees during the period, enter -0-. (See instructions.) ▶

Nonagricultural	Agricultural	Household
<u>N/A - ZERO</u>	_____	_____

14 Principal activity (See instructions.) ▶ Ministry

15 Is the principal business activity manufacturing? Yes No
 If "Yes," principal product and raw material used ▶ _____

16 To whom are most of the products or services sold? Please check the appropriate box. Business (wholesale)

<input type="checkbox"/> Public (retail)	<input type="checkbox"/> Other (specify) ▶ <u>N/A</u>	<input type="checkbox"/> N/A
--	---	------------------------------

17a Has the applicant ever applied for an identification number for this or any other business? Yes No
 Note: If "Yes," please complete lines 17b and 17c.

17b If you checked "Yes" on line 17a, give applicant's legal name and trade name shown on prior application, if different from line 1 or 2 above.
 Legal name ▶ N/A Trade name ▶ _____

17c Approximate date when and city and state where the application was filed. Enter previous employer identification number if known.

Approximate date when filed (Mo., day, year) <u>N/A</u>	City and state where filed _____	Previous EIN _____
--	-------------------------------------	-----------------------

Under penalties of perjury, I declare that I have examined this application, and to the best of my knowledge and belief, it is true, correct, and complete.

Business telephone number (include a sa code)
(505) 869-2670

Fax telephone number (include area code)
none

Name and title (Please type or print clearly.) ▶ Rev. Delores Alei

Signature ▶ Rev. Delores S. Alei Date ▶ 11/26/03

Note: Do not write below this line. For official use only.

Please leave blank ▶	Geo.	Ind.	Class	Size	Reason for applying