

# Application for Recognition of Exemption

## Under Section 501(c)(3) of the Internal Revenue Code

To be filed in the key district for the area in which the organization has its principal office or place of business.

This application, when properly completed, shall constitute the notice required under section 508(a) of the Internal Revenue Code in order that an applicant may be treated as described in section 501(c)(3) of the Code, and the notice under section 508(b) appropriate to an organization claiming not to be a private foundation within the meaning of section 509(a). (Read the instructions for each part carefully before making any entries.) The organization must have an organizing instrument (See Part II) before this application may be filed.

### Part I—Identification

1 Full name of organization <b>NAUTILUS OF AMERICA INC.</b>		2 Employer identification number (If none, attach Form SS-4) <b>95-3608292</b>	
3(a) Address (number and street) <b>P.O. Box 353 (59 Crescente)</b>		Check here if applying under section: <input type="checkbox"/> 501(e) <input type="checkbox"/> 501(f)	
3(b) City or town, State and ZIP code <b>Bolinas CA 94924</b>		4 Name and phone number of person to be contacted <b>Lyuba Zarsky (415) 868-1562</b>	
5 Month the annual accounting period ends <b>June</b>	6 Date incorporated or formed <b>January 12, 1981</b>	7 Activity Codes <b>124 120 351</b>	
8(a) Has the organization filed Federal income tax returns? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," state the form number(s), year(s) filed, and Internal Revenue Office where filed <b>941E, 1st Quarter, 1981; 501, April-May, June 1981; FRB--San Francisco</b>			
8(b) Has the organization filed exempt organization information returns? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," state the form number(s), year(s) filed, and Internal Revenue Office where filed			

### Part II.—Type of Entity and Organizational Documents (See instructions)

Check the applicable entity box below and attach a conformed copy of the organization's organizing and operational documents as indicated for each entity.

☒ Corporation—Articles of incorporation, bylaws. ☐ Trust—Trust indenture. ☐ Other—Constitution or articles, bylaws.

### Part III.—Activities and Operational Information

1 What are or will be the organization's sources of financial support? List in order of magnitude. If a portion of the receipts is or will be derived from the earnings of patents, copyrights, or other assets (excluding stock, bonds, etc.), identify such item as a separate source of receipts. Attach representative copies of solicitations for financial support.

Sources of financial support will include private contributions from individuals and foundations; sales of irregular publications; research contracts; in-kind support from other organizations; and journalism and public-speaking fees. We also hope to qualify for work-study assistants.

2 Describe the organization's fund-raising program, both actual and planned, and explain to what extent it has been put into effect. (Include details of fund-raising activities such as selective mailings, formation of fund-raising committees, use of professional fund raisers, etc.)

The organization will continue to approach individuals and foundations without the use of a professional fundraiser. The organization may engage in mail promotion of an irregular publication, making use of paid staff, volunteer, or work-study assistance and of purchased or contributed mailing lists.

The organization may also engage in mail solicitation of contributions in the same manner.

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization and I have examined this application, including the accompanying statements, and to the best of my knowledge it is true, correct and complete.

(Signature)

(Title or authority of signer)

(Date)

## Part III.—Activities and Operational Information (Continued)

- 3 Give a narrative description of the activities presently carried on by the organization, and those that will be carried on. If the organization is not fully operational, explain what stage of development its activities have reached, what further steps remain for the organization to become fully operational, and when such further steps will take place. The narrative should specifically identify the services performed or to be performed by the organization. (Do not state the purposes of the organization in general terms or repeat the language of the organizational documents.) If the organization is a school, hospital, or medical research organization, include sufficient information in your description to clearly show that the organization meets the definition of that particular activity that is contained in the instructions for Part VII-A.

Nautilus is a research and education group focussed on the interrelationship of energy, environment, and development in less-developed countries. We are particularly interested in analyzing the environmental and economic impacts of governmental policies and private investments in Latin America, Africa, and especially Asia and the Pacific.

Since our incorporation in January, 1981, we have studied energy developments in Asia and plan to publish the results of our study by the end of the year. On contract to the National Academy of Science, we produced a paper analyzing social and economic blocks to energy-technology change in developing countries. We have appeared on radio programs, including by satellite on the Australian Broadcasting Commission's network. We are currently fundraising to publish a booklet entitled "Southern Perspectives on the Energy Crisis" for the UN Conference on Alternative Energy in Nairobi (see proposal attached).

Our goal is to educate the general public and provide U.S. and LDC decision-makers with information upon which to make sound energy and development decisions through:

- 1) research--particularly on Asia and the Pacific--both as we determine and as we are contracted;
- 2) occasional publications--including books and booklets;
- 3) journalism, radio, and public speaking.

We may also publish a regular newsletter at a later date and produce an occasional slide-show.

## 4 The membership of the organization's governing body is:

(a) Names, addresses, and duties of officers, directors, trustees, etc.

(b) Specialized knowledge, training, expertise, or particular qualifications

## Board of Directors:

Isabel Wade, President

783 Buena Vista West, S.F. CA 94117

Lenny Siegel, Vice-President

867 W. Dana, #202, Mountain View CA 94041

John Steiner, Secretary-Treasurer

6857 Ridgewood Dr., Oakland CA 94611

David Chatfield

124 Spear St. S.F. CA 94105

Environmental Consultant

Asia-Pacific Specialist;  
Writer

Fundraising Specialist

International Energy and  
Environment Specialist

**Part III.—Activities and Operational Information (Continued)**

- 4 (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," please name such 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 4(d).) . . . ☐ Yes ☒ No  
If "Yes," please explain.

- (e) Have any members of the organization's governing body assigned income or assets to the organization? . ☐ Yes ☒ No  
If "Yes," attach a copy of assignment(s) and a list of items assigned.

- (f) Is it anticipated that any current or future member of the organization's governing body will assign income or assets to the organization? . . . . . ☐ Yes ☒ No  
If "Yes," explain fully on an attached sheet.

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

- 6 Is the organization financially accountable to any other organization? . . . . . ☐ Yes ☒ No  
If "Yes," please explain and identify the other organization. Include details concerning accountability or attach copies of reports if any have been rendered.

- 7 (a) 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 what stage of completion has been reached, what additional steps remain to be completed, and when such final steps will be taken.

Library--\$4600.

1 typewriter--\$460. The library will be expanded as necessary and as

- (b) To what extent have you used, or do you plan to use contributions as an endowment fund, i.e., hold contributions to produce income for the support of your exempt activities?

None

- 8 (a) What benefits, services, or products will the organization provide with respect to its exempt function?

Research, publications, magazine articles, radio appearances

**Part III.—Activities and Operational Information (Continued)**

- 8 (b) Have the recipients been required or will they be required to pay for the organization's benefits, services, or products? . . . . . ☐ Yes ☒ No  
If "Yes," please explain and show how the charges are determined.

- 9 Does or will the organization limit its benefits, services or products to specific classes of individuals? . . . ☐ Yes ☒ No  
If "Yes," please explain how the recipients or beneficiaries are or will be selected.

- 10 Is the organization a membership organization? . . . . . ☐ Yes ☒ No  
If "Yes," complete the following:

(a) Please describe the organization's membership requirements and attach a schedule of membership fees and dues.

(b) Describe your present and proposed efforts to attract members, and attach a copy of any descriptive literature or promotional material used for this purpose.

- (c) Are benefits, services, or products limited to members? . . . . . ☐ Yes ☒ No  
If "No," please explain.

- 11 Does or will the organization engage in activities tending to influence legislation or intervene in any way in political campaigns? . . . . . ☐ Yes ☒ No  
If "Yes," please explain. (Note: You may wish to file Form 5768, Election/Revocation of Election by an Eligible Section 501(c)(3) Organization to Make Expenditures to Influence Legislation.)

- 12 Does the organization have a pension plan for employees? . . . . . ☐ Yes ☒ No

- 13 (a) Are you filing Form 1023 within 15 months from the end of the first month in which you were created or formed as required by section 508(a) and the Regulations thereunder? (See general instruction B.) . . . ☒ Yes ☐ No

(b) If 13(a) is "No," and you are claiming that section 508(a) does not apply to you, attach an explanation of your basis for this claim.

- (c) If 13(a) is "No," and section 508(a) does apply to you, your exemption can be recognized only from the date this application is filed with your key District Director. Therefore, is it your intention that this application be considered as a request for recognition of exemption from the date the application is received and not retroactively to the date you were formed? . . . . . ☐ Yes ☐ No

N/A

**Part IV.—Statement as to Private Foundation Status**

- 1 Is the organization a private foundation? . . . . . ☐ Yes ☒ No

- 2 If question 1 is answered "No," indicate the type of ruling being requested as to the organization's status under section 509 by checking the applicable box(es) below:

(a) Definitive ruling under section 509(a)(1), (2), (3), or (4) check here ☐ and complete Part VII.

(b) Advance ruling under section 509(a)(2) check here ☒ 170(b)(1)(A)(vi) or ☐ 509(a)(2)—See instructions.

(c) Extended advance ruling under section 509(a)(2) check here ☐ 170(b)(1)(A)(vi) or ☐ 509(a)(2)—See instructions.

- 3 If question 1 is answered "Yes" and the organization claims to be a private operating foundation, check here ☐ and complete Part VIII.

(Note: If an extended advance ruling is desired you must check the appropriate boxes for both 2(b) and 2(c).)

Statement of Revenue and Expenses, for period ending June 30, 1981

Revenue	1 Gross contributions, gifts, grants and similar amounts received . . . . .	\$40,289.00
	2 Gross dues and assessments of members . . . . .	--
	3 Gross amounts derived from activities related to organization's exempt purpose . . . . .	1,899.40
	Minus cost of sales . . . . .	--
	4 Gross amounts from unrelated business activities . . . . .	--
	Minus cost of sales . . . . .	--
	5 Gross amount received from sale of assets, excluding inventory items (attach schedule) . . . . .	--
Expenses	Minus cost or other basis and sales expenses of assets sold . . . . .	--
	6 Interest, dividends, rents and royalties . . . . .	--
	7 Total revenue . . . . .	\$42,188.40
	8 Fund raising expenses . . . . .	3,450.00
	9 Contributions, gifts, grants, and similar amounts paid (attach schedule) . . . . .	25.00
	10 Disbursements to or for benefit of members (attach schedule) . . . . .	--
	11 Compensation of officers, directors, and trustees (attach schedule) . . . . .	14,600.00
	12 Other salaries and wages . . . . .	--
	13 Interest . . . . .	254.55
	14 Rent . . . . .	803.32
	15 Depreciation and depletion . . . . .	--
	16 Other (attach schedule) . . . . .	22,511.57
	17 Total expenses . . . . .	\$ 41,644.44
	18 Excess of revenue over expenses (line 7 minus line 17) . . . . .	543.96

Balance Sheets		Enter dates ►	Beginning date July 1 '81	Ending date July 24 '81
<b>Assets</b>				
19 Cash (a) Interest bearing accounts . . . . .	(b) Other . (checking)		543.96	545.49
20 Accounts receivable, net . . . . .			1026.98	6026.98
21 Inventories . . . . .				--
22 Bonds and notes (attach schedule) . . . . .				--
23 Corporate stocks (attach schedule) . . . . .				--
24 Mortgage loans (attach schedule) . . . . .				--
25 Other investments (attach schedule) . . . . .				--
26 Depreciable and depletable assets (attach schedule) . . . . .			5060.00	5060.00
27 Land . . . . .				--
28 Other assets (attach schedule) . . . . .				--
29 Total assets . . . . .			36,632.47	\$11,632.47
<b>Liabilities</b>				
30 Accounts payable . . . . .			858.65	1,184.57
31 Contributions, gifts, grants, etc., payable . . . . .				--
32 Mortgages and notes payable (attach schedule) . . . . .				--
33 Other liabilities (attach schedules) . . . . .				--
34 Total liabilities . . . . .			858.65	\$1,184.57
<b>Fund Balance or Net Worth</b>				
35 Total fund balance or net worth . . . . .				\$10,457.90
36 Total liabilities and fund balance or net worth (line 34 plus line 35) . . . . .				\$11,632.47

Has there been any substantial change in any aspect of your financial activities since the period ending date shown above? . . . . .

If "Yes," attach a detailed explanation. . . . . ☐ Yes ☒ No

## Part VI.—Required Schedules for Special Activities

	If "Yes," check here;	And, complete schedule—
1 Is the organization, or any part of it, a school? . . . . .		A
2 Does the organization provide or administer any scholarship benefits, student aid, etc.? . . . .		B
3 Has the organization taken over, or will it take over, the facilities of a "for profit" institution? . . . .		C
4 Is the organization, or any part of it, a hospital or a medical research organization? . . . . .		D
5 Is the organization, or any part of it, a home for the aged? . . . . .		E
6 Is the organization, or any part of it, a litigating organization (public interest law firm or similar organization)? . . . .		F
7 Is the organization, or any part of it, formed to promote amateur sports competition? . . . . .		G

"NO" to All

**Part VII.—Non-Private Foundation Status (Definitive ruling only)****A.—Basis for Non-Private Foundation Status****The organization is not a private foundation because it qualifies as:**

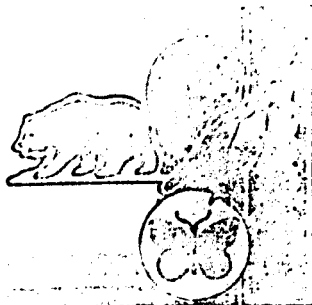
✓	Kind of organization	Within the meaning of	Complete
1	a church	Sections 509(a)(1) and 170(b)(1)(A)(i)	
2	a school	Sections 509(a)(1) and 170(b)(1)(A)(ii)	
3	a hospital	Sections 509(a)(1) and 170(b)(1)(A)(iii)	
4	a medical research organization operated in conjunction with a hospital	Sections 509(a)(1) and 170(b)(1)(A)(iii)	
5	being organized and operated exclusively for testing for public safety	Section 509(a)(4)	
6	being operated for the benefit of a college or university which is owned or operated by a governmental unit	Sections 509(a)(1) and 170(b)(1)(A)(iv)	Part VII.—B
7	normally receiving a substantial part of its support from a governmental unit or from the general public	Sections 509(a)(1) and 170(b)(1)(A)(vi)	Part VII.—B
8	normally receiving not more than one-third of its support from gross investment income and more than one-third of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions (subject to certain exceptions)	Section 509(a)(2)	Part VII.—B
9	being operated solely for the benefit of or in connection with one or more of the organizations described in 1 through 4, or 6, 7, and 8 above	Section 509(a)(3)	Part VII.—C

**B.—Analysis of Financial Support**

	(a) Most recent taxable year	(Years next preceding most recent taxable year)			(e) Total
	19.81.	(b) 19.....	(c) 19.....	(d) 19.....	
1 Gifts, grants, and contributions received . . . . .	40,289.00				
2 Membership fees received . . . . .	--				
3 Gross receipts from admissions, sales of merchandise or services, or furnishing of facilities in any activity which is not an unrelated business within the meaning of section 513 . . . . .	1,312.54*				
4 Gross income from passive sources (see instructions for definition) . . . . .	--				
5 Net income from organization's unrelated business activities not included on line 4 . . . . .	--				
6 Tax revenues levied for and either paid to or expended on behalf of the organization . . . . .	--				
7 Value of services or facilities furnished by a governmental unit to the organization without charge (not including the value of services or facilities generally furnished the public without charge) . . . . .	--				
8 Other income (not including gain or loss from sale of capital assets)—attach schedule . . . . .	586.86				
9 Total of lines 1 through 8 . . . . .	42,188.40				
10 Line 9 minus line 3 . . . . .	40,875.86				
11 Enter 2% of line 10, column (e) only . . . . .					3817.52

12 If the organization has received any unusual grants during any of the above taxable years, attach a list for each year showing the name of the contributor, the date and amount of grant, and a brief description of the nature of such grant. Do not include such grants in line 1 above. (See instructions)

\* Includes \$750. from National Academy of Science on contract.



State  
of  
California

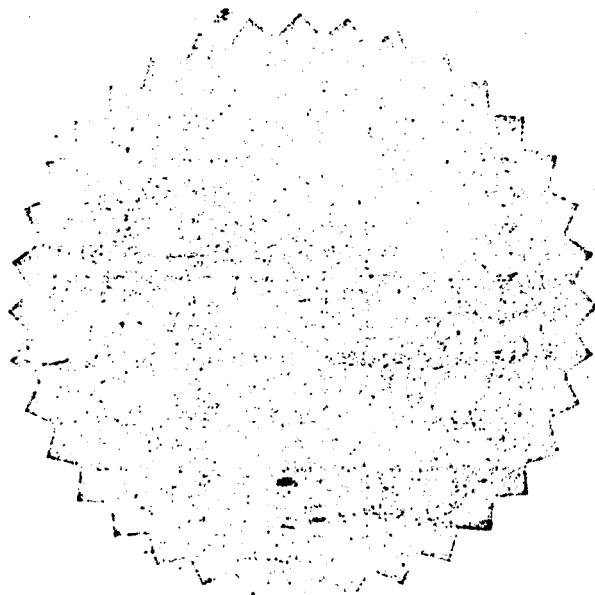
OFFICE OF THE SECRETARY OF STATE

I, *MARCH FONG EU*, Secretary of State of the State of California, hereby certify:

That the annexed transcript has been compared with the record on file in this office, of which it purports to be a copy, and that same is full, true and correct.

IN WITNESS WHEREOF, I execute  
this certificate and affix the Great  
Seal of the State of California this

JAN 16 1981



*March Fong Eu*

Secretary of State

**EXHIBIT C**



1023

EXEMPTION APPLICATION  
NAUTILUS OF AMERICA INC.

Schedules -- PART V, Financial Data (January-June 1981)

9. Contributions paid:

\$25.000 - Friends of the Earth Foundation, Pacific Project

11. Compensation of officers, directors, and trustees:

Name	Position	Time Devoted	Amount
Tim Shorrock	Executive Treasurer/ Principal Researcher	40+hrs/ week	\$7300.00
Lyuba Zarsky	Executive Director/ Principal Researcher	40+hours/ week	\$7300.00

## EXEMPTION APPLICATION

NAUTILUS OF AMERICA INC.

Schedule--PART V. Financial Data

## 16. Other expenses:

## A. Research costs

Materials purchase . . . . .	\$4587.64
Xerox . . . . .	559.22
Consultants . . . . .	8447.98
Travel . . . . .	5328.11

## B. Office costs

Telephone . . . . .	1955.97
Postage . . . . .	206.79
Supplies . . . . .	542.62

## C. Other

Employer Contribution for Unemployment Insurance (State of CA) . . . . .	249.60
Miscellaneous . . . . .	603.14

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TOTAL: \$22,261.97

EXEMPTION APPLICATION  
NAUTILUS OF AMERICA INC.

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Schedule for PART VII. - Analysis of Financial Support

8. Other income:

Reimbursements (xerox and postage costs) . . . . . \$586.86

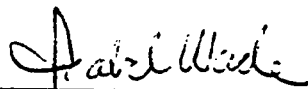
**EXHIBIT D**

POWER OF ATTORNEY

This is to authorize Thomas R. Miller of Lancaster-Miller Publishers, 3165 Adeline St., Berkeley CA 94703 (Telephone number 415 845-3782) to act in our behalf as our attorney in connection with the application of Nautilus of America Inc. for recognition of exemption under Section 501 (c) (3) of the Internal Revenue Code.

Dated: July 24, 1981

Nautilus of America Inc.

by   
Isabel Wade

EXEMPTION APPLICATION

NAUTILUS OF AMERICA INC.

Anticipated Budget for First Year of Operation

I. Expenditures

Category

Research

2 Full-time Researcher Salaries . . . . .	\$31,200.00
Consultants . . . . .	9,500.00
Materials . . . . .	5,000.00
Xerox . . . . .	750.00
Travel . . . . .	6,500.00

Publications (2)

Typesetting, graphics, layout . . . . .	3,600.00
Printing (including paper) . . . . .	7,500.00
Editing . . . . .	2,000.00
Distribution/Promotion . . . . .	2,000.00

Office

Rent . . . . .	1,500.00
Telephone . . . . .	4,000.00
Postage . . . . .	500.00
Supplies . . . . .	1,200.00

<u>Fundraising</u> . . . . .	5,000.00
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Miscellaneous (Contingency) . . . . .	1,500.00
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TOTAL:	\$81,750.00
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II. Income

Grants from Individuals and Foundations . . . . .	\$75,000.00
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Research contracts . . . . .	1,500.00
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Journalism and public-speaking fees . . . . .	850.00
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Sales of Publications . . . . .	2,000.00
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In-Kind Donations (e.g. paper) . . . . .	2,400.00
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TOTAL:	\$81, 750.00
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EXEMPTION APPLICATION  
NAUTILUS OF AMERICA INC.Anticipated Budget for Second Year of Operation

## I. Expenditures

CategoryResearch

3 Full-time Researcher Salaries . . . . .	\$46,800.00
Consultants . . . . .	9,500.00
Materials . . . . .	3,000.00
Xerox . . . . .	750.00
Travel . . . . .	6,500.00

Publications (2)

Typesetting, graphics, layout . . . . .	3,600.00
Printing (including paper) . . . . .	7,500.00
Editing . . . . .	2,000.00
Distribution/Promotion . . . . .	2,000.00

Office

Rent . . . . .	1,500.00
Telephone . . . . .	4,500.00
Postage . . . . .	500.00
Supplies . . . . .	1,200.00

<u>Fundraising</u> . . . . .	5,000.00
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Miscellaneous (Contingency) . . . . .	1,500.00
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TOTAL: \$95,850.00

## II. Income

Grants from Individuals and Foundations . . . . .	87,000.00
Research Contracts . . . . .	1,500.00
Journalism and Public-Speaking Fees . . . . .	950.00
Sales of Publications . . . . .	4,000.00
In-Kind Donations (e.g. paper) . . . . .	2,400.00

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TOTAL: \$95,850.00