

MORRISON & FOERSTER

SAN FRANCISCO
LOS ANGELES
SACRAMENTO
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PALO ALTO
WALNUT CREEK
SEATTLE

ATTORNEYS AT LAW
2000 PENNSYLVANIA AVENUE, N.W.
WASHINGTON, D.C. 20006-1888
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NEW YORK
DENVER
LONDON
BRUSSELS
HONG KONG
TOKYO

June 14, 1994

(202) 887-1598

Internal Revenue Service
EP/EO Division
P.O. Box 17010
Baltimore, MD 21203

Re: ServiceMembers Legal Defense Fund

Dear Sir or Madam:

On behalf of the ServiceMembers Legal Defense Fund, enclosed please find an application for Recognition of Exemption Under Section 501(a) of the Internal Revenue Code as a charitable organization under section 501(c)(3). Also enclosed is a Form 872-C, Form 8718, and a user fee in the amount of \$465.

If you are unable to make a favorable determination on this application, we request that a conference be granted to the taxpayer. A power of attorney authorizing Dixon Osburn and myself to represent the taxpayer in this matter is enclosed.

If you have any questions or need any further information, please do not hesitate to call me at (202) 887-1598.

Sincerely,



Linda A. Arnsbarger

LAA:tmsb
Enclosures
cc: Dixon Osburn

13217

15-153/540



Washington, D.C. 20006

MORRISON & FOERSTER
2000 PENNSYLVANIA AVE, N.W., SUITE 5500
WASHINGTON, D.C. 20006

June 13 19 94

The sum of 465 dollars 00 cts

DOLLARS \$ 465.00

PAY

TO THE ORDER OF

Internal Revenue Service

⑆013217⑆ ⑆054001534⑆ 001 001053 5⑆

DETACH AND RETAIN THIS STATEMENT
THE ATTACHED CHECK IS IN PAYMENT OF ITEMS DESCRIBED BELOW.
IF NOT CORRECT PLEASE NOTIFY US PROMPTLY. NO RECEIPT DESIRED.

MORRISON & FOERSTER

DELUXE - FORM WVCP-3 V-2

DATE	DESCRIPTION	AMOUNT
6/13/94	User fee for Tax Exempt Status	465.00
	601/1AA 100406-53	

Servicemembers Legal Defense Network

★ P.O. Box 53013 ★ Washington, DC 20009 ★ (202) 265-8305 ★ Fax: (202) 328-0063 ★

FORM 1023

APPLICATION FOR RECOGNITION OF 501(c)(3) EXEMPTION

PART I. QUESTION 10.

Attached are the corporation's Articles of Incorporation and Bylaws.

Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code

OMB No. 1545-0056
If exempt status is approved, this application will be open for public inspection.

Read the instructions for each Part carefully.
A User Fee must be attached to this application.
If the required information and appropriate documents are not submitted along with Form 8718 (with payment of the appropriate user fee), the application may be returned to you.

Part I Identification of Applicant

1a Full name of organization (as shown in organizing document) Service members Legal Defense Network		2 Employer identification number (If none, see instructions.) 52 184 5000
1b c/o Name (if applicable)		3 Name and telephone number of person to be contacted if additional information is needed Michelle M. Berecke (202) 265-8305
1c Address (number, street, and room or suite no.) 2001 S St., NW Suite 610		4 Month the annual accounting period ends December
1d City or town, state, and ZIP code Washington, DC 20009		5 Date incorporated or formed August 17, 1993
6 Activity codes (See instructions.) 461 430 120		7 Check here if applying under section: a <input type="checkbox"/> 501(e) b <input type="checkbox"/> 501(f) c <input type="checkbox"/> 501(k)
8 Did the organization previously apply for recognition of exemption under this Code section or under any other section of the Code? If "Yes," attach an explanation.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
9 Has the organization filed Federal income tax returns or exempt organization information returns? If "Yes," state the form numbers, years filed, and Internal Revenue office where filed.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

10 Check the box for your type of organization. BE SURE TO ATTACH A COMPLETE COPY OF THE CORRESPONDING DOCUMENTS TO THE APPLICATION BEFORE MAILING.

- a Corporation— Attach a copy of your Articles of Incorporation, (including amendments and restatements) showing approval by the appropriate State official; also include a copy of your bylaws.
- b Trust— Attach a copy of your Trust Indenture or Agreement, including all appropriate signatures and dates.
- c Association— Attach a copy of your Articles of Association, Constitution, or other creating document, with a declaration (see instructions) or other evidence the organization was formed by adoption of the document by more than one person; also include a copy of your bylaws.

If you are a corporation or an unincorporated association that has not yet adopted bylaws, check here

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 **C. Dixon Osburn** (Signature) **Co-Director** (Title or authority of signer) **4/30/94** (Date)

For Paperwork Reduction Act Notice, see page 1 of the instructions.

Complete the Procedural Checklist (page 7 of the instructions) prior to filing.
Published by Tax Management Inc., a Subsidiary of The Bureau of National Affairs

Part II Activities and Operational Information

- 1 Provide a detailed narrative description of all the activities of the organization—past, present, and planned. Do not merely refer to or repeat the language in your organizational document. Describe each activity separately in the order of importance. Each description should include, as a minimum, the following: (a) a detailed description of the activity including its purpose; (b) when the activity was or will be initiated; and (c) where and by whom the activity will be conducted.

The corporation's purpose is two-fold:

- 1) to serve as a clearinghouse to locate and coordinate volunteer attorneys to provide emergency legal services to all persons in the military who face harassment, investigative excesses, discharge, court-martial and possible imprisonment due to their sexual orientation. These services are provided by a nationwide network of trained counselors and attorneys from private and public interest law firms.
- 2) to collect, analyze and disseminate empirical data regarding the military's policies on sexual orientation. The corporation has developed a research database to track information on discrimination based on sexual orientation. The research database will support public education and promote civil rights for military personnel. The database will be maintained at the corporation's headquarters in Washington, DC.

- 2 What are or will be the organization's sources of financial support? List in order of size.

1. direct mail - 40%
2. events - 20%
3. top donor program - 20%
4. grants (foundations) 20%

- 3 Describe the organization's fundraising program, both actual and planned, and explain to what extent it has been put into effect. Include details of fundraising activities such as selective mailings, formation of fundraising committees, use of volunteers or professional fundraisers, etc. Attach representative copies of solicitations for financial support.

See attached.

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

See attached.

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 the specific instructions for line 4d.)

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 501(c)(3) organizations): (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.

The corporation has exchanged mailing lists with the Gay & Lesbian Victory Fund, a non-501(c)(3) corporation headquartered in Washington, D.C.

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."

9a 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.

10 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 your 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) your members receive in exchange for their payment of dues?

11a 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 your current fee schedule.
The corporation may in the future charge for publications. The corporation currently does not charge for publications.

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.
The corporation's primary clients are military personnel facing discrimination due to their sexual orientation. The corporation does not charge for its services.

12 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 which it devotes or plans to devote to this activity.

13 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 you were created or formed? Yes No
If you answer "Yes," do not answer questions 2 through 6.

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, local unit of a church, a convention or association of churches, or an integrated auxiliary of a church;
- (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 you do not meet any of the exceptions in question 2, do you wish to request relief from the 15-month filing requirement? Yes No

4 If you answer "Yes" to question 3, please give your reasons for not filing this application within 15 months from the end of the month in which your organization was created or formed. (See the instructions before completing this item.)

5 If you answer "No" to both questions 1 and 3 and do not meet any of the exceptions in question 2, your qualification as a section 501(c)(3) organization can be recognized only from the date this application is filed with your key District Director. Therefore, do you want us to consider your 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 you were 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 you were formed and ending with the date your Form 1023 application was received (the effective date of your section 501(c)(3) status), check here and attach a completed page 1 of Form 1024 to this application.

Part III Technical Requirements (Continued)

7 Is the organization a private foundation?

- Yes (Answer question 8.)
 No (Answer question 9 and proceed as instructed.)

8 If you answer "Yes" to question 7, do you claim to be a private operating foundation?

- Yes (Complete Schedule E)
 No

After answering this question, go to Part IV.

9 If you answer "No" to question 7, indicate the public charity classification you are requesting by checking the box below that most appropriately applies:

THE ORGANIZATION IS NOT A PRIVATE FOUNDATION BECAUSE IT QUALIFIES:

- | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|
| (a) <input type="checkbox"/> As a church or a convention or association of churches
(CHURCHES MUST COMPLETE SCHEDULE A). | Sections 509(a)(1)
and 170(b)(1)(A)(i) |
| (b) <input type="checkbox"/> As a school (MUST COMPLETE SCHEDULE B). | Sections 509(a)(1)
and 170(b)(1)(A)(ii) |
| (c) <input type="checkbox"/> As a hospital or a cooperative hospital service organization, or a
medical research organization operated in conjunction with a hospital
(MUST COMPLETE SCHEDULE C). | Sections 509(a)(1)
and 170(b)(1)(A)(iii) |
| (d) <input type="checkbox"/> As a governmental unit described in section 170(c)(1). | Sections 509(a)(1)
and 170(b)(1)(A)(v) |
| (e) <input type="checkbox"/> As being operated solely for the benefit of, or in connection with, one
or more of the organizations described in (a) through (d), (g), (h), or (i)
(MUST COMPLETE SCHEDULE D). | Section 509(a)(3) |
| (f) <input type="checkbox"/> As being organized and operated exclusively for testing for public
safety. | Section 509(a)(4) |
| (g) <input type="checkbox"/> As being operated for the benefit of a college or university that is
owned or operated by a governmental unit. | Sections 509(a)(1)
and 170(b)(1)(A)(iv) |
| (h) <input checked="" type="checkbox"/> As receiving a substantial part of its support in the form of
contributions from publicly supported organizations, from a
governmental unit, or from the general public. | Sections 509(a)(1)
and 170(b)(1)(A)(vi) |
| (i) <input type="checkbox"/> As 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) |
| (j) <input type="checkbox"/> We are a publicly supported organization but are not sure whether we
meet the public support test of block (h) or block (i). We would like the
Internal Revenue Service to decide the proper classification. | Sections 509(a)(1)
and 170(b)(1)(A)(vi)
or
Section 509(a)(2) |

If you checked one of the boxes (a) through (f) in question 9, go to question 14.

If you checked box (g) in question 9, go to questions 11 and 12.

If you checked box (h), (i), or (j), go to question 10.

Part III Technical Requirements (Continued)

- 10 If you checked box (h), (i), or (j) in question 9, have you completed a tax year of at least 8 months?
 Yes—Indicate whether you are requesting:
 A definitive ruling (Answer questions 11 through 14.)
 An advance ruling (Answer questions 11 and 14 and attach 2 Forms 872-C completed and signed.)
 No—You must request an advance ruling by completing and signing 2 Forms 872-C and attaching them to your application.
- 11 If the organization received any unusual grants during any of the tax years shown in Part IV-A, attach a list for each year showing the name of the contributor; the date and the amount of the grant; and a brief description of the nature of the grant.

- 12 If you are requesting a definitive ruling under section 170(b)(1)(A)(iv) or (vi), check here and:
 a Enter 2% of line 8, column (e) of Part IV-A _____
 b Attach a list showing the name and amount contributed by each person (other than a governmental unit or "publicly supported" organization) whose total gifts, grants, contributions, etc., were more than the amount you entered on line 12a above.

- 13 If you are requesting a definitive ruling under section 509(a)(2), check here and:
 a For each of the years included on lines 1, 2, and 9 of Part IV-A, attach a list showing the name of and amount received from each "disqualified person."
 b For each of the years included on line 9 of Part IV-A, attach a list showing the name of and amount received from each payer (other than a "disqualified person") whose payments to the organization were more than \$5,000. For this purpose, "payer" includes, but is not limited to, any organization described in sections 170(b)(1)(A)(i) through (vi) and any governmental agency or bureau.

14 Indicate if your organization is one of the following. If so, complete the required schedule. (Submit only those schedules that apply to your organization. Do not submit blank schedules.)

	Yes	No	If "Yes," complete Schedule:
Is the organization a church?		X	A
Is the organization, or any part of it, a school?		X	B
Is the organization, or any part of it, a hospital or medical research organization?		X	C
Is the organization a section 509(a)(3) supporting organization?		X	D
Is the organization an operating foundation?		X	E
Is the organization, or any part of it, a home for the aged or handicapped?		X	F
Is the organization, or any part of it, a child care organization?		X	G
Does the organization provide or administer any scholarship benefits, student aid, etc.?		X	H
Has the organization taken over, or will it take over, the facilities of a "for profit" institution?		X	I

Part IV Financial Data

Complete the financial statements for the current year and for each of the 3 years immediately before it. If in existence less than 4 years, complete the statements for each year in existence. If in existence less than 1 year, also provide proposed budgets for the 2 years following the current year.

A.—Statement of Revenue and Expenses

	Current tax year	3 prior tax years or proposed budget for 2 years			(e) TOTAL
	(a) From 9/1/93 to 12/31/93	(b) 19 94	(c) 19 95	(d) 19	
Revenue					
1 Gifts, grants, and contributions received (not including unusual grants—see instructions)	63,206	200,000	200,000		
2 Membership fees received	0	0	0		0
3 Gross investment income (see instructions for definition)	0	0	0		0
4 Net income from organization's unrelated business activities not included on line 3	0	0	0		0
5 Tax revenues levied for and either paid to or spent on behalf of the organization	0	0	0		0
6 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)	0	0	0		0
7 Other income (not including gain or loss from sale of capital assets) (attach schedule)	0	0	0		0
8 Total (add lines 1 through 7)	63,206	200,000	200,000		
9 Gross receipts from admissions, sales of merchandise or services, or furnishing of facilities in any activity that is not an unrelated business within the meaning of section 513	0	0	0		0
10 Total (add lines 8 and 9)	63,206	200,000	200,000		0
11 Gain or loss from sale of capital assets (attach schedule)	0	0			
12 Unusual grants	0	0			
13 Total revenue (add lines 10 through 12)	63,206	200,000	200,000		
Expenses					
14 Fundraising expenses	6,050	23,000	23,000		
15 Contributions, gifts, grants, and similar amounts paid (attach schedule)	0	0	0		
16 Disbursements to or for benefit of members (attach schedule)	0	0	0		
17 Compensation of officers, directors, and trustees (attach schedule)	0	0	0		
18 Other salaries and wages	42,000	120,000	120,000		
19 Interest	0	0	0		
20 Occupancy (rent, utilities, etc.)	460	5,445	7,260		
21 Depreciation and depletion	0	0	0		
22 Other (attach schedule)	1,335	37,299	48,289		
23 Total expenses (add lines 14 through 22)	49,845	185,744	198,549		
24 Excess of revenue over expenses (line 13 minus line 23)	13,361	14,256	1,451		

Part IV Financial Data (Continued)

B.—Balance Sheet (at the end of the period shown)		Current tax year Date <u>1993</u>
Assets		
1	Cash	34085
2	Accounts receivable, net	0
3	Inventories	0
4	Bonds and notes receivable (attach schedule)	0
5	Corporate stocks (attach schedule)	0
6	Mortgage loans (attach schedule)	0
7	Other investments (attach schedule)	0
8	Depreciable and depletable assets (attach schedule)	0
9	Land	0
10	Other assets (attach schedule)	0
11	Total assets (add lines 1 through 10)	34085
Liabilities		
12	Accounts payable	24,380
13	Contributions, gifts, grants, etc., payable	0
14	Mortgages and notes payable (attach schedule)	0
15	Other liabilities (attach schedule)	0
16	Total liabilities (add lines 12 through 15)	24380
Fund Balances or Net Assets		
17	Total fund balances or net assets	9705
18	Total liabilities and fund balances or net assets (add line 16 and line 17)	18

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

**CERTIFICATE OF AMENDMENT
OF
CERTIFICATE OF INCORPORATION
OF
SERVICEMEMBERS LEGAL DEFENSE NETWORK INC.**

Pursuant to section 242 of the General Corporation Law

FIRST: The name of the corporation is Servicemembers Legal Defense Network Inc. ("Corporation").

SECOND: The Corporation is a NON-STOCK, non-profit corporation with no members.

THIRD: The Certificate of Incorporation of the Corporation was filed in the Office of the Secretary of State on August 17, 1993.

FOURTH: The Certificate of Incorporation of the Corporation is to be amended by the deletion in its entirety of Article 3 thereof, and by the addition of a new Article 3 which shall read as follows:

"3. The exclusive objects and purposes of the Corporation shall be the promotion of social welfare within the meaning of section 501(c)(3) of the Internal Revenue Code. The objects and purposes of the Corporation shall include the following: to provide assistance to servicemembers who have come under investigation or other harassment, who are being processed for discharge or who have been discharged due to their sexual orientation."

FIFTH: The foregoing amendment was duly approved by the written consent of the entire Board of Directors in accordance with the provisions of Sections 242(b)(3) and 141(f) of the General Corporation Law.

IN WITNESS WHEREOF, I have signed this Certificate of Amendment on May 21, 1994, and affirm its contents as true under penalties of perjury.

C. Dixon Osburn
Dixon Osburn
President

ATTEST:

Middle M. Bonds
Secretary

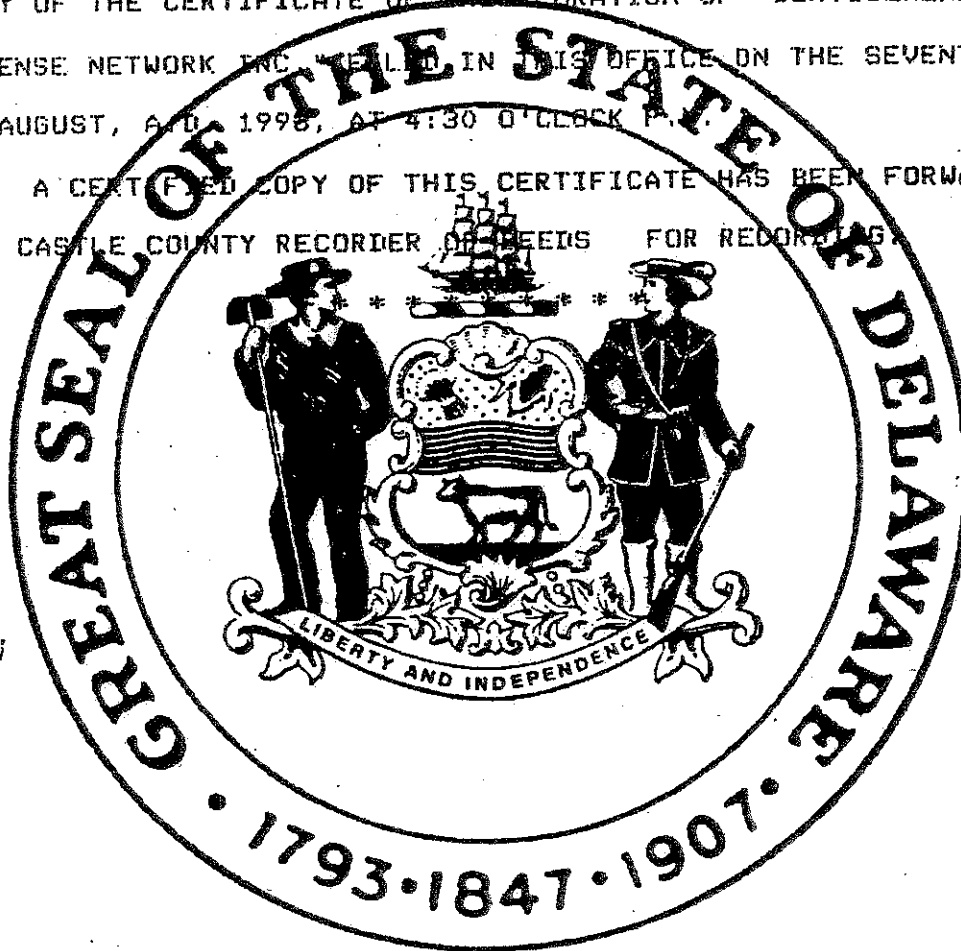
021004 00170/01

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 06:30 AM 06/09/1994
944103874 - 2347865

State of Delaware
Office of the Secretary of State

I, WILLIAM T. QUILLEN, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF "SERVICEMEMBERS LEGAL DEFENSE NETWORK INC." FILED IN THIS OFFICE ON THE SEVENTEENTH DAY OF AUGUST, A.D. 1998, AT 4:30 O'CLOCK P.M.

A CERTIFIED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO NEW CASTLE COUNTY RECORDER OF DEEDS FOR RECORDING.



William T. Quillen
William T. Quillen, Secretary of State

AUTHENTICATION: *4021619

DATE: 08/18/1993

CERTIFICATE OF INCORPORATION

OF

SERVICEMEMBERS LEGAL DEFENSE NETWORK INC.

I, the undersigned, desiring to form a corporation pursuant to the General Corporation Law of the State of Delaware, do hereby make, subscribe, affirm and file this certificate for that purpose.

1. The name of the Corporation is Servicemembers Legal Defense Network Inc.

2. The address of the Corporation's registered office in the State of Delaware is Corporation Trust Center, 1209 Orange Street, in the City of Wilmington, County of New Castle. The name of its registered agent at such address is THE CORPORATION TRUST COMPANY.

3. The exclusive objects and purposes of the Corporation shall be the promotion of social welfare within the meaning of section 501(c)(3) of the Internal Revenue Code. The objects and purposes of the Corporation shall include the following: to provide advocacy assistance to servicemembers who have come under investigation or other harassment, who are being processed for discharge or have been discharged due to their sexual orientation.

As a means of accomplishing these purposes, the Corporation, in furtherance and not by way of limitation of its

statutory powers, shall have the power to solicit, raise, accept, hold and administer funds exclusively for its objects and purposes, and to that end to take and receive, by purchase, grant, gift, bequest or devise, or as beneficiary of any trust, any property, real or personal, tangible or intangible, where-soever located; to make donations in furtherance of such purposes; to invest and reinvest the funds and other property of the Corporation, including the power to invest and reinvest such funds and property in furtherance of such purposes, without regard to whether such investments would be considered as desirable or prudent by an investor interested solely in profit and not interested in promoting such purposes; and to collect and receive the income, if any, from any investment or reinvestment of such funds or property, and to apply the income and, if the Corporation so decides, the principal of such property as the Corporation may from time to time possess, to the purposes of the Corporation.

Notwithstanding any other provision of this Certificate of Incorporation, the Corporation shall not carry on any activities not permitted to be carried on by a corporation exempt from federal income tax as an organization described in section 501(c)(3) of the Internal Revenue Code.

4. The Corporation is a non-stock, nonprofit corporation.

5. The Corporation shall have no members.
6. The Corporation is a nonprofit corporation, and no part of its assets, income, profits or net earnings shall be distributed to, or inure to the benefit of, any director, officer, employee or member of a committee of, or person connected with, the Corporation; provided, however, that this shall not prevent the payment to any such person of reasonable compensation for services rendered to or for the Corporation in effecting any of its purposes.
7. In the event of the liquidation, dissolution or winding up of the Corporation (whether voluntary, involuntary or by operation of law), the Corporation's property or assets shall not be conveyed or distributed to any director, officer, employee or member of a committee of, or person connected with, the Corporation, or any other private individual, nor to any organization created or operated for profit; but, after deducting all necessary expenses of liquidation, dissolution or winding up, as the case may be, all the remaining property and assets of the Corporation shall be distributed only to such other organizations as shall then qualify under section 501(c)(3) of the Internal Revenue Code, as the directors of the Corporation shall in their discretion determine.
8. Except to the extent permitted by the Internal Revenue Code, the Corporation shall not carry on propaganda or otherwise attempt to influence legislation. The Corporation

shall not participate in or intervene in (including by the publishing or distributing of statements) any political campaign on behalf of any candidate for public office.

9. During any period that the Corporation is determined to be a "private foundation" as defined in section 509 of the Internal Revenue Code, the Corporation, in accordance with the following sections thereof, shall: (a) distribute such amounts for each taxable year at such time and in such manner as not to subject the Corporation to tax on undistributed income under section 4942; (b) not engage in any act which is subject to tax as self-dealing under section 4941; (c) not retain any holdings which are subject to tax as excess business holdings under section 4943; (d) not make any investments in such manner as to subject the Corporation to tax under section 4944; and (e) not make any taxable expenditures which are subject to tax under section 4945.

10. All references in this Certificate of Incorporation to the Internal Revenue Code shall mean the Internal Revenue Code of 1986, as amended, and shall be deemed to include to any future United States internal revenue law, and all references to sections of that Code shall be deemed to include such sections as amended from time to time, or corresponding provisions of any future internal revenue law.

11. The name and address of the incorporator of the Corporation is as follows:

Marc Wolinsky, Esq.
c/o Wachtell, Lipton, Rosen & Kats
299 Park Avenue
New York, New York 10171

12. The Corporation shall have perpetual existence.

13. Elections of directors need not be by written ballot unless the By-laws of the Corporation so provide. In furtherance and not in limitation of the powers conferred by statute, the Board of Directors is expressly authorized to make, alter or repeal the By-laws of the Corporation.

14. The books of the Corporation may be kept (subject to any provision of law) outside the State of Delaware at such place or places as may be designated from time to time by the Board of Directors or in the By-laws.

IN WITNESS WHEREOF, the undersigned, being the incorporator hereinbefore named, for the purpose of forming a corporation pursuant to the General Corporation Law of Delaware, does make this certificate, hereby declaring and certifying that this is my act and deed and the facts herein stated are true, and accordingly have hereunto set my hand this 17th day of August, 1993.



Marc Wolinsky

BY-LAWS
of the
SERVICEMEMBERS LEGAL DEFENSE NETWORK INC.

ARTICLE I
OFFICES

SECTION 1. REGISTERED OFFICE -- The registered office of the Servicemembers Legal Defense Network Inc. (the "Corporation") shall be established and maintained at the office of The Corporation Trust Company at The Corporation Trust Center, 1209 Orange Street in the City of Wilmington, County of New Castle, State of Delaware, and said Corporation Trust Company shall be the registered agent of the Corporation in charge thereof.

SECTION 2. OTHER OFFICES -- The Corporation may have other offices, either within or without the State of Delaware, at such place or places as the board of directors may from time to time select or the business of the Corporation may require.

ARTICLE II
DIRECTORS

SECTION 1. NUMBER AND TERM -- The business and affairs of the Corporation shall be managed under the direction of a board of directors which shall consist of not less than three persons. The exact number of directors may be fixed from time to time by the board of directors. Directors shall be elected by the affirmative vote of a majority of the directors then in office, and each director shall be elected to serve until his successor shall be elected and qualified.

SECTION 2. RESIGNATIONS -- Any director may resign at any time. Such resignation shall be made in writing, and shall take effect at the time specified therein, and if no time be specified, at the time of its receipt by the Chairman of the Board, the President or the Secretary. The acceptance of a resignation shall not be necessary to make it effective.

SECTION 3. REMOVAL -- Any director may be removed from office at any time for cause, by vote of the board of directors, provided there is a quorum of not less than a majority of the directors then in office present at the meeting of the directors at which such action is taken. Any director may be removed from office at any time without cause, by the affirmative vote of a majority of the directors then in office.

SECTION 4. VACANCIES -- If the office of any director becomes vacant, whether resulting from newly created directorships or otherwise, the remaining directors in the office, though less than a quorum, by a majority vote, may appoint any qualified person to fill such vacancy, who shall hold office until his successor is duly elected and qualified.

SECTION 5. COMMITTEES -- The board of directors may, by resolution or resolutions passed by a majority of the whole board, designate one or more committees, each committee to consist of two or more directors of the Corporation. Any such committee, to the extent provided in the resolution of the board of directors, or in these By-Laws, shall have and may exercise all the powers and authority of the board of directors in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it.

SECTION 6. MEETINGS -- Regular meetings of the directors may be held without notice at such places and times as shall be determined from time to time by resolution of the directors. Special meetings of the board of directors may be called by the Chairman of the Board or the President, or by the Secretary on the written request of any two directors. Notice of each such meeting shall be mailed to each director, addressed to him or her at the address furnished to the Corporation by him or her for that purpose, at least four days before the date on which the meeting is to be held, or such notice shall be sent to each director at such place by telegraph, telecopy, cable or wireless or to be delivered to him or her personally not later than 24 hours before the time at which the meeting is to be held (except that notice to any director may be waived in writing by such director) and shall be held at such place or places as may be determined by the directors, or as shall be stated in the call of the meeting.

SECTION 7. QUORUM -- A majority of the directors shall constitute a quorum for the transaction of business. If at any meeting of the board of directors there shall be less than a quorum present, a majority of those present may

adjourn the meeting from time to time until a quorum is obtained, and no further notice thereof need be given other than by announcement at the meeting which shall be so adjourned. The vote of the majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors unless the Certificate of Incorporation of the Corporation or these By-Laws shall require the vote of a greater number.

SECTION 8. COMPENSATION -- Directors shall not receive any stated salary for their services as directors or as members of committees, but by resolution of the board of directors a reasonable fixed fee and expenses of attendance may be allowed for attendance at each meeting. Nothing herein contained shall be construed to preclude any director from serving the Corporation in any other capacity as an officer, agent or otherwise, and receiving reasonable compensation therefor.

SECTION 9. ACTION WITHOUT MEETING -- Any action required or permitted to be taken at any meeting of the board of directors or of any committee thereof may be taken without a meeting if a written consent thereto is signed by all members of the board of directors or of such committee, as the case may be, and such written consent is filed with the minutes of proceedings of the board of directors or such committee.

ARTICLE III

OFFICERS

SECTION 1. OFFICERS -- The officers of the Corporation shall be a Chairman of the Board, a President, one or more Vice Presidents, a Treasurer and a Secretary, all of whom shall be elected by the board of directors and shall hold office until their successors are elected and qualified. In addition, the board of directors may elect such Assistant Secretaries and Assistant Treasurers as they may deem proper. The board of directors may appoint such other officers and agents as it may deem advisable, who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the board of directors. Any two or more offices may be held by the same person, except the offices of (i) Chairman of the Board and Secretary and (ii) President and Secretary. Any officer elected or appointed may be removed at any time, with or without cause, by a majority of the board of directors present at a meeting thereof at which a quorum is present,

whenever in its judgment the best interests of the Corporation will be served thereby.

SECTION 2. CHAIRMAN OF THE BOARD -- The Chairman of the Board shall be the Chief Executive Officer of the Corporation. The Chairman shall preside at all meetings of the board of directors and shall have and perform such other duties as may be assigned by the board of directors. The Chairman of the Board shall have the power to execute contracts on behalf of the Corporation, and to cause the seal of the Corporation to be affixed to any instrument requiring it, and when so affixed, the seal shall be attested to by the signature of the Secretary or the Treasurer or an Assistant Secretary or an Assistant Treasurer.

SECTION 3. PRESIDENT -- The President shall be the Chief Operating Officer of the Corporation. The President shall have the general powers and duties of supervision and management usually vested in the office of President of a corporation. The President shall have the power to execute contracts on behalf of the Corporation, and to cause the seal to be affixed to any instrument requiring it and when so affixed the seal shall be attested to by the signature of the Secretary or the Treasurer or an Assistant Secretary or an Assistant Treasurer.

SECTION 4. VICE-PRESIDENTS -- Each Vice-President shall have such powers and shall perform such duties as shall be assigned by the board of directors.

SECTION 5. TREASURER -- The Treasurer shall be the Chief Financial Officer of the Corporation. The Treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate account of receipts and disbursements in books belonging to the Corporation. The Treasurer shall deposit all moneys and other valuables in the name and to the credit of the Corporation in such depositories as may be designated by the board of directors. The Treasurer shall disburse the funds of the Corporation as may be ordered by the board of directors, the Chairman of the Board, or the President, taking proper vouchers for such disbursements. The Treasurer shall render to the Chairman of the Board, the President and board of directors at the regular meetings of the board of directors, or whenever they may request it, an account of all his transactions as Treasurer and of the financial condition of the Corporation. If required by the board of directors, the Treasurer shall give the Corporation a bond for the faithful discharge of his duties in such amount and with such surety as the board of directors shall prescribe.

SECTION 6. SECRETARY -- The Secretary shall give, or cause to be given, notice of all meetings of directors and all other notices required by law or by these By-Laws, and in case of his absence or refusal or neglect so to do, any such notice may be given by any person thereunto directed by the Chairman of the Board or the President, or by the directors, upon whose request the meeting is called as provided in these By-Laws. The Secretary shall record all the proceedings of the meetings of the board of directors and any committees thereof in a book to be kept for that purpose, and shall perform such other duties as may be assigned by the board of directors, the Chairman of the Board or the President. The Secretary shall have the custody of the seal of the Corporation and shall affix the same to all instruments requiring it, when authorized by the board of directors, the Chairman of the Board or the President, and attest to the same.

SECTION 7. ASSISTANT TREASURERS AND ASSISTANT SECRETARIES -- Assistant Treasurers and Assistant Secretaries, if any, shall be elected and shall have such powers and shall perform such duties as shall be assigned to them, respectively, by the board of directors.

SECTION 8. COMPENSATION -- The fixing of salaries of officers shall require the affirmative vote of a majority of the directors then in office.

ARTICLE IV

MISCELLANEOUS

SECTION 1. SEAL -- The corporate seal of the Corporation shall be in such form as shall be determined by resolution of the board of directors. Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise imprinted upon the subject document or paper.

SECTION 2. FISCAL YEAR -- The fiscal year of the Corporation shall be determined by resolution of the board of directors.

SECTION 3. CHECKS -- All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents of the Corporation, and in such manner as shall be determined from time to time by resolution of the board of directors.

SECTION 4. NOTICE AND WAIVER OF NOTICE -- Whenever any notice is required to be given under these By-Laws, personal notice is not required unless expressly so stated, and any notice so required, unless expressly stated herein, shall be deemed to be sufficient if given by depositing the same in the United States mail, postage prepaid, addressed to the person entitled thereto at his address as it appears on the records of the Corporation, and such notice shall be deemed to have been given on the day of such mailing. Whenever any notice is required to be given under the provisions of any law, or under the provisions of the Certificate of Incorporation of the Corporation or of these By-Laws, a waiver thereof, in writing and signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent to such required notice.

ARTICLE V

AMENDMENTS

Except as otherwise provided in the Certificate of Incorporation of the Corporation, the board of directors may by the affirmative vote of a majority of the directors then in office alter, amend or repeal these By-Laws, or enact such other By-Laws as in their judgment may be advisable for the regulation and conduct of the affairs of the Corporation.