

Form **1023**
(Rev. December 1989)
Department of the Treasury
Internal Revenue Service

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) GREEN SEAL, INC. | | 2 Employer identification number (if none, see instructions.) 13 3553974 |
| 1b c/o Name (if applicable) | 3 Name and telephone number of person to be contacted if additional information is needed Evelyn M. Capassakis (212) 603-2513 | |
| 1c Address (number and street) 1733 Connecticut Avenue, N.W. | 4 Month the annual accounting period ends September | |
| 1d City or town, state, and ZIP code Washington, D.C. 20009 | 5 Date incorporated or formed October 16, 1989 | 6 Activity codes (See instructions.) 379 529 120 |
| 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. | | 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) <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 number(s), 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. **SEE ATTACHMENT A**
- 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

David L. Lorber
(Signature)

Vice President & Treasurer
(Title or authority of signer)

5/3/90
(Date)

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

Complete the Procedural Checklist (page 7 of the instructions) prior to filing.

ATTACHMENT A

**GREEN SEAL, INC.
1733 Connecticut Avenue, N.W.
Washington, D.C. 20009
EIN 13-3553974**

Form 1023

APPLICATION FOR RECOGNITION OF EXEMPTION

Part I, Question 10a - ORGANIZATIONAL DOCUMENTS



Office of Secretary of State

I, MICHAEL HARKINS, 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 THE ALLIANCE FOR SOCIAL RESPONSIBILITY, INC. FILED IN THIS OFFICE ON THE SIXTEENTH DAY OF OCTOBER, A.D. 1989, AT 9 O'CLOCK A.M.

|||||||

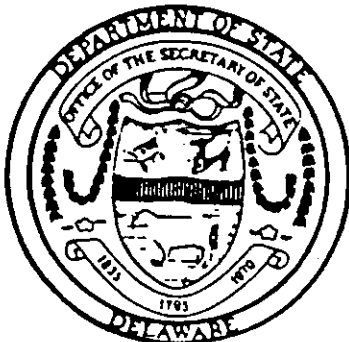
RECEIVED FOR RECORD

Oct 17 A.D. 19 *89*

Michael T. Sauer

RECORDER

\$3.00 STATE DOCUMENT FEE PAID



759289006

Michael Harkins
Michael Harkins, Secretary of State

AUTHENTICATION: 12373813

DATE: 10/16/1989

OCT. 16 1989,

CERTIFICATE OF INCORPORATION


SECRETARY OF STATE

OF



THE ALLIANCE FOR SOCIAL RESPONSIBILITY, INC.

I, the undersigned, a citizen of the United States of America, being a natural person of at least the age of eighteen years, desiring to form a non-profit non-stock-corporation pursuant to the General Corporation Law of the State of Delaware, do hereby certify as follows:

FIRST: The name of the corporation is THE ALLIANCE FOR SOCIAL RESPONSIBILITY, INC. (hereinafter referred to as the "Corporation").

SECOND: the Corporation is not organized for profit and shall not have authority to issue any capital stock.

THIRD: The purposes for which the Corporation is formed and shall be operated are exclusively charitable and more specifically are as follows:

(A) to set standards and criteria of social responsibility for companies and their products which will become acceptable by the general public.

(B) to inform the general public, through use of a seal of approval, of those companies and their products which satisfy the standards and criteria established for social responsibility.

(C) by the above means, to encourage consumers to purchase products made by companies that are determined to be socially conscious corporate citizens and to encourage companies to meet the standards and criteria established.

(D) more generally, to operate exclusively for charitable, educational, scientific, literary, religious or artistic purposes.

(1) by operating directly for the active conduct of activities constituting those charitable, educational, scientific, literary, religious or artistic purposes, and

(2) by making distributions to other organizations for use, by the distributees, in support of such purposes.

(E) to engage in any and all lawful activities incidental to and in pursuit of the foregoing purposes, except as restricted herein.

FOURTH: Notwithstanding any other provision herein, the Corporation shall neither have nor exercise any power, nor shall it engage directly or indirectly in any activity, that would invalidate its status as a corporation (i) which is exempt from Federal income taxation under I.R.C. §501(a) as an organization described in I.R.C. §501(c)(3) or (ii) contributions to which are

deductible under I.R.C. §§170(c)(2), 2055(a)(2) and 2522(a).

FIFTH: No part of the net earnings of the Corporation shall inure to the benefit of or be distributable to its directors, officers or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article THIRD hereof, and no director or officer of the Corporation or any private individual shall be entitled to share in the distribution of any of the corporate assets on dissolution.

SIXTH: The territory in which the Corporation's operations are principally to be conducted is the United States of America; however, the Corporation also may conduct operations in foreign countries.

SEVENTH: Upon the dissolution of the Corporation, its Board of Directors, after making provision for the payment of all of the liabilities of the Corporation, shall arrange for the application of the remaining assets and property of the Corporation to accomplish the charitable purposes of the Corporation or for the distribution of all of the remaining assets and property of the Corporation to one or more organizations

(i) which then qualify for exemption under the provisions of I.R.C. §501(a) as an organization described in I.R.C. §501(c)(3) and the regulations thereunder and (ii) contributions to which then are deductible under I.R.C. §170(c)(2) and the regulations thereunder, as the Board of Directors may determine. Any of such assets not so distributed within a reasonable period of time after the dissolution of the Corporation shall be disposed of in accordance with the direction of any court having jurisdiction in the county in which the principal office of the Corporation last was located, exclusively in such manner as in the judgment of such court would accomplish the purposes for which the Corporation was formed.

EIGHTH: the Corporation is organized and operated exclusively for charitable purposes qualifying it for exemption from taxation under I.R.C. §501(a) and I.R.C. §501(c)(3). Except as may otherwise be permitted by any provision of the Internal Revenue Code as now in effect or hereafter amended to organizations exempt from tax under I.R.C. §501(a) and the corresponding laws of the State of Delaware, no substantial part of the activities of the Corporation shall be carrying on propaganda, or otherwise attempting to influence legislation, and no part of the activities of the Corporation shall be participating in, or intervening in (including the

(publishing or distributing of statements), any political campaign on behalf of any candidate for public office.

NINTH: All references herein to "I.R.C. §" are to provisions of the Internal Revenue Code of 1986, as amended, and shall be deemed to include both amendments thereto and statutes which succeed such provisions (i.e., the corresponding provisions of future United States Internal Revenue Laws).

(TENTH: No director or officer of the Corporation shall be held personally liable to the Corporation for monetary damages for breach of fiduciary duty as a director or officer. Directors and officers may still be held personally liable to the Corporation (i) for any breach of the duty of loyalty to the Corporation, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the General Corporation Law, or (iv) for any transaction from which a personal benefit was derived.

ELEVENTH: The registered office of the Corporation in the State of Delaware is to be located at 229 South State Street, County of Kent, City of Dover 19901. The name of its registered agent at such address is to be The Prentice-Hall Corporation System, Inc.

TWELFTH: The conditions of membership shall be as stated in the By-Laws of the Corporation.

THIRTEENTH: The name and mailing address of the incorporator are as follows:

NAME
Douglas F. Allen

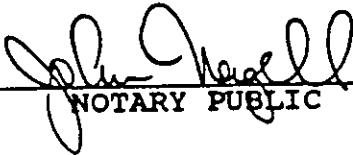
ADDRESS
Reid & Priest
40 West 57th Street
New York, New York 10019

IN WITNESS WHEREOF, I, the incorporator, have hereunto signed my name this 4th day of October, 1989.


Douglas F. Allen

STATE OF NEW YORK)
) : ss.:
COUNTY OF NEW YORK)

On this 4th day of October, 1989, before me personally appeared Douglas F. Allen, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed, and that the facts therein are true.



NOTARY PUBLIC

[Seal]

JOHN NAGEL
NOTARY PUBLIC, State of New York
No. 31-423662
Certificate Filed in New York County
Commission Expires November 30, 1989

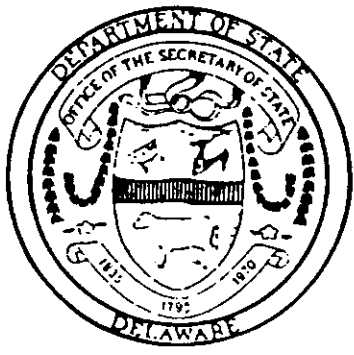
State of Delaware



Office of Secretary of State

I, MICHAEL HARKINS, SECRETARY OF STATE OF THE STATE OF DELAWARE DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF THE ALLIANCE FOR SOCIAL RESPONSIBILITY, INC. FILED IN THIS OFFICE ON THE SEVENTH DAY OF MARCH, A.D. 1990, AT 9 O'CLOCK A.M.

| | | | | | | | | |



750066055

Michael Harkins
Michael Harkins, Secretary of State

AUTHENTICATION: 12565767

DATE: 03/07/1990

Certificate of Amendment
to the
Certificate of Incorporation
of

The Alliance for Social Responsibility, Inc.

Under Section 242 of the Delaware
General Corporation Law

I, the undersigned, being the sole incorporator of
The Alliance for Social Responsibility, Inc., (hereinafter
the "corporation") a non-profit non-stock corporation
incorporated on October 4, 1989 pursuant to the General
Corporation law of the State of Delaware do hereby certify
that:

1. The certificate of incorporation of the
corporation is hereby amended by striking out Article
First thereof and substituting in lieu of said Article the
following new Article:

"Article FIRST: The name of the corporation is
Green Seal, Inc. (hereinafter the "Corporation").

Executed at New York, New York on February 12, 1990.

Douglas F. Allen
Douglas F. Allen
Sole Incorporation

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

BE IT REMEMBERED that on February 12, 1990, before me, a Notary Public duly authorized by law to take acknowledgment of deeds, personally came DOUGLAS F. ALLEN, to me known to be the Sole Incorporator of Green Seal, Inc., a corporation of the State of Delaware, who duly signed the foregoing instrument before me and acknowledged that such signing is his act and deed, that such instrument as executed is the act and deed of said corporation, and that the facts stated therein are true.

GIVEN under my hand on February 12, 1990.

Shien C. Massey
Notary Public

Seal

SHIEN C. MASSEY
NOTARY PUBLIC, State of New York
No. 4718267
Qualified in New York County
Commission Expires January 31, 1991



Office of Secretary of State

I, MICHAEL HARKINS, SECRETARY OF STATE OF THE STATE OF DELAWARE DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF RESTATED CERTIFICATE OF INCORPORATION OF GREEN SEAL, INC. FILED IN THIS OFFICE ON THE ELEVENTH DAY OF APRIL, A.D. 1998, AT 9 O'CLOCK A.M.

: : : : : : : :



989181884

Michael Harkins
Michael Harkins, Secretary of State

AUTHENTICATION: :2615377

DATE: 04/11/1998

AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
GREEN SEAL, INC.

Under Sections 242 & 245 of the
Delaware General Corporation Law

The undersigned, being the governing body of Green Seal, Inc. (hereinafter the "corporation"), a non-profit, non-stock corporation incorporated on October 16, 1989 pursuant to the General Corporation Law of the State of Delaware as The Alliance for Social Responsibility, Inc., the Certificate of Incorporation of which was amended on March 7, 1990, do hereby certify as follows:

1. The Certificate of Incorporation of the corporation, as amended, is hereby further amended and restated to read in its entirety as follows:

"FIRST: The name of the corporation is GREEN SEAL, INC. (hereinafter referred to as the "Corporation").

SECOND: The Corporation is not organized for profit and shall not have authority to issue any capital stock.

THIRD: The purposes for which the Corporation is formed and shall be operated are exclusively charitable and more specifically are as follows:

(A) to set standards and criteria of social responsibility for companies and their products which will become acceptable by the general public.

(B) to inform the general public, through use of a seal of approval, of those companies and their products which satisfy the standards and criteria established for social responsibility.

(C) by the above means, to encourage consumers to purchase products made by companies that are determined to be socially conscious corporate citizens and to encourage companies to meet the standards and criteria established.

(D) more generally, to operate exclusively for charitable, educational, scientific, literary, religious or artistic purposes.

(1) by operating directly for the active conduct of activities constituting those charitable, educational, scientific, literary, religious or artistic purposes, and

(2) by making distributions to other organizations for use, by the distributees, in support of such purposes.

(E) to engage in any and all lawful activities incidental to and in pursuit of the foregoing purposes, except as restricted herein.

FOURTH: Notwithstanding any other provision herein, the Corporation shall neither have nor exercise any power, nor shall it engage directly or indirectly in any activity, that would invalidate its status as a corporation (i) which is exempt from Federal income taxation under I.R.C. § 501(a) as an organization described in I.R.C. § 501(c)(3) or (ii) contributions to which are deductible under I.R.C. §§ 170(c)(2), 2055(a)(2) and 2522(a).

FIFTH: No part of the net earnings of the Corporation shall inure to the benefit of or be distributable to its directors, officers or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article THIRD hereof, and no director or officer of the Corporation or any private individual shall be entitled to share in the distribution of any of the corporate assets on dissolution.

SIXTH: The territory in which the Corporation's operations are principally to be conducted is the United States of America; however, the Corporation also may conduct operations in foreign countries.

SEVENTH: Upon the dissolution of the Corporation, its Board of Directors, after making provision for the payment of all of the liabilities of the Corporation, shall arrange for the application of the remaining assets and property of the Corporation to accomplish the charitable purposes of the Corporation or for the distribution of all of the remaining assets and property of the Corporation to one or more organizations (i) which then qualify for exemption under the provisions of I.R.C. § 501(a) as an organization described in I.R.C. § 501(c)(3) and the regulations thereunder and (ii) contributions to which then are deductible under I.R.C. § 170(c)(2) and the regulations thereunder, as the Board of Directors may determine. Any of such assets not so distributed within a reasonable period of time after the dissolution of the Corporation shall be disposed of in accordance with the direction of any court having jurisdiction in the county in which the principal office of the Corporation last was located, exclusively in such manner as in the judgment of such court would accomplish the purposes for which the Corporation was formed.

EIGHTH: the Corporation is organized and operated exclusively for charitable purposes qualifying it for exemption from taxation under I.R.C. § 501(a) and I.R.C. § 501(c)(3). Except as may otherwise be permitted

by any provision of the Internal Revenue Code as now in effect or hereafter amended to organizations exempt from tax under I.R.C. § 501(a) and the corresponding laws of the State of Delaware, no substantial part of the activities of the Corporation shall be carrying on propaganda, or otherwise attempting to influence legislation, and no part of the activities of the Corporation shall be participating in, or intervening in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office.

NINTH: All references herein to "I.R.C. §" are to provisions of the Internal Revenue Code of 1986, as amended, and shall be deemed to include both amendments thereto and statutes which succeed such provisions (i.e., the corresponding provisions of future United States Internal Revenue Laws).

TENTH: The Corporation shall indemnify to the full extent authorized by law any person made or threatened to be made a party to an action or proceeding, whether criminal, civil, administrative or investigative, by reason of the fact that he, his testator or intestate is or was a director or officer of the Corporation or serves or served any other enterprise as a director or officer at the request of the Corporation or any

predecessor of the Corporation. No director or officer of the Corporation shall be held personally liable to the Corporation for monetary damages for breach of fiduciary duty as a director or officer. Directors and officers may still be held personally liable to the Corporation (i) for any breach of the duty of loyalty to the Corporation, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the Delaware General Corporation Law, or (iv) for any transaction from which an improper personal benefit was derived.

ELEVENTH: The registered office of the Corporation in the State of Delaware is to be located at 32 Loockerman Square, Ste. L-100, County of Kent, City of Dover, 19901. The name of its registered agent at such address is to be The Prentice-Hall Corporation System, Inc.


TWELFTH: The conditions of membership shall be as stated in the By-Laws of the Corporation.

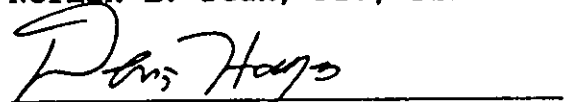
THIRTEENTH: The name and mailing address of the incorporator are as follows:


| <u>NAME</u> | <u>ADDRESS</u> |
|------------------|------------------------------------------------------------------|
| Douglas F. Allen | Reid & Priest 40 West 57th Street New York, New York 10019 |

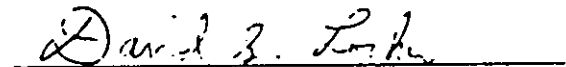
IN WITNESS WHEREOF, we, the Board of Directors and governing body of the corporation, have hereunto signed our names this 4 day of Feb, 1990."

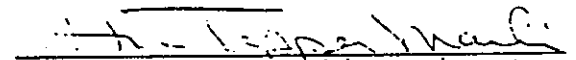

David B. Crocker, Director

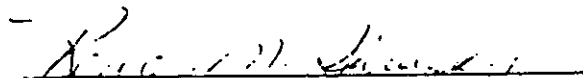

Norman L. Dean, Jr., Director

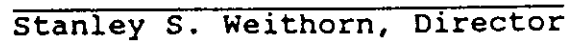

Denis Hayes, Director


Alan F. Kay, Director


David S. Locker, Director


Alice Tepper Marlin, Director


Rena M. Shulsky, Director


Stanley S. Weithorn, Director

IN WITNESS WHEREOF, we, the Board of Directors and governing body of the corporation, have hereunto signed our names this 7th day of Jan., 1990."

David B. Crocker, Director

Norman L. Dean, Jr., Director

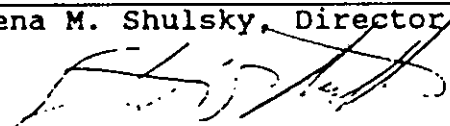
Denis Hayes, Director

Alan F. Kay, Director

David S. Locker, Director

Alice Tepper Marlin, Director

Rena M. Shulsky, Director


Stanley S. Weithorn, Director

STATE OF NEW YORK)
COUNTY OF NEW YORK) ss.:

On this 21st day of August, 1990, before me personally appeared David B. Crocker, to me known to be one of the persons described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed, and that the facts therein are true.



NOTARY PUBLIC

[Seal]

EVELYN M. CAPASSAKIS
Notary Public, State of New York
No. 24-665467
Qualified in Kings County
Certificate filed in New York County
Commission Expires June 23, 1992

UNANIMOUS WRITTEN CONSENT

OF

THE BOARD OF DIRECTORS

OF

GREEN SEAL, INC.

The undersigned, being all the directors of GREEN SEAL, INC., a Delaware corporation (the "Corporation"), do hereby unanimously consent to the following actions and adopt, as of the date hereof, the following:

1. Approval and Adoption of Revised By-Laws

RESOLVED, that the amended By-Laws of the Corporation in the form annexed hereto are hereby approved and adopted as and for the By-Laws of the Corporation; and

FURTHER RESOLVED, that the Secretary of the Corporation is instructed to insert the amended By-Laws in the minute book of the Corporation preceding this statement.

2. Acceptance of Resignation of Officers and Directors and Election of New Officers and Directors

RESOLVED, that the resignation of David H. Collins as Director, Secretary and Executive Director is hereby accepted; and

FURTHER RESOLVED, that the resignation of Charles Shanok as Director is hereby accepted; and

FURTHER RESOLVED that Norman L. Dean, Jr. and Denis Hayes are hereby designated and elected by the undersigned to be directors of the Corporation to serve, effective immediately, until the next annual meeting of

the Board of Directors and until their respective successors have been elected or appointed and qualified; and

FURTHER RESOLVED, that Denis Hayes is hereby designated and elected to be Chairman of the Board of Directors, effective immediately; and

FURTHER RESOLVED, that the following persons are hereby designated and elected by the undersigned to be officers of the Corporation to serve, effective immediately, until the next annual meeting of the Board of Directors and until their respective successors have been elected or appointed and qualified:

| <u>Title</u> | <u>Name</u> |
|------------------------------|---------------------|
| Chief Executive Officer | Denis Hayes |
| President | Rena M. Shulsky |
| Vice President | David B. Crocker |
| Secretary | Norman L. Dean, Jr. |
| Treasurer and Vice President | David S. Locker |

3. Engagement of Executive Director

RESOLVED, that Norman L. Dean, Jr. shall be employed as Executive Director effective immediately.

4. Amendment of Certificate of Incorporation

RESOLVED, that the Amended and Restated Certificate of Incorporation of the Corporation in the form annexed hereto is hereby approved and adopted as and for the Certificate of Incorporation of the Corporation; and

FURTHER RESOLVED, that the Amended and Restated Certificate of Incorporation of the Corporation be filed with the Delaware Secretary of State.

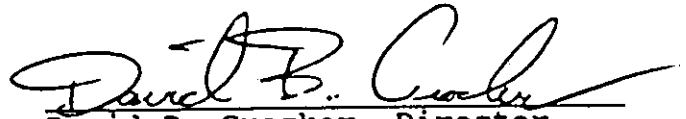
5. Necessary Actions

RESOLVED, that the Board of Directors and officers of the Corporation be and hereby are authorized to take any action they deem necessary to effectuate the foregoing resolutions.

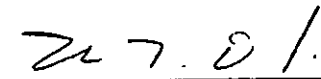
6. Counterparts

RESOLVED, that this consent may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall be deemed to be one and the same consent.

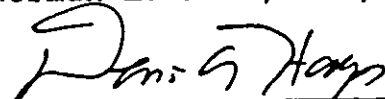
Dated: April 4, 1990



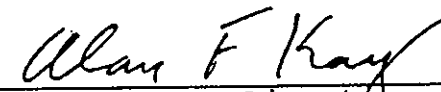
David B. Crocker, Director



Norman L. Dean, Jr., Director



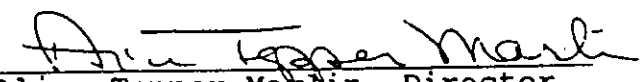
Denis Hayes, Director



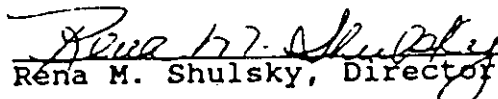
Alan F. Kay, Director



David S. Locker, Director



Alice Tepper Marin, Director



Rena M. Shulsky, Director

Stanley S. Weithorn, Director

6. Counterparts

RESOLVED, that this consent may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall be deemed to be one and the same consent.

Dated: April 4, 1990

David B. Crocker, Director

Norman L. Dean, Jr., Director

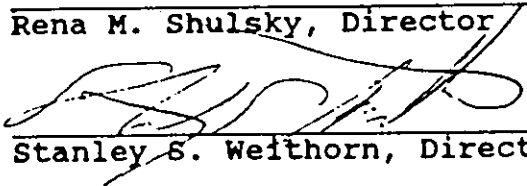
Denis Hayes, Director

Alan F. Kay, Director

David S. Locker, Director

Alice Tepper Marlin, Director

Rena M. Shulsky, Director



Stanley S. Weithorn, Director

AMENDED BY-LAWS
OF
GREEN SEAL, INC.

ARTICLE I

NAME, SEAL, OFFICES AND OPERATION

Section 1. Name. The name of the Corporation is Green Seal, Inc. (formerly The Alliance for Social Responsibility, Inc.) (hereinafter the "Foundation").

Section 2. Seal. The Board of Directors of the Foundation (hereinafter the "Board") may, at its pleasure, obtain a seal for the Foundation which may be in whatever form is desired by the Board.

Section 3. Offices. The principal office of the Foundation shall be located in the District of Columbia. The Foundation also may have offices at such other places, including foreign countries, as the Board may from time to time agree or the purposes of the Foundation may require.

Section 4. Purposes. The purposes for which the Corporation is formed and shall be operated are exclusively charitable and educational, and more specifically are:

(A) To establish standards and criteria for determining whether consumer products are life-cycle, environ-

mentally-friendly, which standards may be utilized and relied upon by the general public;

(B) To inform members of the general public, through the use of a seal of approval, of those companies and products which satisfy the standards and criteria established pursuant to (A) above;

(C) By the above means, to empower consumers to direct their purchasing power toward companies that are determined to be socially conscious corporate citizens and thereby to encourage companies to meet the afore-referenced standards and criteria; and

(D) To engage in any and all lawful activities incidental to and in pursuit of the foregoing purposes.

ARTICLE II

BOARD OF DIRECTORS

Section 1. Powers and Duties. The Board shall manage and control the affairs and property of the Foundation. All corporate powers, except such as are otherwise provided for in the Certificate of Incorporation, these By-Laws, or the laws of the State of Delaware, shall be and hereby are vested in and shall be exercised by the Board. The Board shall have full power to adopt rules and regulations governing all actions which it takes, except as otherwise provided by the laws of the State of Delaware, and shall

have full authority with respect to the distribution and payment of funds received by the Foundation from time to time; provided, however, that the fundamental and basic purposes and powers of the Foundation, and the limitations thereon, as expressed in the Certificate of Incorporation, shall not thereby be amended or changed. The Board may, except as otherwise provided by the laws of the State of Delaware, delegate to committees of its own number, or to officers of the Foundation, such powers as it may see fit.

Section 2. Number, Election, Term of Office and Removal.

The number of directors shall be fixed by the Board, and may be varied by the Board at its annual meeting (or more often, if desired). The directors shall be elected at the annual meeting of the Board by the vote of a majority of the directors then in office. At no time shall any director have a veto power over the Foundation's actions nor shall the Foundation be directly or indirectly controlled by disqualified persons within the meaning of Section 509(a)(3) of the Internal Revenue Code of 1986 (the "Code"). The term of office of directors shall be as fixed by the Board, and, in any event, each director shall continue in office until his or her successor shall have been elected and qualified, or until his or her death, resignation or removal. Any director may be removed, with or without cause, by a majority of the directors then in

office, except that directors elected while a different By-Law provision governing removal was in effect may be removed without cause only by an action of the Board conforming with the prior By-Law provision.

Section 3. Vacancies. A vacancy arising at any time and from any cause shall be filled for the unexpired term through majority vote of the directors then in office. In any case, all vacancies shall be filled no later than 90 days after their occurrence.

Section 4. Resignation. Any director may resign at any time by giving written notice of such resignation to the President of the Foundation.

Section 5. Annual Meeting; Notice. The annual meeting of the Board shall be held at a time and place fixed by the Board. Notice of the time and place of such annual meeting shall be given in such forms as the Board may determine.

Section 6. Special Meetings; Notice. A special meeting of the Board may be called at any time by the President of the Foundation, or by any other individual so authorized by the Board, or upon written demand of the majority of the directors then in office. Notice of the time and place of such special meeting shall be given to all directors. Except as otherwise provided in these By-Laws, any

business may be transacted at any duly called directors' meeting.

Section 7. Regular Meeting; Notice. Regular meetings of the Board may be held without notice at such time and place as shall be determined by the Board.

Section 8. Quorum. At all meetings of the Board, a majority of the entire Board shall constitute a quorum for the transaction of business.

Section 9. Action of the Board. The action of a majority of the directors then in office shall be the act of the Board, except as otherwise provided by these By-Laws. Any member of the Board may participate in a meeting thereof by means of a telephone conference or similar device by which all persons can hear all other persons participating in the meeting at the same time. Any Board action may be taken without a meeting if all members of the Board consent in writing.

Section 10. Adjournment. At any meeting of the Board, whether or not there is a quorum present, a majority of the directors present may adjourn the meeting to another time and place without further notice to any absent director. At any such adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally called.

Section 11. Organization. At all meetings of the Board, the President of the Foundation, or, in his or her absence, a temporary chairman chosen by the directors from among their number, shall preside. The Secretary of the Foundation shall act as secretary at all meetings of the Board. In the absence of the Secretary, the presiding officer shall appoint any person to act as secretary of the meeting.

Section 12. Compensation. Directors shall serve without fixed salary for their services as such, but a fixed reasonable fee or the expenses (if any) for attendance, or both, may be allowed, on resolution of the Board, for attendance at each annual, special or regular meeting of the Board. The Board shall have the power, in its sole discretion, to contract for and to pay to directors rendering unusual or exceptional services to the Foundation special compensation appropriate to the value of such services.

ARTICLE III

OFFICERS

Section 1. Officers. The officers of the Foundation shall be the President, the Secretary, the Treasurer, and such other officers with powers and duties not inconsistent with these By-Laws as the Board may from time to time

appoint or elect. Any two or more offices may be held by the same person. No instrument to be signed by more than one officer may be signed by one person in more than one capacity.

Section 2. Election, Term of Office, Qualifications and Removal. The officers of the Foundation shall be elected at the annual meeting of the Board. Each shall be elected for a term fixed by the Board, unless otherwise specified in these By-Laws, and each shall serve until his or her successor shall have been elected and qualified, or until his or her death, resignation or removal. Officers of the Foundation may be elected by the directors from among their number, or from among such persons as the directors shall see fit. Any officer of the Foundation may be removed, with or without cause, by a vote of a majority of the directors then in office.

Section 3. Vacancies. Any vacancy in any office arising at any time from any cause may be filled for the unexpired term by a majority of the directors then in office.

Section 4. President: Powers and Duties. The President shall preside at all meetings of the Board, except as otherwise provided by these By-Laws, and shall have and exercise general charge and supervision of the affairs of the Foundation, subject to the control of the Board, and

shall do and perform such other duties as may be assigned to him or her by the Board.

Section 5. Secretary: Powers and Duties. The Secretary shall have charge of such books, documents and papers as the Board may determine, and shall have custody of the corporate seal, if any then exists. He or she shall attend and keep the minutes of all the meetings of the Board. He or she may sign, with the President, in the name of and on behalf of the Foundation, any contracts or agreements authorized by the Board, and, when so authorized or ordered by the Board, may affix the corporate seal, if any then exists. He or she shall, in general, perform all of the duties incident to the office of Secretary, subject to control of the Board, and shall do and perform such other duties as may be assigned to him or her by the Board.

Section 6. Treasurer: Powers and Duties. The Treasurer shall have the custody of all funds, property and securities of the Foundation which may come into his or her hands. He or she shall keep or cause to be kept complete and accurate accounts of receipts and disbursements of the Foundation, and shall deposit all funds and valuable assets of the Foundation in the name and to the credit of the Foundation in such banks or depositories as the Board may designate. Whenever required by the Board, he or she

shall render a statement of his or her accounts. He or she shall at all reasonable times exhibit his or her books and accounts to any officer or director of the Foundation, and shall perform all duties incident to the office of Treasurer, subject to the control of the Board, and shall perform such other duties as may be assigned to him or her by the Board.

Section 7. Salaries. The salaries of all officers shall be fixed by the Board and shall be reasonable in amount, and the fact that any officer also is a director of the Foundation shall not preclude his or her receiving a salary for services rendered as such.

ARTICLE IV

AGENTS AND REPRESENTATIVES

The Board may appoint such agents and representatives of the Foundation with such powers and to perform such acts or duties on behalf of the Foundation as the Board may see fit, so far as may be consistent with these By-Laws, and to the extent authorized or permitted by law.

ARTICLE V

CONTRACTS, CHECKS, BANKS ACCOUNTS AND INVESTMENTS

Section 1. Contracts. The Board, except as otherwise provided in these By-Laws, may authorize any officer or

agent to enter into any contract or to execute and deliver any instrument in the name of and on behalf of the Foundation. Such authority may be general or confined to a specific instance. Unless authorized by the Board pursuant to this Section 1, no officer, agent or employee shall have the power or authority to bind the Foundation by any contract or engagement, or to pledge its credit, or render it liable pecuniarily, for any purpose or to any amount.

Section 2. Loans. The Foundation shall not borrow money, whether by issuing notes, bonds or otherwise, except with the approval of the Board.

Section 3. Banks; Checks. The Board shall, from time to time and as necessary, select such banks or depositories as it shall deem proper for the monetary assets of the Foundation. The Board shall determine who shall be authorized from time to time on the Foundation's behalf to sign checks, drafts or other orders for the payment of money.

Section 4. Investments. The monetary assets of the Foundation may be retained in whole or in part in cash, or may be invested and reinvested from time to time in such property, real, personal or otherwise, or stocks, bonds or other securities, but only as the Board may deem desirable.

ARTICLE VI

INDEMNIFICATION

Section 1. Non-Derivative Action. The Foundation shall indemnify each member of its Board, as described in Article II hereof, each of its officers, as described in Article III hereof, each of its employees designated for indemnification by the Board, and each person serving at the request of the Foundation as a trustee, director or officer of another corporation, partnership, joint venture, trust or other enterprise (hereinafter all referred to more generally as "directors and officers"), who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action, suit or proceeding, whether civil or criminal, other than an action by or in the right of the Foundation, by reason of the fact that he or she is or was a director or officer, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding, if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Foundation and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. Indemnification shall be made only if the Foundation

shall be advised by its Board that the director or officer has met the aforesaid standard of conduct. In rendering such advice, the Board shall act either (1) by a quorum consisting of directors who are not parties to such action, or (2) if a quorum under "(1)" is not obtainable with due diligence, upon the opinion in writing of independent legal counsel. If the foregoing determination is to be made by the Board, it may rely, as to all questions of law, on the advice of independent legal counsel. The Foundation shall also, on terms and conditions deemed appropriate by the Board, pay any expenses incurred by an officer or director in defending a civil or criminal action, suit or proceeding in advance of its final disposition, upon receipt of an undertaking by or on behalf of such officer or director to repay such amount if it is ultimately determined that he or she is not entitled to indemnification under this Article.

Section 2. Derivative Action. The Foundation shall indemnify any director or officer who was or is a party to any threatened, pending or completed action or suit, whether civil or criminal brought by or on behalf of the Foundation to procure a judgment in its favor, by reason of the fact that he or she is or was a director or officer, of the Foundation, from and against the reasonable expenses (including attorneys' fees), actually and reason-

ably incurred by any such director or officer in connection with the defense or settlement of such action or suit if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Foundation, except that no indemnifications shall be made in respect of any claim, issue or matters as to which such persons shall have been judged liable to the Foundation and in respect of any claim, issue or matter as to which such director or officer is adjudged, pursuant to the method described in Section 1 hereof, to have breached his or her obligations to the Foundation by not discharging his or her obligations to the Foundation in good faith and with that degree of diligence, care and skill which ordinarily prudent persons would exercise under similar circumstances in like positions.

Section 3. Applicability. Every reference in this Article VI to a member of the Board or an officer of the Foundation shall include every director and officer thereof or former director and officer thereof. This indemnification provision shall apply to all the judgments, fines, amounts in settlement, and reasonable expenses, whenever arising, allowable as described above. The right of indemnification, and the right to advancement of expenses, herein provided for shall be in addition to any

and all rights to which any director or officer of the Foundation otherwise might be entitled, and the provisions hereof shall neither impair nor adversely affect such rights.

ARTICLE VII

FISCAL YEAR

The fiscal year of the Foundation shall begin October 1, and shall end September 30.

ARTICLE VIII

AMENDMENTS

The Board shall have the power to make, alter, amend and repeal the By-Laws of the Foundation by the affirmative vote of a majority of the directors then in office, provided, however, that notice of the proposed amendment or amendments shall have been included in the meeting notice which is given to the members of the Board and, provided, further, that no such action shall be taken which would adversely affect the qualification of the Foundation as an organization (i) exempt from Federal income taxation under Section 501(a) of the Code, as an organization described in Code § 501(c)(3), (ii) described in Code § 170(b)(1)(E)(iii), and (iii) contributions to which are deductible under Code § 170(c)(2).

ARTICLE IX

LIMITATIONS

Section 1. Exempt Activities. Notwithstanding any other provision of these By-Laws, no director, officer, employee or representative of the Foundation shall take any action or carry on any activity by or on behalf of the Foundation not permitted to be taken or carried on by an organization (i) exempt from Federal income tax under Code § 501(a), as an organization described in Code § 501(c)(3), (ii) described in Code § 170(b)(1)(iii), and (iii) contributions to which are deductible under Code § 170(c)(2).

Section 2. Prohibition Against Sharing in Corporate Earnings. No member, director, officer, or employee of, or other person connected with the Foundation, or any other private individual, shall receive at any time, any of the net earnings or pecuniary profit from the operations of the Foundation, provided that this shall not prevent either the payment to any such person of reasonable compensation for services rendered to or for the benefit of the Foundation or the reimbursement of expenses incurred by any such person on behalf of the Foundation, in connection with effecting any of the purposes of the Foundation; and no such person or persons shall be entitled to share in the distribution of any of the corporate assets upon the dissolution of the Foundation. All

such persons shall be deemed to have expressly consented and agreed that upon such dissolution or winding up of the affairs of the Foundation, whether voluntary or involuntary, the assets of the Foundation, after all debts have been satisfied, then remaining in the hands of the Board, shall be distributed, transferred, conveyed, delivered and paid over, in such amounts as the Board may determine, or as may be determined by a court of competent jurisdiction upon the application of the Board, exclusively to charitable, religious, scientific, literary or educational organizations (i) which then qualify for exemption from Federal income taxation under the provisions of Code § 501(c)(3) and the Treasury Regulations thereunder (as they now exist or as they hereafter may be amended), and (ii) contributions to which are deductible under Code § 170(c)(2) and the Treasury Regulations thereunder (as they now exist or as they hereafter may be amended).

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.

SEE ATTACHMENT B

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

SEE ATTACHMENT C

- 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 ATTACHMENT D

ATTACHMENT B

GREEN SEAL, INC.
1733 Connecticut Avenue, N.W.
Washington, D.C. 20009
EIN 13-3553974

Form 1023

APPLICATION FOR RECOGNITION OF EXEMPTION

Part II, Question 1

Green Seal, Inc. ("Green Seal" or the "organization"), has as its goal to establish standards and criteria for, and certify consumer products found to be, environmentally preferable, and to inform consumers of products meeting these standards through a "Green Seal" label to be licensed to manufacturers and through informational literature and other public education methods.

THE PROCESS: AWARDING THE SEAL

In general terms, the award of the Green Seal to a consumer product will proceed along an eight-step process:

1. CALL FOR NEW PRODUCT CATEGORIES. On a regular basis, Green Seal, Inc. will issue a public call for suggestions as to which categories of consumer products should be eligible to receive the seal. Representatives of industry, trade associations, environmental and consumer groups, and government will be contacted directly and asked for their assistance. The result will be a list of candidate categories. Based on recent contacts with several dozen organizations, the following product categories are presently under consideration:

- Light Bulbs
- Laundry Detergents
- Shampoos
- Home Cleansers
- Aerosol Sprays
- Batteries
- Office Paper
- Recycled Motor Oil
- Paint
- Personal Paper Products (Toilet Paper, Tissues)

2. SELECTION OF PRODUCT CATEGORIES. Based on the public input received and staff analyses, certain categories of consumer products will be selected for review. The decision as to which categories of products will be eligible for a seal will be based on several factors, including the impact of the product on the environment, the prevalence of the product in the marketplace, and the apparent feasibility of identifying products within the category that are demonstrably less damaging to the environment than their competitors.

3. DEVELOPMENT OF PROPOSED PRODUCT CRITERIA. Once a product category has been selected, Green Seal's staff will contact manufacturers of products within that category, public interest organizations, trade associations and government officials to solicit their suggestions as to environmental criteria to be used in awarding the seal. The criteria might

include any and all stages in the products' life cycle, from the mining of its raw materials to its disposal in a public dump. Among the environmental impacts that might be considered in establishing criteria for a given product are:

- air pollution impacts
- water pollution impacts
- impacts on land
- toxic properties of the product or any contaminants within the product
- aesthetic impacts
- impacts on global climate

These impacts might occur as the result of:

- mining of raw materials for the product
- generation of energy for use in the manufacturing of the product
- manufacturing of the product
- transportation of the product
- use of the product
- disposal of the product (i.e., incineration, landfilling, ocean dumping, etc.)

In setting criteria for the Green Seal, the goal will be to select those stages of a product's life which have the greatest environmental impact and to avoid minutia. Among the factors to be considered in reviewing a product category will be:

- reduction in the use of waste at its source, especially hazardous waste
- increased reuse or recycling of the product or its components
- more efficient use of energy
- more efficient use of natural resources
- protection of fish and wildlife
- preservation of ecosystems
- protection of human health

The technical staff of Green Seal, Inc. will draft the proposed criteria subject to the review and approval of an expert panel to be known as the "Environmental Standards Council." The Council will be composed of an independent group of scientists and other experts qualified to establish environmentally-based standards for consumer products. The Environmental Standards Council will contain no members with a financial interest in any product categories to be reviewed by it.

4. PUBLIC REVIEW OF PROPOSED PRODUCT CRITERIA. Once proposed criteria have been established, they will be published-- along with a brief description of their rationale--for review by the public, industry, and other affected interests. Green Seal, Inc. then will accept written comments for at least 45 days on the proposed criteria and may, in the case of especially important or controversial criteria, hold public meetings or hearings on them.

5. ESTABLISHMENT OF FINAL PRODUCT CRITERIA. Following the public review period, Green Seal's staff will analyze the public comments received and make any appropriate changes needed in the draft criteria. The staff will then present its recommended final product criteria to the Environmental Standards Council which will make the ultimate decision as to the final product criteria. Copies of the final criteria will be sent to all manufacturers of the relevant product category, to those who commented on the proposed product criteria, and to other interested persons.

In addition to criteria related to specific product categories, Green Seal may also establish generic criteria applicable to all products. For example, manufacturers will be required to prove that their products are manufactured in accordance with all applicable environmental laws and regulations.

6. PRODUCT TESTING AND CERTIFICATION. Once product criteria have been established, any company that believes it sells a consumer product meeting those criteria may apply to Green Seal, Inc. for a license to use the seal on packaging and in advertisements. The application for the Green Seal must be accompanied by payment of a testing fee. The testing fee will be established at a level to cover the direct expenses of the technical staff, the expenses of the Environmental Standards Council, and a proportionate share of 30% of the organization's

Administrative expenses. The cost of outside testing facilities will be paid directly by the manufacturers to the facilities.

Initially, all testing will be conducted by qualified independent testing laboratories using the final product criteria. In the future, it is possible that Green Seal, Inc. will establish its own testing facilities.

The technical staff of Green Seal, Inc. will determine whether a product meets the final product criteria based on the results from the independent testing laboratories and on other data provided by the company or by government agencies, or collected as the result of independent staff investigations.

Any company aggrieved by a decision to deny one of its products a Green Seal may appeal that decision to the Environmental Standards Council. The decision of the Council will be final.

Green Seal will publish a popularly written description of the criteria for each product, a list of products that have been awarded the right to use the Seal, and an explanation of the environmental benefits gained by using these products. The descriptions will be made available to stores, the media, and other interested parties. However, Green Seal, Inc. will make no disclosure of the names of products or companies that fail to meet the criteria, except as required to defend itself from legal actions or damaging public attacks.

7. LICENSING OF THE GREEN SEAL. All products that meet or exceed the Green Seal criteria will be eligible to use the mark. Licenses will be issued to such products for an initial period of up to three years. The license agreements will provide, among other things, that the company must continue to meet or exceed the established product criteria. The licensing agreements also will give Green Seal the right to conduct random testing of products and to take other actions needed to assure that the integrity of the Green Seal is preserved.

In addition, the licensing agreements will require payment of a reasonable licensing fee or royalty. The basis for the licensing fee has not yet finally been determined. Among the alternatives being considered are fees based on the size of the company or the revenues generated by the product awarded the Green Seal. The rationale behind charging such a licensing fee is that companies which make substantial additional profits as the result of using the Green Seal should contribute to the cost of operating Green Seal's programs and promoting its objectives.

8. RECONSIDERATION OF PRODUCT CRITERIA. The environmental criteria established for each product category will be reviewed at least once every three years. Where appropriate, new draft criteria will be proposed and a new public comment period held. The purpose behind this periodic review of product criteria is to provide companies with a continuing incentive to improve their

products and to assure that criteria are updated to account for new technologies and new information on environmental impacts.

As with any new organization, the above process may be altered based on experience and on suggested improvements from the public, industry, environmental experts or from Green Seal's Board of Directors, Advisory Board, or Environmental Standards Council.

ATTACHMENT C

GREEN SEAL, INC.
1733 Connecticut Avenue, N.W.
Washington, D.C. 20009
EIN 13-3553974

Form 1023

APPLICATION FOR RECOGNITION OF EXEMPTION

Part II, Question 2

The organization's sources of financial support are:

1. Individual Donations.
2. Foundation Grants.
3. Fee income for testing and licensing services.

Individual donations are the only funds received by Green Seal to date. It is anticipated that foundation grants received in the future will exceed individual donations, and that fees for testing and licensing will eventually far exceed both, so that the organization will be self-supporting.

ATTACHMENT D

GREEN SEAL, INC.
1733 Connecticut Ave., N.W.
Washington, D.C. 20009
EIN 13-3553974

Form 1023

APPLICATION FOR RECOGNITION OF EXEMPTION

Part II, Question 3

Green Seal, Inc. has solicited contributions (ranging in amounts from \$10,000 to \$100,000) by mailings to selected foundations and other tax-exempt organizations (52 targeted to date) and individuals (32 targeted to date) with environmental interests, purposes and concerns. Fundraising is conducted by members of the board, and there are no plans to use professional fundraisers. A sample solicitation letter is attached hereto. It is anticipated that these solicitations will continue, and that additional organizations and individuals will be targeted. A mass direct mailing is also under consideration, but plans have not yet been finalized.

Green Seal also plans to raise funds through fees for testing products and licensing fees for the use of its "Green Seal". A marketing program directed at manufacturers of products that may be tested is in the process of being developed.

Green Seal

Denis Hayes
Chair and CEO

Norman L. Dean
Executive Director

May 5, 1990

Dear :

If you are like most people, you want to buy products that don't destroy our environment. In fact, a recent Gallup poll found that over 92% of us would make a special effort to buy products from companies trying to protect the environment.

But how do you decide which products are environmentally acceptable? It is certainly hard to trust the companies selling us the products. For example, a major fast food company recently admitted that one of its items that carry the "recycling" symbol was not made of recycled materials and was not itself recyclable. Many consumers have been taken in by misleading claims about "biodegradable" plastic bags and disposable diapers.

Its time for someone to give consumers unbiased, expert advice about which products are better for the environment. That is exactly what our newly formed "GREEN SEAL" organization is designed to do. We are a non-profit organization being established by several of the nation's top environmental and consumer leaders to place a GREEN SEAL of approval on products that are environmentally acceptable.

The heads of the Sierra Club, the Natural Resources Defense Council, the Worldwatch Institute, Earth Day 1990, the Council on Economic Priorities (publishers of "Shopping for a Better World") and others are joining together to help consumers make environmentally correct choices when they go to their supermarket or department store. Following in the footsteps of environmental labeling programs in a half dozen other countries, we are assembling a group of scientists and other experts to determine which products are really better for the environment.

Of course, this takes money. While we expect to make GREEN SEAL self-sustaining within three years, we need your support to get the program off the ground. Your contribution to our effort can help us hire the experts we need to tell consumers which light bulbs, washing compounds, paper, refrigerators, and other consumer products are most compatible with the environment.

The stakes are high. Each day, another piece of our environment is destroyed. Unfortunately, too much of this destruction results from the manufacturing, use, and disposal of consumer products. Last year alone, manufacturing plants released over 10 billion pounds of toxic chemicals into our environment.

You can help put a stop to this environmental destruction. By supporting GREEN SEAL you can help make sweeping changes in consumer buying patterns in the U.S.

I hope that we can count on you to support this exciting new organization.

Sincerely,

Denis Hayes
Chair and CEO
(415) 324-8874
(202) 328-8095

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 ATTACHMENT E

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.

SEE ATTACHMENT F

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 to 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 organization(s) 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.

ATTACHMENT E

GREEN SEAL, INC.
1733 Connecticut Avenue, N.W.
Washington, D.C. 20009
EIN 13-3553974

Form 1023

APPLICATION FOR RECOGNITION OF EXEMPTION

Part II, Question 4a (cont'd)

| <u>Names, Addresses and Titles of Officers and Directors</u> | <u>Annual Compensation</u> |
|----------------------------------------------------------------------------------------------------------|----------------------------|
| Randall Hayes Director 466 Green St., Suite 300 San Francisco, CA 94133 | None |
| Alan F. Kay Director 83 Church Street, Unit 17 Winchester, Massachusetts 01890 | None |
| David S. Locker Director, Vice President & Treasurer 15 West 72 Street New York, New York 10023 | None |
| Alice Tepper Marlin Director 360 West 22 Street New York, New York 10011 | None |
| Rena M. Shulsky Director, President 200 Central Park South New York, New York 10019 | None |
| Stanley S. Weithorn Director 144 Woodhill Lane Manhasset, New York 11030-1717 | None |

ATTACHMENT F

**GREEN SEAL, INC.
1733 Connecticut Avenue, N.W.
Washington, D.C. 20009
EIN 13-3553974**

Form 1023

APPLICATION FOR RECOGNITION OF EXEMPTION

Part II, Question 4d

Rena M. Shulsky, Director and President, and Alan Kay, Director, are both disqualified persons with respect to the organization by reason of being substantial contributors. Rena Shulsky has contributed \$40,000 of the \$60,050 received by the organization to date. Alan F. Kay has contributed \$20,000.

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."

The only assets the organization now has that are used in the performance of its exempt function are office equipment.

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 each such contract and explain the relationship between the applicant and each of the other parties.

SEE ATTACHMENT G

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; show how the charges are determined; and attach a copy of your current fee schedule.

SEE ATTACHMENT H

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.

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.

ATTACHMENT G

**GREEN SEAL, INC.
1733 Connecticut Avenue, N.W.
Washington, D.C. 20009
EIN 13-3553974**

Form 1023

APPLICATION FOR RECOGNITION OF EXEMPTION

Part II - Question 9b

The organization leases space at 1733 Connecticut Avenue, N.W., Washington, DC, 20009 from Walton and Deborah Beacham. There is no relationship between the organization and Walter and Deborah Beacham. A copy of the lease agreement is attached hereto.

1733 Connecticut Avenue
Lease of Office Space

THIS LEASE, made this 26th day of April, by and between Walton & Deborah Beacham (hereinafter "Landlord") and Green Seal, Inc. (hereinafter "Tenant").

1. DEMISED PREMISES: For and in consideration of the Rent hereinafter reserved and the mutual covenants hereinafter contained, Landlord does hereby lease and demise unto Tenant, and Tenant does hereby hire, lease and accept, from Landlord, certain space and improvements comprising approximately 1,300 rentable square feet of office space of the building known as 1733 Connecticut Avenue, NW (the "Building") located at 1733 Connecticut Avenue, NW, Washington, D.C. all upon the terms and conditions hereinafter set forth. That portion of the Building which Tenant shall be entitled to occupy is hereinafter referred to as the "Demised Premises", and comprises the entire third floor of the building.

2. TERM: The term of this lease shall run for two years, commencing on May 1, 1990 (the "Lease Date") and ending on April 30, 1992. "Rent Commencement Date" shall be May 1, 1990. Tenants shall be permitted to begin preliminary occupancy without rent upon execution of this lease and upon paying the Security Deposit and the first month's rent.

3. RENT: Commencing with the Rent Commencement Date, Tenant shall pay as annual rent for the Demised Premises the sum of twenty-four thousand (\$24,000) per annum, payable in equal monthly installments of two thousand dollars (\$2,000). All such monthly installments of rent shall be payable to Landlord or its designated agent at such place as the Landlord shall designate, in advance, without previous notice or demand thereafter, and without deduction or setoff, with the first monthly installment to be due and payable no later than the Rent Commencement Date and each subsequent monthly installment to be due and payable on the first date of each and every month following the Rent Commence Date during the term hereof. This is a gross lease and Tenant shall have no other obligation to pay rent other than the rent set forth in this paragraph, nor to pay real estate taxes, common area costs, or other costs to Landlord.

4. SECURITY DEPOSIT AND RENT INCREASES: Tenant shall pay the Landlord the sum of six thousand dollars (\$6,000), herein after referred to as the "Security Deposit", to be paid upon execution of the Lease.

a) Security Deposit shall be held in an interest-bearing account by Landlord as security for the performance by Tenant of all Tenant's obligations hereunder. In the event of any default beyond the applicable grace period by Tenant of its obligations hereunder, the Landlord may, at its option and without prejudice to any other remedy which Landlord may have on account thereof, appropriate all or such portion of the Security Deposit as is necessary to compensate Landlord for any payment of rent and additional rent overdue and unpaid or for any damage due to any default by Tenant; and Tenant shall forthwith, upon demand, restore the Security Deposit to the original sum deposited. In the event of a sale or transfer of Landlord's interest in the property, Landlord shall have the right to transfer the Security Deposit to such purchaser or transferee, provided that such purchaser or transferee first assumes all responsibilities under this lease, including the obligation to return the security deposit and, in the event Landlord does transfer the Security Deposit to such purchaser or transferee, the transferring Landlord shall thereupon be released from all liability to Tenant for the return of the Security Deposit.

b) Beginning May 1, 1991, the annual rent shall increase by \$600, paid in monthly installments of \$50.

5. LAWS AND ORDINANCES: Tenant will, at its own cost, promptly comply with and carry out all orders, requirements or conditions now or hereafter imposed upon it by the ordinances, laws and /or regulations of the District of Columbia, whether required of Landlord or otherwise, specifically as a result of Tenant's business, or in affecting any renovation or construction required by Tenant and approved by Landlord to conduct such business. Tenant will indemnify and save Landlord harmless

from all penalties, claim, and demands resulting from Tenant's failure or negligence in this respect.

6. FURNITURE, FIXTURES, ELECTRICAL EQUIPMENT:

a) Tenant shall not place a load upon the floor of the Demised Premises exceeding one hundred (100) pounds per square foot without the Landlord's prior written consent, which shall not be unreasonably held or delayed. Business machines, mechanical equipment and materials belonging to Tenant which cause vibration, noise, cold, heat or fumes that may be transmitted to the Building or to any other leased space therein to such a degree as to be objectionable to Landlord or to any other Tenant in the Building shall be placed, maintained, isolated, stored and/or vented by Tenant at its sole expense so as to absorb and prevent such vibration, noise, cold, heat or fumes. Tenant shall not keep within or about the Demised Premises any dangerous, inflammable, toxic or explosive material. Tenant shall indemnify Landlord and hold it harmless against any and all damage, injury, or claims resulting from the moving of Tenant's equipment, furnishings and/or materials into or out of the Demised Premises or from the storage or operation of the same. Any and all damage or injury to the Demised Premises or the Building caused by such moving, storage or operation shall be repaired by Tenant at Tenant's sole cost.

b) Tenant will not install any other equipment whatsoever which will or may necessitate any changes, replacements or additions to the water system, plumbing system, heating system, air conditioning system or the electrical system of the Demised Premises without the Prior written consent of Landlord.

c) Tenant shall not install or operate in the Demised Premises any electrically operated equipment, computers or other machinery, other than electric typewriters, PC computers, adding machines, copiers and such other small electrically operated office equipment as is used in modern offices, without first obtaining the prior consent in writing of Landlord, who may condition such and consent upon the payment by Tenant of additional rent in compensation for such excess consumption of water and/or electricity or wiring as may be occasioned by the operation of said equipment or machinery.

7. UTILITIES: The Tenant covenants and agrees to pay for all electric current in the Demised Premises, which includes the cost of heating and air conditioning. If such charges or rentals are not so paid, the same shall be added to the next monthly installment of rent. Because the top three floors are metered together, the Tenant agrees to pay one-third of the monthly bill for the top three floors. Should one of the tenants on these floors consume a disproportional share of electricity, as determined by the number of people regularly using the premises combined with the number of hours of use, then the Landlord and Tenant will negotiate a new proration.

8. a) ALTERATIONS: Tenant shall be allowed to make alterations to the Demised Premises with the consent of the Landlord, including installing glass panels between the partitions in the rear office space. Tenant shall comply with the building codes, regulations and laws now in force or hereafter enacted in the District of Columbia which pertain to such work. Any additions, improvements, alterations and/or installments made by Tenant (except furniture and business equipment) shall become and remain a part of the Building and be and remain Landlord's property upon the termination of Tenant's occupancy of the Demised Premises. Tenant shall save Landlord harmless from and against all expenses, liens, claims or damages to either property or person which may or might arise by reason of the making of any such additions, improvements, alterations and/or installations. If any alteration is made without the prior written consent of Landlord, Landlord may correct or remove the same, and Tenant shall be liable for any and all expenses incurred by Landlord in the performance of this work. It is further understood and agreed by Tenant and Landlord that any alterations shall be conducted on behalf of Tenant and not on behalf of Landlord, and that Tenant shall be deemed to be the "owner" and not the "agent" of Landlord for purposes of the application of Section 38-101 of the District of Columbia Code. It is further understood and agreed that in the event Landlord shall give its written consent to Tenant's making any alterations, such written consent shall not be deemed to be an agreement or consent by Landlord to subject Landlord's interest in the Demised Premises or the Building to any mechanic's liens which may be

filed in respect of any alterations made by or on behalf of Landlord.

9. **DAMAGE:** If fire, smoke, or water damages the demised premises as a result of the Tenant's negligence or Tenant's accident, the Tenant will be responsible for continued payment of rent. As to other damages, the rent shall be apportioned until such time as the damages have been fully repaired. If the rent can be recovered from insurance or by any other means the Tenant shall be entitled to receive the rent it has paid as a result of the damage up to the amount paid by the insurance policy or other means of recovery. Damage to the demised premise shall be repaired by and at the expense of Landlord. If Landlord willfully fails to commence repairs within 30 days following such damage and to diligently complete such repairs, Tenant may terminate this lease upon giving five days notice to the Landlord.

10. CONDEMNATION:

a) If all of the Premises are condemned or taken in any manner for public or quasi-public use, including but not limited to a conveyance or assignment in lieu of a condemnation or taking, this lease shall automatically terminate as of the date of dispossession of Landlord as a result of such condemnation or other taking. If a part of the Premises is so condemned or taken, this Lease shall automatically terminate as to the portion of the Premises so taken as of the date of dispossession of Tenant as a result of such condemnation or taking. If such portion of the Building is condemned or otherwise taken so as to require, in the opinion of Landlord, a substantial alteration or reconstruction of the remaining portions thereof, this Lease may be terminated by Landlord, as of the date of dispossession of Tenant as a result of such condemnations or taking, by written notice to tenant within sixty (60) days following notice to Landlord as of the date on which said dispossession will occur. If such a portion of the Premises is taken so as to render the remaining portion untenable and unusable by Tenant, this Lease may be terminated by Tenant as of the date of dispossession or taking by written notice to Landlord within sixty (60) days following notice to Tenant of the date on which said dispossession will occur.

b) Landlord shall be entitled to the entire award in any condemnation proceeding or other proceeding for taking for public or quasi-public use, including, without limitation, any award made for the value of the leasehold estate created by this Lease. No award for any partial or entire taking shall be apportioned, and Tenant hereby assigns to Landlord any award that may be made in such condemnations or other taking, together with any and all rights of Tenant now or hereafter arising in or to the same or any part thereof; provided, however, that nothing contained herein shall be deemed to give Landlord any interest in or to require Tenant to assign to Landlord any award made to Tenant specifically for its relocation expenses, the taking of personal property and fixtures belonging to Tenant, or the interruption or damage to Tenant's business.

c) In the event of a partial condemnation or other taking that does not result in a termination of this Lease as the entire Premises, the Rent and Additional Rent shall abate in proportion to the portion of the Premises taken by such condemnation or other taking.

d) If all or any portion of the Premises is condemned or otherwise taken for public or quasi-public use for a limited period of time, this Lease shall remain in full force and effect and Tenant shall continue to perform all of the terms, conditions and covenants of this Lease; provided, however, the Rent and additional Rent shall abate during such limited period in proportion to the portion of the Premises that is rendered unrentable and unusable as a result of such condemnation or other taking. Landlord shall be entitled to receive the entire condemnation or other taking.

11. USE OF DEMISED PREMISES:

a) The Demised Premises shall be used and occupied by Tenant solely for the purpose of a business office. Tenant shall permit Landlord to transmit heat, air conditioning, telephone lines and electrical current through the Demised Premises at all times at Landlord's discretion, provided Landlord shall not unreasonably interfere with Tenant's use of the Demised Premises. The Demised Premises shall not be used for any illegal purpose or in violation of any valid regulation of any

governmental body, or in any manner to (i) create any nuisance or trespass; (ii) annoy or embarrass Landlord or any other tenant of the Building; (iii) vitiate any insurance; or (iv) alter the classification or increase the rate of insurance on the Building.

b) Landlord or his representative retains the right to enter Demised Premises during business hours to read electrical meters, or at any time to take care of mechanical, electrical, or other emergencies (See also paragraph 23). Landlord shall use its best efforts not to interfere with Tenant's business.

c) Tenant may display its name on the front of the building in a manner appropriate to the names of the other tenants.

d) Tenant shall be permitted to share use of the security phone. Landlord agrees to maintain a security system, including the security phone at its own expense.

e) Tenant shall be responsible for securing the Demised Premises and the front door when leaving the building.

12. REPAIRS BY TENANT: Tenant agrees at its own expense to maintain the Demised Premises and the fixtures therein in good order and in a condition commensurate with a first-class building during the term of this Lease at its sole cost and expense, and will, at the expiration or other termination of the term hereof, surrender and deliver up the same and all keys, locks and other fixtures connected therewith (except only office furniture and business equipment) in good order and condition, as the same is now or shall be on the Rent Commencement Date, ordinary wear and tear excepted.

13. REPAIRS BY LANDLORD: Landlord agrees to maintain the Building commensurate with a first class building. Landlord shall have no duty to Tenant to make any repairs or improvements to the Demised Premises except structural repairs, repairs to the roof and repairs to plumbing, electrical and mechanical systems necessary for safety and tenantability, and then only if not brought about by any act or neglect of Tenant, its agents, employees or invitees. Landlord shall not be liable for any damage (including any consequential damages or lost profits) caused to the person or property of Tenant, its agents, employees or invitees, due to the Building or any part or appurtenances thereof being improperly constructed or being or becoming out of repair, or arising from the leaking of gas, water, sewer or steam pipes, or from electricity, or from any other cause whatsoever, unless caused by Landlord's negligence. Tenant agrees to report promptly to Landlord any defective condition in or about the Demised Premises known to Tenant which Landlord is required to repair, and a failure to so report shall make Tenant liable to Landlord for any expense, damage or liability resulting from failure to report promptly.

14. ROOF RIGHTS: Landlord shall have the exclusive right to use all or any portion of the roof of the Building for any purpose.

15. DEFAULT BY TENANT:

a) Tenant shall be deemed to be in default hereunder if:

i) Tenant shall fail to pay any installment of Rent herein reserved, any late charges or taxes payable by Tenant as aforesaid, or any other cost and expense for which the Tenant shall be responsible hereunder within fifteen (15) days of the date the same shall become due and payable.

ii) Tenant shall fail or neglect to keep and perform each and every one of the other covenants, conditions and agreements herein contained and on the part of the Tenant to be kept and performed, within thirty (30) days after written notice from the Landlord specifying the items alleged to be in default; provided, however, if the default is of such a nature that it cannot be completely cured within 30 days, and if Tenant commences to cure within said 30 days, and thereafter proceeds with reasonable diligence and good faith, then the failure to complete the cure within 30 days shall

not constitute a default.

iii) Tenant shall become insolvent or make an assignment for the benefit of creditors.

iv) Tenant is adjudicated as bankrupt, and the Trustee in Bankruptcy, neither pays all rents currently owed to the Landlord nor performs all the covenants of the Tenant hereunder.

16. LANDLORD'S REMEDIES UPON DEFAULT: In the event Tenant shall default in the payment, when due, of any installment of rent or other charges or money obligation of Tenant hereunder (all of which monetary obligations of Tenant shall bear interest at the highest rate allowable by law, not to exceed eighteen percent (18%) per annum, from the date due until paid in full) and fails to cure said default in performing any of the covenants, terms or provisions of this Lease (other than payment, within fifteen (15) days of the date when due, of any of Tenant's monetary obligation hereunder), and fails to cure such default within thirty (30) days after written notice thereof from Landlord to Tenant corporation; or if such default is of such nature that it cannot be completely cured within said thirty (30) days, if Tenant does not commence such curing within thirty (30) days and thereafter proceeds with reasonable diligence and good faith; or if Tenant shall abandon the Demised Premises; or if Tenant is adjudicated a bankrupt; or if a permanent receiver is appointed for Tenant's property; or if whether voluntarily or involuntarily, Tenant takes advantage of any debtor relief proceedings under any present or future law, whereby the rent or any part thereof, is or is proposed to be reduced or payment thereof deferred; or if Tenant makes an assignment for the benefit of creditors; or if Tenant's property or effects should be levied upon or attached under process against Tenant, and is not satisfied or dissolved or otherwise contested within ten (10) days after written notice from Landlord to Tenant to obtain a satisfaction thereof or within the period allowed by law (whichever is greater); then, and in any said events, Landlord, at its option may pursue any one or more of the following remedies without any notice or demand whatsoever.

a) Landlord, at its option, may at once, or at any time thereafter terminate this Lease by written notice to Tenant, whereupon this Lease shall end currently with the receipt by Tenant of such notice. Upon such termination by Landlord, Tenant will at once surrender possession of the Demised Premises to Landlord and remove all of Tenant's effects therefrom (including, without limitations, the removal of all persons or entities, and their effects) and Landlord may forthwith re-enter the Demised Premises and repossess himself thereof, and remove all persons and effects therefrom, using such force as may be necessary, without being guilty of trespass, forcible entry, detainer or other tort.

b) Landlord may, without terminating this Lease, enter upon and take possession of the Demised Premises and expel or remove Tenant and any other person who may be occupying the Demised Premises or any part thereof, who claim the right to occupy all or any portion of the Demised Premises by or through Tenant whether by written agreement or otherwise, without being liable for prosecution or any claim for damages, and shall use its best efforts to relet such space or any part thereof for such rent and for such period of time and subject of such terms and conditions as Landlord may deem advisable and receive the rent therefor. Upon each such reletting, all rent received by Landlord from such reletting shall be applied first to the payment of any indebtedness other than rent due hereunder from Tenant to Landlord, including interest thereon; second, to the payment of any loss or expense of such reletting, including brokerage fees, attorney's fees and the cost of such alterations and repairs; third, to the payment of rent due and unpaid hereunder, together with interest thereon as herein provided; and the residue, if any, shall be held by Landlord and applied in payment of future rent as the same may become due and payable hereunder. Tenant agrees to pay Landlord, on demand, any deficiency that may arise by reason of such reletting. Notwithstanding any such reletting without termination, Landlord may at such time thereafter elect to terminate this Lease for such prior default.

c) In the event Landlord terminates this Lease in accordance with the provisions of this paragraph 16 Landlord may, in addition to any other remedy it may have, recover from Tenant all damages and expenses Landlord may suffer or incur by reason of Tenant's default hereunder, including, without limitation, the cost of recovering the Demised Premises and reasonable attorney's fees, all of which sums shall become immediately due and payable by Tenant to Landlord upon

demand of Landlord.

d) That if the rent agreed to be paid, including all other sums of money which under the provisions hereof are declared to be rent, shall be in arrears in whole or in part for fifteen (15) or more days, landlord may, at its option (if such arrearage remains unpaid after ten days written notice to Tenant corporation), declare the tenancy hereunder converted into a tenancy from month to month and upon giving written notice of Tenant of the exercise of such option, Landlord shall forthwith be entitled to all provisions of law relating to the summary eviction of monthly tenants in default.

e) Anything in this Lease to the contrary notwithstanding, in order to cover the extra expense involved in handling delinquent payments, Tenant shall pay a "late charge" of One Hundred Fifty and No/100 Dollars (\$150.00) when any installment of rent (basic or otherwise, as may be considered additional rental under this Lease) is paid more than five (5) days after the due date thereof. It is hereby understood that this charge is for extra expenses incurred by the Landlord in processing the delinquency and shall not be considered interest.

f) Pursuit of any of the foregoing remedies shall not preclude Landlord from pursuing any other remedies herein or at law or in equity provided, nor shall pursuit of any remedy by Landlord constitute a forfeiture or waiver of any rent due to Landlord hereunder or of any damages accruing to Landlord by reason of Tenant's violation of any of the covenants and provisions of this Lease.

g) Tenant hereby appoints the person in charge of the Demised Premises at the time as its agent to receive service of all dispossessory or restraint proceedings and notices thereunder and under this Lease, and if no person is then in charge of the Demised Premises, such service or notice may be made by attaching the same to the main entrance of the Demised Premises, providing that a copy of any such proceedings or notices shall be mailed to Tenant in the manner set forth in paragraph 31 hereof.

17. INSURANCE:

a) Tenant agrees that it will indemnify and save Landlord harmless from any and all liabilities, damages, causes of action, suits, claims, judgments, costs and expenses of any kind (including attorney's fees) (i) relating to or arising from or in connection with the possession, use, occupation, management, repair, maintenance or control of the Demised Premises or any portion thereof, or (ii) arising from or in connection with any act or omission of Tenant or Tenant's agents, employees or invitees, or (iii) resulting from any injury to person or property or loss of life sustained in or about the Demised Premises, unless caused by Landlord's negligence, except as covered by Landlord's fire and casualty insurance on the building in which the Demised Premises are within. Landlord agrees that it will indemnify and save Tenant harmless from any and all liabilities, damages, causes of action, suits, claims, judgments, costs and expenses of any kind (including attorney's fees) (i) relating to or arising from or in connection with the possession, use, occupation, management, repair, maintenance or control of the public spaces or any portion thereof, or (ii) arising from or in connection with any act or omission of Landlord or Landlord's agents, employees or invitees, or (iii) resulting from any injury to person or property or loss of life sustained in or about the public spaces, unless caused by Tenant's negligence, except as covered by Landlord's fire and casualty insurance on the building in which the Demised Premises are within.

b) Fire/Theft Insurance: Tenant agrees to be responsible for protecting its property (both real and Intellectual), furniture and equipment against damage by fire or theft, and may, in its discretion, obtain insurance to cover the same. Tenant shall hold the Landlord Harmless for the contents of the Demised Premise. The Landlord shall have responsibility for obtaining fire and extended insurance coverage on the building in which the Demised Premises is located.

18. PROPERTY AT TENANT'S RISK: It is understood and agreed that all personal property in the Demised Premises, of whatever nature, whether owned by Tenant or any other person, shall be and remain at Tenant's sole risk and Landlord shall not assume any liability or be liable for any damage or loss of such personal property, arising from the bursting, overflowing, or leaking of the roof or of

water, sewer, or steam pipes, or from heating or plumbing fixtures or from the handling of electric wires or fixtures or from any other cause whatsoever, except for the negligence of Landlord, its agents or employees.

19. **ASSIGNMENT; SUBLETTING:** Tenant may assign, sublet or rent the Demised Premises after first giving ten days written notice to the Landlord, and after obtaining written consent of Landlord (not to be unreasonably withheld) nor shall any assignment or transfer of this Lease be effectuated by operation of law or by transfer of any interest in Tenant or otherwise without the prior written consent of Landlord. If Tenant is a corporation, any dissolution, merger, consolidation or other reorganization of Tenant pursuant to which voting control of more than 50 percent of Tenant's stock is vested in a party not now a stockholder of Tenant, or the sale or transfer of a controlling interest in capital stock of Tenant, shall be deemed a voluntary assignment of this lease and subject to the foregoing provisions. Any attempted sublease, assignment or transfer by Tenant of this Lease or its interest herein in violation of this Article, Landlord, at its option may terminate this Lease, provided, however, that in the event of such termination, Tenant shall remain liable for all rent and other sums due under this lease and all damages suffered by Landlord on account of such breach by Tenant. The consent by Landlord to any assignment or subletting shall not be construed as a waiver or release of Tenant from the terms of, or Tenant's liability under, any covenant or obligation under this Lease, nor shall any such assignment or subletting be construed to relieve Tenant from obtaining the consent in writing of Landlord to any further assignment or subletting. Landlord may, as a prior condition to considering any request for consent to an assignment or sublease, require Tenant to obtain and submit current financial statements of any proposed subtenant or assignee. In the event that Tenant defaults hereunder, Tenant hereby assigns to Landlord the rent due from any subtenant and hereby authorizes each such subtenant to pay said rent directly to Landlord. Upon any assignment of this Lease, any and all option rights, rights of first refusal, and expansion rights shall terminate and be of no further force or effect it being understood that any and all such rights are personal to Tenant (and not to any assignee or sublessee) and are not appurtenant to the Demised Premises or this Lease. Further, Tenant shall not have the right to exercise any such option rights, rights of first refusal or expansion unless Tenant (not any assignee or sublessee of Tenant) shall be in occupancy of all of the Demised Premises at the time of exercise.

20. **LIEN ON PERSONAL PROPERTY:** Landlord shall have a lien upon all the personal property of Tenant moved into the Demised Premises as and for security for the rent and other Tenant obligations herein set forth. In order to perfect and enforce said lien, Landlord may at any time after default in the payment of rent or default of any other obligations hereunder, seize and take possession of any and all personal property belonging to Tenant which may be found in and upon the Demised Premises. Should Tenant fail to redeem the property so seized, by payment of whatever sum may be due Landlord under and by virtue of the provisions of this Lease, then and in the event, Landlord shall have the right, after ten (10) days written notice to Tenant Corporation and its personal guarantors of its intention to do so, to sell such property so seized at public or private sale and upon such terms and conditions as to Landlord may appear advantageous, and after the payment of all proper charges incident to such sale, apply the proceeds thereof to the payment of any balance due on account of rent or other obligations as foresaid. In the event there shall then remain in the hands of Landlord any balance realized from the sale of said property as aforesaid, the same shall be paid over to Tenant.

21. **LANDLORD ACCESS:** Landlord may, on reasonable notice, enter the Demised Premises between the hours of 9:00 a.m. and 6:00 p.m. weekdays.

22. **SUBORDINATION:**

a) This Lease is subject and subordinate to all ground or underlying leases and to all mortgages or deeds of trust, which may now or hereafter affect or encumber the Building or the real property of which the Demised Premises form a part and to all renewals, modifications, consolidations, replacements or extensions thereof. This paragraph shall be self-operative and no further instrument of subordination shall be required. In confirmation of such subordination, Tenant shall execute within five (5) days after receipt, any certificate or agreement that Landlord may

reasonably request. Tenant covenants and agrees to attorn to Landlord or to any successors to Landlord's interest in the Demised Premises, whether by sale, foreclosure or otherwise.

b) Notwithstanding the foregoing, in the event any such ground lessor mortgagor shall elect to make the lien of this Lease prior to the lien of its ground lease, mortgage or deed of trust, then, upon such party giving Tenant written notice to such effect, this Lease shall be deemed to be prior in lien to the lien of such ground lease, mortgage or deed of trust, whether dated prior or subsequent thereto.

c) Any sales of the Building shall be subject to the term of this Lease and purchaser of the Building shall recognize this tenancy.

23. **MORTGAGE PROTECTION:** Tenant agrees to give any Mortgage and/or Trust Deed Holders, by registered mail, a copy of any Notice of Default served upon Landlord, provided that prior to such notice Tenant has been notified, in writing (by way of Notice of Assignment of Rents and Leases, or otherwise) of the address of such Mortgagees and/or Trust Deed Holders. Tenant further agrees that if Landlord shall have failed to cure such default within the time provided for in this Lease, then the Mortgagees and/or Trust Deed Holders shall have an additional thirty (30) days within which to cure such default or if such default cannot be cured within that time, then such additional time as may be necessary if within such thirty (30) days, any such Mortgagee and/or Trust Deed Holder has commenced and is diligently pursuing the remedies necessary to cure such default (including but not limited to commencement of foreclosure proceedings, if necessary to effect such cure), in which event this Lease shall not be terminated while such remedies are being so diligently pursued. Tenant agrees that in the event of the sale of the property, by foreclosure of deed in lieu thereof, the purchaser at such sale shall only be responsible for the return of any security deposits paid by Tenant to Landlord in connection with this Lease to the extent that such purchaser actually receives such security deposit.

24. **ESTOPPEL CERTIFICATES:** Tenant agrees, at any time and from time to time, upon not less than five (5) days prior written notice from Landlord, to execute, acknowledge and deliver to Landlord or to such person(s) as may be designated by Landlord, a statement in writing (i) certifying that Tenant is in possession of the Demised Premises, has unconditionally accepted the same and is currently paying the rents reserved hereunder, (ii) certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that the Lease is in full force and effect as modified and stating the modifications), (iii) stating the dates to which the rent and other charges hereunder have been paid by Tenant, and (iv) stating whether or not, to the best of Tenant's knowledge, Landlord is in default in the performance of any covenant, agreement or condition contained in this Lease, and, if so, specifying each such default by detail. Any such statement, delivered pursuant hereto may be relied upon by any owner, prospective purchaser, mortgagee or prospective mortgagee of the Building or of the Landlord's interest therein.

Landlord agrees, at any time and from time to time, upon not less than five (5) days prior written notice from Tenant, to execute, acknowledge and deliver to Tenant or to such person(s) as may be designated by Tenant, a statement in writing (i) certifying that Tenant is in possession of the Demised Premises, has unconditionally accepted the same and is currently paying the rents reserved hereunder, (ii) certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that the Lease is in full force and effect as modified and stating the modifications), (iii) stating the dates to which the rent and other charges hereunder have been paid by Tenant, and (iv) stating whether or not, to the best of Landlord's knowledge, Tenant is in default in the performance of any covenant, agreement or condition contained in this Lease, and, if so, specifying each such default by detail. Any such statement, delivered pursuant hereto may be relied upon by any owner, prospective purchaser, mortgagee or prospective mortgagee of the Building or of the Landlord's interest therein.

25. **LEASE RENEWAL:** At the end of the lease period, the Tenant shall have the right of first refusal to renew its lease for an additional two years, provided: a) Landlord wishes to continue leasing the space to anyone and, b) Tenant and Landlord can agree on a base rental rate, which

shall be predicated on "fair" market value for comparable space. Tenant also shall have first option to lease other space in the building at any time during the terms of this lease providing the space is available and the Tenant and Landlord can agree on a base rental rate, which shall be predicated on fair market value for comparable space.

26. **MODIFICATIONS DUE TO FINANCING:** If, in connection with obtaining temporary or permanent financing for the Building or the land which upon which the Building is located, any such lender shall request reasonable modifications of this Lease as a condition to such financing, Tenant agrees that Tenant will not unreasonably withhold, delay or defer the execution of an agreement of modification of this Lease, provided such modifications do not increase the financial obligations or other obligations of Tenant hereunder or materially adversely affect the leasehold interest hereby created or Tenant's reasonable use and enjoyment of the Demised Premises.

27. **NOTICE TO VACATE:** Tenant agrees to give Landlord ninety (90) days notice of its exercise of its option to renew this lease pursuant to Paragraph 25. Within 30 days of such notice, Landlord agrees to indicate whether it wishes to continue leasing the space to anyone and, if so, to commence negotiations over the base rental rate.

28. **ATTORNEY'S FEES:** In the event Tenant defaults in the performance of any of the terms, covenants, agreements or conditions contained in this Lease, and Landlord places the enforcement of all or any part of this Lease, the collection of any rent due or to become due, or recovery of the possession of the Demised Premises, in the hands of an attorney, Tenant agrees to pay Landlord reasonable attorney's fees whether suit is actually filed or not. In the event Landlord defaults in the performance of any of the terms, covenants, agreements or conditions contained in this Lease, and Tenant places the enforcement of all or any part of this Lease in the hands of an attorney, Landlord agrees to pay Tenant's reasonable attorney's fees whether suit is actually filed or not.

29. **NOTICES:** All notices required or desired to be given hereunder by either party to the other shall be sent, postage prepaid, by certified or registered mail. All rents and other monetary obligations arising hereunder, and all notices to the respective parties shall be addressed and sent as follows:

If to Landlord: Walton & Deborah Beacham
2100 S Street, N.W.
Washington, D.C. 20008

If to Tenant: Norman L. Dean
Executive Director, Green Seal, Inc.
1733 Connecticut Avenue, NW
Washington, DC 20009

30. **REMEDIES CUMULATIVE; NO WAIVER:** All rights and remedies given herein and/or by law or in equity to Landlord are separate, distinct and cumulative, and no one of them, whether exercised by Landlord or not, shall be deemed to be in exclusion of any others. No failure of Landlord to exercise any power given Landlord hereunder, or to insist upon strict compliance by Tenant with his obligations hereunder, and no custom or practice of the parties at variance with the terms hereof shall constitute waiver of Landlord's right to demand exact compliance with the terms hereof.

31. **MODIFICATION:** This writing is intended by the parties as the final expression of their agreement and as a complete and exclusive statement of the terms thereof, all negotiations, discussions and representations between the parties having been incorporated herein. No course of prior dealing between the parties or their affiliates shall be relevant or admissible to supplement, explain or vary any of the terms of this Lease. Acceptance of, or acquiescence in, a course of performance rendered under this or any prior agreement between the parties or their affiliates shall not be relevant or admissible to determine the meaning of any of the terms of this Lease. No representations, understandings or agreements have been made or relied upon in the making of this Lease other than those specifically set forth herein. This Lease can only be modified by a writing

signed by all of the parties hereto or their duly authorized agents.

32. **WAIVER OF JURY TRIAL:** Landlord, Tenant, and Tenant's guarantors each hereby waive all right to trial by jury in any claim, action, proceeding or counterclaim by either party against the other on any matters arising out of or in any way connected with this Lease, the relationship of Landlord and Tenant and/or Tenant's use or occupancy of the Demised Premises.

33. **HEADINGS:** The captions and headings contained herein are for convenience and reference only.

34. **APPLICABLE LAW:** This Lease shall be construed under the laws of the District of Columbia.

35. **TAX:** Tenant shall pay any sales, use, business and/or similar taxes levied or imposed by the District of Columbia, or other governmental authority, whether imposed on Tenant or Landlord, such payments to be in addition to all other payments required under the terms of this Lease. In no event shall the Tenant be liable for real estate or property taxes.

36. **NO OPTION:** The submission of this Lease for examination does not constitute a reservation of, or option for, the Demised Premises, and this Lease becomes effective only upon execution and delivery hereof by Landlord.

37. **GENDER; ASSIGNS AND SUCCESSORS:** Feminine or neuter pronouns shall be substituted for those of the masculine form, and the plural may be substituted for the singular number, in any place or places herein in which the context may require such substitution or substitutions, the term "Landlord" as used in this Lease, means only the owner for the time being of the Landlord's interest in this Lease. This Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns, except that only the original Landlord named herein shall be liable for obligations accruing before the beginning of the term hereof, and thereafter the Landlord named herein and each successive owner of the Demised Premises shall be liable only for obligations accruing during the period of its ownership. Whenever Landlord conveys its interest in the Building, Landlord shall be automatically released from the further performance of covenants on the part of Landlord herein contained, and from any and all further liability, obligations, costs and expenses, demands, causes of action, claims or judgments arising from or growing out of, or connected with this Lease after the effective date of said release. The effective date of said release shall be the date the assignee of Landlord executes an assumption of such an assignment whereby the assignee expressly agrees to assume all of Landlord's obligations, duties, responsibilities, and liabilities with respect to this Lease. If requested, Tenant shall execute a form of release and such other documentation as may be required to further effect the foregoing provision.

38. **SEVERABILITY:** If any term, covenant or condition of this Lease or the application thereof to any person or circumstances shall to any extent be held invalid or unenforceable, the remainder of this Lease or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant and condition of this Lease shall be valid and enforced to the fullest extent permitted by law.

IN WITNESS WHEREOF, the parties hereto have executed this Lease under seal on the day and year first above written.

ATTEST

TENANT

I have been authorized by the Green Seal Board of Directors to execute this lease on behalf of the Corporation in my role as Executive Director and Corporate Secretary.

TENANT Green Seal, Inc.

BY:

227.01.
Norman L. Dean

LANDLORD:

Walton & Deborah Beacham

Elizabeth Albert
Witness

Walton Beacham
Walton Beacham

Deborah Beacham
Deborah Beacham

ATTACHMENT H

GREEN SEAL, INC.
1733 Connecticut Avenue, N.W.
Washington, D.C. 20009
EIN 13-3553974

Form 1023

APPLICATION FOR RECOGNITION OF EXEMPTION

Part II, Question 11a

Product Testing:

Green Seal will charge a processing fee for each product tested under approved Product Category Standards. The fee will be set at a level to cover the direct expenses of the technical staff, the expenses of the Environmental Standards Council, and a proportionate share of 30% of the Administrative expenses. The cost of outside testing facilities will be paid directly by the manufacturers. This will enable the technical staff to design a testing program to match the complexities of a particular product category.

Product Licensing:

Green Seal will charge an annual fee under licensing agreements for the use of the Seal by manufacturers on their products and in their advertising and promotion. The basis for the licensing fee has not yet finally been determined. The label use fees will be on a sliding scale. Among the alternatives being considered are fees based upon the size of the company or the revenues generated by the product. Initial licenses will be

valid for two or three years, with annual renewals thereafter.
Label use fees will be reconsidered each year.

Fee schedules for testing or licensing have not yet been
finalized.

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.

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 (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 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)(v) |
| (i) <input checked="" 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?
 No—You must request an advance ruling by completing and signing 2 Forms 872-C and attaching them to your application.
 Yes—Indicate whether you are requesting:
 A definitive ruling (Answer question 11 through and including question 14.)
 An advance ruling (Answer questions 11 and 14 and attach 2 Forms 872-C completed and signed.)

- 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 each such grant.

N/A

- 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 person who is a "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, and if so, complete the required schedule. (Submit only those schedules, if any, 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 10/1/89 to 9/30/90 | (b) 1991 | (c) 1992 | (d) 1993 | |
| Revenue | | | | | |
| 1 Gifts, grants, and contributions received (not including unusual grants—see instructions) | \$269,036 | \$566,474 | 200,000 | | |
| 2 Membership fees received | -0- | -0- | -0- | | |
| 3 Gross investment income (see instructions for definition) | -0- | -0- | -0- | | |
| 4 Net income from organization's unrelated business activities not included on line 3 | -0- | -0- | -0- | | |
| 5 Tax revenues levied for and either paid to or spent on behalf of the organization | -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- | | |
| 7 Other income (not including gain or loss from sale of capital assets) (attach schedule) | -0- | -0- | -0- | | |
| 8 Total of lines 1 through 7 | \$269,036 | \$566,474 | 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- | \$390,000 | \$1,340,000 | | |
| 10 Total of lines 8 and 9 | \$269,036 | \$956,474 | \$1,540,000 | | |
| 11 Gain or loss from sale of capital assets (attach schedule) | -0- | -0- | -0- | | |
| 12 Unusual grants | -0- | -0- | -0- | | |
| 13 Total revenue (add lines 10 through 12) | \$269,036 | \$956,474 | \$1,540,000 | | |
| Expenses | | | | | |
| 14 Fundraising expenses | -0- | -0- | -0- | | |
| 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) . see attachment I | \$94,650 | \$160,000 | \$169,600 | | |
| 18 Other salaries and wages | \$136,686 | \$419,304 | \$744,019 | | |
| 19 Interest | -0- | -0- | -0- | | |
| 20 Occupancy (rent, utilities, etc.) | \$13,960 | \$35,825 | \$90,000 | | |
| 21 Depreciation and depletion | -0- | -0- | -0- | | |
| 22 Other (attach schedule) * | \$98,740 | \$341,345 | \$520,000 | | |
| 23 Total expenses | \$344,036 | \$956,474 | \$1,523,619 | | |
| 24 Excess of revenue over expenses (line 13 minus line 23) | (75,000) | -0- | \$16,381 | | |

ATTACHMENT I

GREEN SEAL, INC.
1733 Connecticut Avenue, N.W.
Washington, D.C. 20009
EIN 13-3553974

Form 1023

APPLICATION FOR RECOGNITION OF EXEMPTION

Part IV(A) Line 17 - COMPENSATION OF OFFICERS, DIRECTORS
AND TRUSTEES

| | FYE <u>9/30/90</u> | FYE <u>9/30/91</u> | FYE <u>9/30/92</u> |
|----------------------------------------------|-----------------------|-----------------------|-----------------------|
| Chairman/CEO (D. Hayes) | \$35,275 | \$85,000 | \$90,100 |
| Executive Director (N. Dean) | 37,500 | 75,000 | 79,500 |
| Former Executive Director (D. Collins) | 21,875 | -0- | -0- |
| Total | \$94,650 | \$160,000 | \$169,600 |

ATTACHMENT J
GREEN SEAL, INC.
1733 Connecticut Avenue, N.W.
Washington, D.C. 20009
EIN 13-3553974

FORM 1023
APPLICATION FOR RECOGNITION OF EXEMPTION

Part IV(A) Line 22

| | FYE 9/30/90 | FYE 9/30/91 | FYE 9/30/92 |
|-----------------------|-------------|-------------|-------------|
| Office Equip/Furn. | \$21,795 | \$39,595 | \$60,000 |
| Promotion/Advsg | \$306 | \$150,000 | \$200,000 |
| Travel | \$31,268 | \$75,000 | \$125,000 |
| Entertainment | \$5,258 | \$8,000 | \$10,000 |
| Copy/Printing | \$2,092 | \$6,000 | \$12,000 |
| Telephone/Fax | \$8,609 | \$24,750 | \$40,000 |
| Office Supplies | \$3,010 | \$7,000 | \$14,000 |
| Postage Delivery | \$2,255 | \$7,000 | \$14,000 |
| Library Subscriptions | \$3,223 | \$6,000 | \$12,000 |
| Insurance | \$7,500 | \$8,000 | \$12,000 |
| Seminars | \$4,160 | \$4,000 | \$9,000 |
| Recruitment | \$5,664 | \$0 | \$4,000 |
| Miscellaneous | \$3,600 | \$8,000 | \$8,000 |
| Total Administrative | \$98,740 | \$341,345 | \$520,000 |

Part IV Financial Data (Continued)

B.—Balance Sheet (at the end of the period shown)

Current tax year
Date 4/30/90

| Assets | | |
|-----------------------------|----------------------------------------------------------------------------------------------|------------------|
| 1 | Cash | \$ 70,311 |
| 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 | \$ 70,311 |
| Liabilities | | |
| 12 | Accounts payable | -0- |
| 13 | Contributions, gifts, grants, etc., payable | -0- |
| 14 | Mortgages and notes payable (attach schedule) See Attachment K | (75,000) |
| 15 | Other liabilities (attach schedule) | -0- |
| 16 | Total liabilities | (75,000) |
| Fund Balances or Net Assets | | |
| 17 | Total fund balances or net assets | 70,311 |
| 18 | Total liabilities and fund balances or net assets (add line 16 and line 17) | (\$4,689) |

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

ATTACHMENT K

GREEN SEAL, INC.
1733 Connecticut Avenue, N.W.
Washington, D.C. 20009
EIN 13-3553974

Form 1023

APPLICATION FOR RECOGNITION OF EXEMPTION

Part IV(B) Line 14 - MORTGAGES AND NOTES PAYABLE

Green Seal has a note outstanding to Rena M. Shulsky for a non-interest bearing demand loan in the amount of \$75,000. A copy of the note is attached hereto.

PROMISSORY NOTE
due March 1, 1993

\$75,000

March 9, 1990

FOR VALUE RECEIVED, Green Seal, Inc., a corporation duly organized and existing under the laws of the State of Delaware, with a place of business at 30 Irving Place, New York, New York, hereby promises to pay on March 1, 1993, to the order of Rena Shulsky of 1265 Beacon Street, Brookline, Massachusetts 02146, Seventy-Five Thousand Dollars (\$75,000), in lawful money of the United States of America, in immediately available funds. This note shall bear no interest.

This note shall be governed by and construed in accordance with the laws of the State of New York. This note shall be binding upon the successors and assigns of Green Seal, Inc., and inure to the benefit of Rena Shulsky, her successors and assigns.

IN WITNESS WHEREOF, Green Seal, Inc., has caused this note to be executed by its duly authorized officers.

GREEN SEAL, INC.

By: Rena M. Shulsky President
Title: President

By: David Locker

Title: Vice President & Treasurer

David B. Quaker V.P.

David G. Hays, Chair & CEO

Alan F. King, Director

Arthur J. McCall, Dir.

| | | |
|-----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|
| Form 872-C (Rev. 12-89) | Department of the Treasury—Internal Revenue Service Consent Fixing Period of Limitation Upon Assessment of Tax Under Section 4940 of the Internal Revenue Code (See instructions on reverse side.) | OMB No. 1545-0056 |
| | | To be used with Form 1023. Submit in duplicate. |

Under section 6501(c)(4) of the Internal Revenue Code, and as part of a request filed with Form 1023 that the organization named below be treated as a publicly supported organization under section 170(b)(1)(A)(vi) or section 509(a)(2) during an advance ruling period.

GREEN SEAL, INC.

(Exact legal name of organization as shown in organizing document)

1733 Connecticut Avenue, N.W.
 Washington, D.C. 20009

(Number, street, city or town, state, and ZIP code)

} and the District Director of
 Internal Revenue, or
 Assistant Commissioner
 (Employee Plans and
 Exempt Organizations)

Consent and agree that the period for assessing tax (imposed under section 4940 of the Code) for any of the 5 tax years in the advance ruling period will extend 8 years, 4 months, and 15 days beyond the end of the first tax year.

However, if a notice of deficiency in tax for any of these years is sent to the organization before the period expires, the time for making an assessment will be further extended by the number of days the assessment is prohibited, plus 60 days.

Ending date of first tax year September 30, 1990
(Month, day, and year)

| | | |
|-----------------------------------------------------------------------------------------------------------|--|-----------------------------------------------|
| Name of organization (as shown in organizing document) GREEN SEAL, INC. | | Date <u>5/3/90</u> |
| Officer or trustee having authority to sign Signature ▶ <u>David S. Locker</u> | | David S. Locker Vice President & Treasurer |
| For IRS use only District Director or Assistant Commissioner (Employee Plans and Exempt Organizations) | | Date |

By ▶

| | | |
|-----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|
| Form 872-C (Rev. 12-89) | Department of the Treasury—Internal Revenue Service Consent Fixing Period of Limitation Upon Assessment of Tax Under Section 4940 of the Internal Revenue Code (See instructions on reverse side.) | OMB No. 1545-0056 To be used with Form 1023. Submit in duplicate. |
|-----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|

Under section 6501(c)(4) of the Internal Revenue Code, and as part of a request filed with Form 1023 that the organization named below be treated as a publicly supported organization under section 170(b)(1)(A)(vi) or section 509(a)(2) during an advance ruling period,

GREEN SEAL, INC.

(Exact legal name of organization as shown in organizing document)

**1733 Connecticut Avenue, N.W.
 Washington, D.C. 20009**

(Number, street, city or town, state, and ZIP code)

} and the District Director of
 Internal Revenue, or
 Assistant Commissioner
 (Employee Plans and
 Exempt Organizations)

Consent and agree that the period for assessing tax (imposed under section 4940 of the Code) for any of the 5 tax years in the advance ruling period will extend 8 years, 4 months, and 15 days beyond the end of the first tax year.

However, if a notice of deficiency in tax for any of these years is sent to the organization before the period expires, the time for making an assessment will be further extended by the number of days the assessment is prohibited, plus 60 days.

Ending date of first tax year September 30, 1990
(Month, day, and year)

| | |
|---------------------------------------------------------------------------------------|----------------------------------------------------------------------------|
| Name of organization (as shown in organizing document) | Date |
| GREEN SEAL, INC. | 5/3/90 |
| Officer or trustee having authority to sign | |
| Signature ▶ <i>David S. Locker</i> | David S. Locker Vice President & Treasurer |
| For IRS use only | |
| District Director or Assistant Commissioner (Employee Plans and Exempt Organizations) | Date |
| | |

By ▶

| | | |
|-----------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|
| Form 872-C (Rev. 12-89) | Department of the Treasury—Internal Revenue Service | OMB No. 1545-0056 |
| | Consent Fixing Period of Limitation Upon Assessment of Tax Under Section 4940 of the Internal Revenue Code (See instructions on reverse side.) | To be used with Form 1023. Submit in duplicate. |

Under section 6501(c)(4) of the Internal Revenue Code, and as part of a request filed with Form 1023 that the organization named below be treated as a publicly supported organization under section 170(b)(1)(A)(vi) or section 509(a)(2) during an advance ruling period.

GREEN SEAL, INC.

(Exact legal name of organization as shown in organizing document)

**1733 Connecticut Avenue, N.W.
Washington, D.C. 20009**

(Number, street, city or town, state, and ZIP code)

} and the District Director of Internal Revenue, or Assistant Commissioner (Employee Plans and Exempt Organizations)

Consent and agree that the period for assessing tax (imposed under section 4940 of the Code) for any of the 5 tax years in the advance ruling period will extend 8 years, 4 months, and 15 days beyond the end of the first tax year.

However, if a notice of deficiency in tax for any of these years is sent to the organization before the period expires, the time for making an assessment will be further extended by the number of days the assessment is prohibited, plus 60 days.

Ending date of first tax year September 30, 1990
(Month, day, and year)

| | |
|---------------------------------------------------------------------------------------|---------------------------------------|
| Name of organization (as shown in organizing document) | Date |
| GREEN SEAL, INC. | 5/3/90 |
| Officer or trustee having authority to sign | David S. Locker |
| Signature ▶ <i>David S. Locker</i> | Vice President & Treasurer |
| For IRS use only | |
| District Director or Assistant Commissioner (Employee Plans and Exempt Organizations) | Date |
| | |

By ▶

| | | |
|-----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|
| Form 872-C (Rev. 12-89) | Department of the Treasury—Internal Revenue Service Consent Fixing Period of Limitation Upon Assessment of Tax Under Section 4940 of the Internal Revenue Code (See instructions on reverse side.) | OMB No. 1545-0056 To be used with Form 1023. Submit in duplicate. |
|-----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|

Under section 6501(c)(4) of the Internal Revenue Code, and as part of a request filed with Form 1023 that the organization named below be treated as a publicly supported organization under section 170(b)(1)(A)(vi) or section 509(a)(2) during an advance ruling period,

GREEN SEAL, INC.

(Exact legal name of organization as shown in organizing document)

**1733 Connecticut Avenue, N.W.
 Washington, D.C. 20009**

(Number, street, city or town, state, and ZIP code)

} and the District Director of
 Internal Revenue, or
 Assistant Commissioner
 (Employee Plans and
 Exempt Organizations)

Consent and agree that the period for assessing tax (imposed under section 4940 of the Code) for any of the 5 tax years in the advance ruling period will extend 8 years, 4 months, and 15 days beyond the end of the first tax year.

However, if a notice of deficiency in tax for any of these years is sent to the organization before the period expires, the time for making an assessment will be further extended by the number of days the assessment is prohibited, plus 60 days.

Ending date of first tax year September 30, 1990
(Month, day, and year)

| | |
|---------------------------------------------------------------------------------------|---------------------------------------|
| Name of organization (as shown in organizing document) | Date |
| GREEN SEAL, INC. | 5/3/90 |
| Officer or trustee having authority to sign | David S. Locker |
| Signature ▶ <i>David S. Locker</i> | Vice President & Treasurer |
| For IRS use only | |
| District Director or Assistant Commissioner (Employee Plans and Exempt Organizations) | Date |
| | |

By ▶

Exhibit 2

Form 2848

(Rev. February 1988)

Department of the Treasury
Internal Revenue Service

Power of Attorney and Declaration of Representative

▶ See separate instructions.

OMB No. 1545-0157
Expires: 12-31-90

Part I Power of Attorney

For IRS Use Only

| | | | | | |
|----------------------|---------------------------------------------------------------------|-----------------------------------------------------|-----------|--|--|
| Please type or print | Taxpayer(s) name(s) GREEN SEAL, INC. | Taxpayer identification number 13-3553974 | File So. | | |
| | Address (number and street) 1733 Connecticut Avenue, N.W. | Plan number (if applicable) | Level | | |
| | City, state, and ZIP code Washington, D.C. 20009 | Telephone number (202) 328-8095 | Receipt | | |
| | | | Powers | | |
| | | | Blind T. | | |
| | | | Action | | |
| | | | Ret. Ind. | | |

hereby appoint(s) the following individual(s)*

| Name | CAF Number | Address | New Address | Telephone Number |
|-----------------------|-------------|---------------------------------|-------------|------------------|
| Evelyn M. Capassakis | 2005-16620R | Reid & Priest | | 212-603-2513 |
| Douglas F. Allen, Jr. | | 40 West 57th Street, 30th Floor | | 212-603-2560 |
| Stanley S. Weithorn | 2005-01526R | New York, New York 10009 | | 212-603-2030 |

as attorney(s)-in-fact to represent the taxpayer(s) before any office of the Internal Revenue Service for the following tax matter(s) (specify the type(s) of tax and year(s) or period(s) (date of death if estate tax)):

| Type of tax (Individual, corporate, etc.) | Federal tax form number (1040, 1120, etc.) | Year(s) or period(s) (Date of death if estate tax) |
|--------------------------------------------------------------------------|--------------------------------------------------|-------------------------------------------------------|
| Application for tax-exempt status and all matters relating thereto | 1023 | N/A |

The attorney(s)-in-fact (or either of them) are authorized, subject to revocation, to receive confidential information and to perform any all acts that the principal(s) can perform with respect to the above specified tax matters (excluding the power to receive refund checks and the power to sign the return, unless specifically granted below). See Regulations section 1.6012-1(a)(5) for information on returns made by agents. (List excludable powers below. Indicate if you are granting the power to sign the return.)

- Send originals of all notices and all other written communications in proceedings involving the above tax matters to the appointee first named above, and a duplicate copy of all notices and all other written communications to the taxpayer named above, or
- Send copies of all notices and all other written communications addressed to the taxpayer(s) in proceedings involving the above tax matters to:
- the appointee first named above, or
 - (names of not more than two of the appointees named above)

- Initial here ▶ if you are granting the power to receive, but not to endorse or cash, refund checks for the above tax matters to :
- the appointee first named above, or
 - (name of one of the above designated appointees) ▶

This power of attorney revokes all earlier powers of attorney and tax information authorizations on file with the Internal Revenue Service for the same tax matters and years or periods covered by this power of attorney, except the following:

(Specify to whom granted, date, and address including ZIP code, or refer to attached copies of earlier powers and authorizations.)

Signature of or for taxpayer(s)

(If signed by a corporate officer, partner, or fiduciary on behalf of the taxpayer, I certify that I have the authority to execute this power of attorney on behalf of the taxpayer.)

David S. Locker
(Signature)

Vice
President & Treasurer

(Title, if applicable)

5/3/90
(Date)

(Also type or print your name below if signing for a taxpayer who is not an individual.)

David S. Locker

(Signature)

(Title, if applicable)

(Date)

* You may authorize an organization, firm, or partnership to receive confidential information, but your representative must be an individual who must complete Part II.

For Privacy Act and Paperwork Reduction Act Notices, see page 1 of the separate instructions.

Form 2848 (Rev. 2-88)

If the power of attorney is granted to a person other than an attorney, certified public accountant, enrolled agent, or enrolled actuary, the taxpayer(s) signature must be witnessed or notarized below. (The representative must complete Part II. List representatives there only if they are recognized to practice before the Internal Revenue Service.)

The person(s) signing as or for the taxpayer(s): (Check and complete one.)

is/are known to and signed in the presence of the two disinterested witnesses whose signatures appear here:

 (Signature of Witness) (Date)

 (Signature of Witness) (Date)

appeared this day before a notary public and acknowledged this power of attorney as a voluntary act and deed.

Witness: ----- NOTARIAL SEAL
 (Signature of Notary) (Date) (if required by state law)

Part II Declaration of Representative

I declare that I am not currently under suspension or disbarment from practice before the Internal Revenue Service; that I am aware of Treasury Department Circular No. 230 (31 CFR, Part 10), as amended, regulations governing the practice of attorneys, certified public accountants, enrolled agents, enrolled actuaries, and others; and that I am one of the following:

- a a member in good standing of the bar of the highest court of the jurisdiction shown below;
- b duly qualified to practice as a certified public accountant in the jurisdiction shown below;
- c enrolled as an agent under the requirements of Treasury Department Circular No. 230;
- d a bona fide officer of the taxpayer organization;
- e a full-time employee of the taxpayer;
 - a member of the taxpayer's immediate family (spouse, parent, child, brother or sister);
 - a fiduciary for the taxpayer;
- h an enrolled actuary (the authority of an enrolled actuary to practice before the Service is limited by section 10.3(d)(1) of Treasury Department Circular No. 230);
- i Commissioner's special authorization (see instructions for Part II, item i) -----

and that I am authorized to represent the taxpayer identified in Part I for the tax matters specified there.

| Designation (insert appropriate letter from above list) | Jurisdiction (state, etc.) or Enrollment Card Number | Signature | Date |
|---------------------------------------------------------------|------------------------------------------------------------|-----------------------------|--------|
| a | NY | <i>Guadalupe M. Agassal</i> | 4/6/90 |
| a | NY | <i>Dorothy E. Fall</i> | 4/6/90 |
| a | NY | <i>[Signature]</i> | 4/5/90 |
| | | | |
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Form **8718**
(Rev. January 1989)
Department of the Treasury
Internal Revenue Service

User Fee for Exempt Organization Determination Letter Request

For IRS Use Only

Control number _____
Amount paid _____
User fee screener _____

▶ Attach to determination letter applications.

1 Name of organization **GREEN SEAL, INC.**

2 Type of request (check only one box and include a check or money order made payable to Internal Revenue Service for the amount of the indicated fee):

- a Initial request for recognition of tax-exempt status under section 501(a) (except a section 401(a) trust) by an organization whose gross receipts have not exceeded (or are not expected to exceed) \$10,000 annually, averaged over its first four taxable years. If you check this box you must complete the income certification below \$ 150

Certification

I hereby certify that the gross receipts of _____ (enter name of organization) have not exceeded (or are not expected to exceed) \$10,000 annually, averaged over its first four years of operation.

Signature ▶ _____ Title _____

- b All other initial requests for recognition of tax-exempt status under section 501(a) or 521 (except a section 401(a) trust) \$ 300
- c Private foundation which has completed a section 507 termination and which seeks a determination letter that it is now a public charity. \$ 200

Instructions

The Revenue Act of 1987 requires payment of a user fee for determination letter requests submitted to the Internal Revenue Service. The fee must accompany each request submitted to a key district office.

The fee for each type of request for an exempt organization determination letter is listed in item 2 of this form. Check the block that describes the type of request you are submitting, and attach this form to the front of your request form along with a check or money order for the amount indicated. Make the check or money order payable to the Internal Revenue Service.

Determination letter requests received with no payment or with an insufficient payment will be returned to the applicant for submission of the proper fee. To avoid delays in receiving a determination letter,

be sure that your application is sent to the applicable address shown below. These addresses supersede the addresses listed in Publication 557 and all application forms.

| If entity is in this IRS District | Send fee and request for determination letter to this address | | |
|---------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|
| Brooklyn, Albany, Augusta, Boston, Buffalo, Burlington, Hartford, Manhattan, Portsmouth, Providence | Internal Revenue Service EP/EO Division P. O. Box 1680, GPO Brooklyn, NY 11202 | Dallas, Albuquerque, Austin, Cheyenne, Denver, Houston, Oklahoma City, Phoenix, Salt Lake City, Wichita | Internal Revenue Service EP/EO Division Mail Code 4950 DAL 1100 Commerce Street Dallas, TX 75242 |
| Baltimore, District of Columbia, Pittsburgh, Richmond, Newark, Philadelphia, Wilmington, any U.S. possession or foreign country | Internal Revenue Service EP/EO Division P. O. Box 17010 Baltimore, MD 21203 | Atlanta, Birmingham, Columbia, Ft. Lauderdale, Greensboro, Jackson, Jacksonville, Little Rock, Nashville, New Orleans | Internal Revenue Service EP/EO Division C-1130 Atlanta, GA 30301 |
| Cincinnati, Cleveland, Detroit, Indianapolis, Louisville, Parkersburg | Internal Revenue Service EP/EO Division P. O. Box 3159 Cincinnati, OH 45201 | Anchorage, Las Vegas, Boise, Los Angeles, Honolulu, Portland, Laguna Niguel, San Jose, Seattle | Internal Revenue Service EO Application Receiving Room 5127, P. O. Box 486 Los Angeles, CA 90053-0486 |
| | | Sacramento, San Francisco | Internal Revenue Service EO Application Receiving Stop SF 4446 P. O. Box 36001 San Francisco, CA 94102 |
| | | Chicago, Aberdeen, Des Moines, Fargo, Helena, Milwaukee, Omaha, St. Louis, St. Paul, Springfield | Internal Revenue Service EP/EO Division 230 S. Dearborn DPN 20-5 Chicago, IL 60604 |

Attach Check or Money Order Here

[The next page is 3981.]