

Application for Recognition of Exemption

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

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

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

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

Part I—Identification

| | | | |
|---|---|--|--|
| 1 Full name of organization Zimmer Foundation | | 2 Employer identification number (If none, attach Form SS-4) 38-2335996 | |
| 3(a) Address (number and street) 6175 Jackson Road | | Check here if applying under section: <input type="checkbox"/> 501(e) <input type="checkbox"/> 501(f) | |
| 3(b) City or town, State, and ZIP code Ann Arbor, Michigan 48103 | | 4 Name and phone number of person to be contacted Edward F. Zimmer (313) 663-8000 | |
| 5 Month the annual accounting period ends September | 6 Date incorporated or formed December 9, 1980 | 7 Activity codes 059 | |

8(a) Has the organization filed Federal income tax returns? Yes No
If "Yes," state the form number(s), year(s) filed, and Internal Revenue office where filed ▶

8(b) Has the organization filed exempt organization information returns? Yes No
If "Yes," state the form number(s), year(s) filed, and Internal Revenue office where filed ▶ ..990..PF..year..ended....
September 30, 1981, Cincinnati, Ohio

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

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

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

Part III.—Activities and Operational Information

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

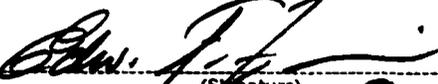
The organization's source of financial support shall be contributions made by Edward F. Zimmer

CLIENT COPY
Weiman, Carney & Greenbaum
Certified Public Accountants

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

There will be no fund-raising program for the organization.

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



 (Signature)
 Edward F. Zimmer

 Trustee
 (Title or authority of signer)

 2/10/82
 (Date)

Part III.—Activities and Operational Information (Continued)

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

See attached Exhibit B.

| 4 The membership of the organization's governing body is: | |
|---|--|
| (a) Names, addresses, and duties of officers, directors, trustees, etc. | (b) Specialized knowledge, training, expertise, or particular qualifications |
| See attached Exhibit C. | |

Part III.—Activities and Operational Information (Continued)

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

(d) Are any members of the organization's governing body "disqualified persons" with respect to the organization (other than by reason of being a member of the governing body) or do any of the members have either a business or family relationship with "disqualified persons?" (See specific instruction 4(d).) . . Yes No
If "Yes," explain. Edward F. Zimmer is a substantial contributor, in that he has contributed more than \$5,000 and the contribution amounted to more than 2% of the total contributions and bequests received by the foundation from the time of its creation to the date of this application.*

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

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

5 Does the organization control or is it controlled by any other organization? Yes No
Is the organization the outgrowth of another organization, or does it have a special relationship to another organization by reason of interlocking directorates or other factors? Yes No
If either of these questions is answered "Yes," explain. Edward F. Zimmer is currently the owner of 50% of the stock of Ann Arbor Terminals, Inc. and is a Director of that corporation. Ann Arbor Terminals, Inc. is allowing the Zimmer Foundation to use space & secretarial service without charge and will continue to do so.

6 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.

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

(b) To what extent have you used, or do you plan to use contributions as an endowment fund, i.e., hold contributions to produce income for the support of your exempt activities? The exempt activities will be supported with all of the income actually produced by the contributions, as well as a portion of the principal contributions.

8 (a) What benefits, services, or products will the organization provide that are related to its exempt function?
See Part III, Line 3, Page 2.

* Sharon L. Zimmer and Kurt E. Zimmer are lineal descendants of Edward F. Zimmer.

Part III.—Activities and Operational Information (Continued)

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

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

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

- (a) Describe the organization's membership requirements and attach a schedule of membership fees and dues. The original member is Edward F. Zimmer, the first contributor. Additional members of the Corporation are those admitted as members in the discretion of the Board of Trustees.
(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. There is no present or proposed effort to attract members.
(c) Are benefits, services, or products limited to members? Yes No
If "No," explain. The only purpose in having members is to fulfill the formalities of Michigan Non-Profit Organization Law. The charitable, educational and scientific activities are to be carried on for the benefit of the public at large.

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

12 Does the organization have a pension plan for employees? Yes No

- 13 (a) Are you filing Form 1023 within 15 months from the end of the month in which you were created or formed as required by section 508(a) and the related Regulations? (See general instructions.) . . Yes No
(b) If you answer "No," to 13(a) and you claim that you fit an exception to the notice requirements under section 508(a), attach an explanation of your basis for the claimed exception.
(c) If you answer "No," to 13(a) and section 508(a) does apply to you, you may be eligible for relief under section 1.9100 of the Income Tax Regulations from the application of section 508(a). Do you wish to request relief? Yes No
(d) If you answer "Yes," to 13(c) attach a detailed statement that satisfies the requirements of Rev. Proc. 79-63.
(e) If you answer "No," to both 13(a) and 13(c) and section 508(a) does apply to you, your exemption can be recognized only from the date this application is filed with your key District Director. Therefore, do you want us to consider your application as a request for recognition of exemption from the date the application is received and not retroactively to the date you were formed? Yes No

Part IV.—Statement as to Private Foundation Status

- 1 Is the organization a private foundation? Yes No
2 If you answer "Yes," to question 1 and the organization claims to be a private operating foundation, check here and complete Part VIII.
3 If you answer "No," to question 1 indicate the type of ruling you are requesting regarding the organization's status under section 509 by checking the box(es) that apply below:
(a) Definitive ruling under section 509(a)(1), (2), (3), or (4) ▶ . Complete Part VII.
(b) Advance ruling under section ▶ 170(b)(1)(A)(vi) or ▶ 509(a)(2)—see instructions.
(c) Extended advance ruling under section ▶ 170(b)(1)(A)(vi) or ▶ 509(a)(2)—see instructions.
(Note: If you want an extended advance ruling you must check the appropriate boxes for both 3(b) and 3(c).)

Statement of Support, Revenue, and Expenses for period ending September 30, 1981

| | | | | |
|---------------------|---|--|---------|---------|
| Support and Revenue | 1 | Gross contributions, gifts, grants, and similar amounts received | 1 | 132,000 |
| | 2 | Gross dues and assessments of members | 2 | |
| | 3 | (a) Gross amounts derived from activities related to organization's exempt purpose | 3 | |
| | | (b) Minus cost of sales | | |
| | 4 | (a) Gross amounts from unrelated business activities | 4 | |
| | | (b) Minus cost of sales | | |
| | 5 | (a) Gross amount received from sale of assets, excluding inventory items (attach schedule) | 5 | |
| | (b) Minus cost or other basis and sales expenses of assets sold | | | |
| 6 | Investment income (see instructions) | 6 | 17,489 | |
| 7 | Total support and revenue | 7 | 149,489 | |
| Expenses | 8 | Fund raising expenses | 8 | |
| | 9 | Contributions, gifts, grants, and similar amounts paid (attach schedule) | 9 | |
| | 10 | Disbursements to or for benefit of members (attach schedule) | 10 | |
| | 11 | Compensation of officers, directors, and trustees (attach schedule) | 11 | |
| | 12 | Other salaries and wages | 12 | 11,846 |
| | 13 | Interest | 13 | |
| | 14 | Rent | 14 | |
| | 15 | Depreciation and depletion | 15 | |
| | 16 | Other (attach schedule) | 16 | 13,762 |
| | 17 | Total expenses | 17 | 25,608 |
| | 18 | Excess of support and revenue over expenses (line 7 minus line 17) | 18 | 123,881 |

| Balance Sheets | | Enter dates ▶ | Beginning date N/A | Ending date Sept. 30, 1981 |
|----------------------------|---|------------------------|-----------------------|-------------------------------|
| Assets | | | | |
| 19 | Cash (a) Interest bearing accounts | 12. | | 130,153 |
| | (b) Other | | 19 | |
| 20 | Accounts receivable, net | | 20 | |
| 21 | Inventories | | 21 | |
| 22 | Bonds and notes (attach schedule) | | 22 | |
| 23 | Corporate stocks (attach schedule) | | 23 | |
| 24 | Mortgage loans (attach schedule) | | 24 | |
| 25 | Other investments (attach schedule) | | 25 | |
| 26 | Depreciable and depletable assets (attach schedule) | | 26 | |
| 27 | Land | | 27 | |
| 28 | Other assets (attach schedule) | | 28 | |
| 29 | Total assets | | 29 | 130,153 |
| Liabilities | | | | |
| 30 | Accounts payable | | 30 | 6,185 |
| 31 | Contributions, gifts, grants, etc., payable | | 31 | |
| 32 | Mortgages and notes payable (attach schedule) | | 32 | |
| 33 | Other liabilities (attach schedules) | Employees' withholding | 33 | 87 |
| 34 | Total liabilities | | 34 | 6,272 |
| Fund Balances or Net Worth | | | | |
| 35 | Total fund balances or net worth | | 35 | 123,881 |
| 36 | Total liabilities and fund balances or net worth (line 34 plus line 35) | | 36 | 130,153 |

Has there been any substantial change in any aspect of your financial activities since the period ending date shown above? Yes No
 If "Yes," attach a detailed explanation.

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

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

If the organization—

- (a) bases its claim to private operating foundation status on normal and regular operations over a period of years; or
- (b) is newly created, set up as a private operating foundation, and has at least one year's experience;

provide the information under the income test and under one of the three supplemental tests (assets, endowment, or support). If the organization does not have at least one year's experience, complete line 21. If the organization's private operating foundation status depends on its normal and regular operations as described in (a) above, attach a schedule similar to the one below showing the data in tabular form for the three years next preceding the most recent tax year.

| Income Test | Most recent tax year |
|--|--|
| 1 Adjusted net income, as defined in section 4942(f) | 17,489 |
| 2 Qualifying distributions: | |
| (a) Amounts (including administrative expenses) paid directly for the active conduct of the activities for which organized and operated under section 501(c)(3) (attach schedule) | 18,061 |
| (b) Amounts paid to acquire assets to be used (or held for use) directly in carrying out purposes described in sections 170(c)(1) or 170(c)(2)(B) (attach schedule) | - |
| (c) Amounts set aside for specific projects which are for purposes described in section 170(c)(1) or 170(c)(2)(B) (attach schedule) | - |
| (d) Total qualifying distributions (add lines 2(a), (b), and (c)) | 18,061 |
| 3 Percentage of qualifying distributions to adjusted net income (divide line 2(d) by line 1—percentage must be at least 85%) | 103 % |
| Assets Test | |
| 4 Value of organization's assets used in activities that directly carry out the exempt purposes. Do not include assets held merely for investment or production of income (attach schedule) | |
| 5 Value of any stock of a corporation that is controlled by applicant organization and carries out its exempt purposes (attach statement describing corporation) | |
| 6 Value of all qualifying assets (add lines 4 and 5) | |
| 7 Value of applicant organization's total assets | |
| 8 Percentage of qualifying assets to total assets (divide line 6 by line 7—percentage must exceed 65%) | % |
| Endowment Test | |
| 9 Value of assets not used (or held for use) directly in carrying out exempt purposes: | |
| (a) Monthly average of investment securities at fair market value | 131,000 |
| (b) Monthly average of cash balances | - |
| (c) Fair market value of all other investment property (attach schedule) | 131,000 |
| (d) Total (add lines 9(a), (b), and (c)) | - |
| 10 Subtract acquisition indebtedness related to line 9 items (attach schedule) | 131,000 |
| 11 Balance (subtract line 10 from line 9(d)) | 4,366 |
| 12 For years beginning on or after January 1, 1976, multiply line 11 by a factor of 3 1/3% (2/3 of the applicable percentage for the minimum investment return computation under section 4942(e)). Line 2(d) above must equal or exceed the result of this computation | 4,366 |
| Support Test | |
| 13 Applicant organization's support as defined in section 509(d) | |
| 14 Subtract amount of gross investment income as defined in section 509(e) | |
| 15 Support for purposes of section 4942(j)(3)(B)(iii) (subtract line 14 from line 13) | |
| 16 Support received from the general public, five or more exempt organizations, or a combination of these sources (attach schedule) | |
| 17 For persons (other than exempt organizations) contributing more than 1% of line 15, enter the total amounts that are more than 1% of line 15 | |
| 18 Subtract line 17 from line 16 | |
| 19 Percentage of total support (divide line 18 by line 15—must be at least 85%) | % |
| 20 Does line 16 include support from an exempt organization that is more than 25% of the amount on line 15? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 21 Newly created organizations with less than one year's experience: Attach a statement explaining how the organization is planning to satisfy the requirements of section 4942(j)(3) for the income test and one of the supplemental tests during its first year's operation. Include a description of plans and arrangements, press clippings, public announcements, solicitations for funds, etc. | |

EXHIBIT A

PART II, PAGE I

FORM 1023

ZIMMER FOUNDATION

38-2335996

FILED

Date Received

DEC 9 1980

DEC 9 1980

Maria Vitkavage

DIRECTOR

MICHIGAN DEPARTMENT OF COMMERCE

Corporation Number

705-853

(SEE INSTRUCTIONS ON REVERSE SIDE)

(Non-Profit Domestic Corporations)

ARTICLES OF INCORPORATION

These Articles of Incorporation are signed by the incorporators for the purpose of forming a non-profit corporation pursuant to the provisions of Act 327, Public Acts of 1931, as amended, and Act 284, Public Acts of 1972, as amended, as follows:

ARTICLE I.

The name of the corporation is The Zimmer Foundation

ARTICLE II.

The purpose or purposes for which the corporation is organized are as follows:
(See Part 2 of Instructions)

The corporation is organized exclusively ^{to receive and administer funds} /for charitable, educational and scientific purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1954, as amended, or the corresponding provisions of any future U.S. Internal Revenue Law.

"EXHIBIT A"

aw

ARTICLE III

Said corporation is organized upon a non-stock basis.
(Stock-share or non-stock)

(a)

(If upon a stock-share basis fill in the following)

The total number of shares of stock which the corporation shall have authority to issue is _____
of the par value of \$ _____ per share.

A statement of all or any of the designations and the powers, preferences and rights, and the qualifications, limitations or restrictions thereof is as follows: _____

(b)

(If upon a non-stock basis strike out paragraph (a) above and fill in the following)

The amount of assets which said corporation possesses is:

*Real Property: (Give description and value. If none, insert "none".) None

*Personal Property: (Give description and value. If none, insert "none".) Cash - One Hundred Thirty-Two Thousand Dollars

Said corporation is to be financed under the following general plan:

Private contributions

ARTICLE IV.

(1) The address of the initial registered office is (See part 3 of Instructions)

6175 Jackson Road, Ann Arbor, Michigan 48103
(No. and Street) (Town or City) (Zip Code)

(2) The mailing address of the initial registered office is (need not be completed unless different from the above address—See part 2 of Instructions)

_____, Michigan _____
(No. and Street) (Town or City) (Zip Code)

(3) The name of the initial resident agent at the registered office is

Edward F. Zimmer

ARTICLE V.

The names and addresses of the incorporators are as follows:

(At least 3 incorporators are required; See Part 4 of Instructions)

Names

Residence or Business Address

James W. Collier, 400 Renaissance Center, 35th Floor, Detroit, MI. 48243
M. Teresa D'Arms, 400 Renaissance Center, 35th Floor, Detroit, MI. 48243
Nancy S. Martin, 400 Renaissance Center, 35th Floor, Detroit, MI. 48243

ARTICLE VI.

The names and addresses of the first board of directors (or trustees) are as follows:
(At least 3 directors or trustees are required; See Part 4 of Instructions)

Names

Residence or Business Address

Edward F. Zimmer, 6175 Jackson Road, Ann Arbor, Michigan 48103

Sharon L. Zimmer, 6175 Jackson Road, Ann Arbor, Michigan 48103

Kurt E. Zimmer, 6175 Jackson Road, Ann Arbor, Michigan 48103

ARTICLE VII.

(Here insert any desired additional provisions authorized by the Acts)

See Article VII attached hereto

These Articles of Incorporation are hereby signed by the incorporators on this 8 day of December, 1980.

James W. Cellie

Terra D Arms

Alan S. Martin

400 Renaissance Center, 35th Floor, Detroit

400 Renaissance Center, 35th Floor, Detroit

400 Renaissance Center, 35th Floor, Detroit