

BALLOT FOR PROPOSED ACTION

NAME OF CORPORATION: Bunnies In Baskets

This written ballot is a ballot for you to vote for or against the proposed action below. In order to meet quorum requirements, the corporation must receive 3 valid ballots. 100 % of these ballots are necessary in order to approve this proposed action.

PROPOSED ACTION:

Elect Board of Directors

I vote _____ FOR this action.

_____ AGAINST this action.

Please place an "X" or check mark by the choice above that reflects your vote. Place this ballot in the small envelope and sign and date the small envelope on the outside on the line indicated. Place the small envelope in the return envelope and mail or deliver it to the corporation. Your ballot must be received by 5:00 p.m. on 10/24, 2010 in order to be counted.

BALLOT FOR ELECTION OF DIRECTORS

NAME OF CORPORATION: Bunnies In Baskets

This written ballot is a ballot for you to vote for your choices for the Board of Directors. Vote for no more than 4 of the choices below by placing an "X" or check mark on the line to the left of your choices or by filling in a blank space. Blank spaces are for other nominees.

Nominees:

- Sharon McLoughlin
- Felicia Lewey
- Sarah Baran
- _____
- _____
- _____

In order to meet quorum requirements, the corporation must receive 3 valid ballots.

Place this ballot in the small envelope and sign and date the small envelope on the outside of the line indicated. Place the small envelope in the return envelope and mail or deliver it to the corporation. Your ballot must be received by 5:00 p.m. on 10/24/10, 2010, in order to be counted.

BALLOT FOR ELECTION OF DIRECTORS

NAME OF CORPORATION: Bunnies In Baskets

This written ballot is a ballot for you to vote for your choices for the Board of Directors. Vote for no more than 6 of the choices below by placing an "X" or check mark on the line to the left of your choices or by filling in a blank space. Blank spaces are for other nominees.

Nominees:

- Danette Atley
- Wendell Erickson
- Julie Koen
- Lucinda Bancroft
- Todd Baran
- Shannon Fischer

In order to meet quorum requirements, the corporation must receive 3 valid ballots.

Place this ballot in the small envelope and sign and date the small envelope on the outside of the line indicated. Place the small envelope in the return envelope and mail or deliver it to the corporation. Your ballot must be received by 5:00 p.m. on 10/24, 2010 in order to be counted.

Part IV

Narrative Description of Your Activities

Bunnies In Baskets

We "meet and greet" with seniors, adults, and children who may benefit from volunteer "bunny assisted interactions" for motivation or enhanced quality of life.

According to the American Veterinary Medical Association's guidelines for Animal Assisted Activity & Therapy Programs, Bunnies in Baskets interactions can provide emotional and physical health benefits for diverse human populations, including the elderly, children, physically handicapped, deaf, blind, emotionally or physically ill, and the incarcerated.

Visits are free and the content is spontaneous. Visits are as long or as short as necessary.

We offer free humane education opportunities for small or large groups and we support others who are interested in the therapy rabbit experience.

Veterinarians with rabbit experience routinely evaluate the medical and behavioral health of our rabbits. This evaluation includes a thorough physical examination, screening for selected infectious and parasitic diseases, evaluation of behavior and lifestyle factors, a reproductive health assessment (our bunnies are all spayed/neutered), and an evaluation for congenital diseases and/or conditions.

We carry our own liability insurance and consult American Veterinary Medical Association guidelines.

Part VI

Your Members and Other Individuals and Organizations That Receive Benefits From You

1a)

Services for Individuals

We "meet and greet" with seniors, adults, and children who may benefit from volunteer "bunny assisted interactions" for motivation or enhanced quality of life. We serve diverse human populations, including the elderly, children, physically handicapped, deaf, blind, emotionally or physically ill, and the incarcerated. Visits are free and the content is spontaneous. Visits are as long or as short as necessary.

1b)

Services for Organizations

We provide free humane education opportunities for small or large groups and we support others who are interested in the therapy rabbit experience.

Part VIII

Your Specific Activities *(Continued)*

4a

Fundraising Programs

We accept donations on our website, Bunniesinbaskets.org. We may advertise our services and website on Facebook in the future.

10

We intend to publish, own, or have rights in literature, presentation materials and/or other intellectual property created for Bunnies In Baskets. Bunnies in Baskets will own any copyrights or trademarks. Fees may be charged for literature to cover costs of production. Literature (including presentation materials) will be self-produced, and distributed/marketed online through the website.

Schedule D Notes

I provide free "bunny assisted interactions" (w/therapy rabbits) to people in senior communities, schools, humane societies and in the community. All of my services are free to the diverse public. There would be too many organizations to count here.

BALLOT FOR PROPOSED ACTION

NAME OF CORPORATION: Bunnies In Baskets

This written ballot is a ballot for you to vote for or against the proposed action below. In order to meet quorum requirements, the corporation must receive 3 valid ballots. 100 % of these ballots are necessary in order to approve this proposed action.

PROPOSED ACTION: Change Narrative (Part IV)
as written

I vote FOR this action.

AGAINST this action.

Please place an "X" or check mark by the choice above that reflects your vote. Place this ballot in the small envelope and sign and date the small envelope on the outside on the line indicated. Place the small envelope in the return envelope and mail or deliver it to the corporation. Your ballot must be received by 5:00 p.m. on Oct. 24, 2010 in order to be counted.

MINUTES OF FIRST MEETING OF BOARD OF DIRECTORS

NAME OF CORPORATION: Bunnies In Baskets

The initial meeting of the Board of Directors of the above corporation, an Oregon corporation, was held at Portland, Oregon, on August 11, 2010, at 4 .m., pursuant to a call for such meeting by Sarah A. Baran, the incorporator.

Present were the Directors listed on Attachment A, who constitute a quorum. Sarah Baran, Sharon McLaughlin, Felicia Lewey.

Todd Baran was absent.

By unanimous vote of the Board of Directors, Sarah Baran was chosen chairperson of the meeting and Felicia Lewey + Sharon McLaughlin was chosen to serve as Secretary of the meeting.

The Secretary presented to the meeting a Waiver of Notice of this meeting, signed by the initial Board of Directors of the corporation, and the Chairperson directed that such Waiver be attached to the minutes of the meeting.

The incorporator reported that the Articles of Incorporation have been filed in the appropriate state office for the state of Oregon, and were stamped on June 22, 2010.

The incorporator then submitted to the meeting a form of Bylaws for the regulation of the affairs of the corporation. These Bylaws were read, and after discussion, it was unanimously

DECIDED: that the Bylaws presented to this meeting are adopted as the Bylaws of this corporation, and that a copy of these Bylaws be placed in the records of the corporation.

The Board of Directors then proceeded to the election of officers. Nominations were made, and the following persons were duly elected to the following offices:

President - Todd S. Baran

Secretary - Felicia Lewey + Sharon McLaughlin

The chairperson then stated that it was desirable to designate a depository for the funds of the corporation. It was unanimously

DECIDED: that Sarah A. Baran is selected as a depository for the funds of this corporation. The President of the Corporation is authorized to

establish these accounts. Funds shall be withdrawn from this depository on checks of this corporation signed by both of the following:

Signer- Todd S. Baran

Signer- Sarah A. Baran

and may be payable to bearer, or to the order of, and for the use and benefit of, the signers of the checks.

The Chairperson stated that the next order of business would be to discuss the necessity of the corporation borrowing funds from time to time for business purposes. After deliberation and discussion, it was unanimously

DECIDED: that the corporation is authorized to borrow such sums of money not to exceed a total amount of \$ 0 at any one time without further authorization; and

DECIDED: that the officers of the corporation are authorized to negotiate the terms of such borrowing on behalf of the corporation and to execute on behalf of the corporation any promissory notes, instruments, and other documents necessary or reasonable to evidence such borrowing from banks, institutions or other third persons.

It was then suggested that the Secretary of the corporation be authorized to pay all expenses and to reimburse any persons for expenses made in connection with the organization of the corporation. It was unanimously

DECIDED: that the Secretary of this corporation is authorized to pay all charges and expenses incident to or arising out of the organization of this corporation and to reimburse any person that has made any disbursements for this corporation.

It was then suggested that the officers of the corporation be paid a monthly salary as follows:

President - \$ 0

Secretary - \$ 0

Furthermore, the corporation should pay all expenses incurred by the officers in the performance of their duties. It was unanimously

DECIDED: that the monthly salaries be set as follows:

President - 0

Secretary - 0

and that the corporation is to reimburse each officer for business expenses.

The Chairperson then stated that any acts of the incorporators, performed so far on behalf of this corporation, should be ratified and confirmed as the duly authorized acts of the corporation. The unanimous decision was as follows:

DECIDED: that any and all acts of the incorporators of this corporation are hereby ratified and approved as duly authorized acts of this corporation in all respects as if they had been done pursuant to specific authority granted by this corporation.

The Chairperson next proposed that the fiscal year of the corporation begin on the first day of January and end on the last day of December.
The Board unanimously

DECIDED: that the fiscal year of the corporation shall be as proposed above.

READ AND APPROVED:

Chairperson

**ATTACHMENT A
DIRECTORS PRESENT AT FIRST MEETING OF BOARD**

Sarah Baran
Felicia Lewey
Sharon McLoughlin

Bunnies in Baskets

Bylaws

Article I: Purpose

This corporation shall be organized and operated exclusively for charitable, scientific, literary, religious, and educational purposes. Subject to the limitations stated in the Articles of Incorporation, the purposes of this corporation shall be to engage in any lawful activities, none of which are for profit, for which corporations may be organized under Chapter 65 of the Oregon Revised Statutes.

This corporation's primary purpose shall be to educate and support volunteers visiting with people with or without a rabbit. This corporation will also educate others about the humane treatment of all animals.

Article II: Nonmembership

This corporation shall have no members.

Article III: Board of Directors

The affairs of the corporation shall be managed by the Board of Directors.

Article IV: Number and Qualifications

The number of Directors may vary between a minimum of three and a maximum of fifteen.

Section 5. President. (Todd S. Baran)

The President shall be the chief officer of the corporation and shall act as the Chair of the Board. The President shall have any other powers and duties as may be prescribed by the Board of Directors.

Section 6. Secretary. (Sharon McLoughlin and Felicia Lewey)

The Secretary shall have overall responsibility for all recordkeeping and all corporate funds. The Secretary shall perform, or cause to be performed, the following duties: (a) official recording of the minutes of all proceedings of the Board of Directors meetings and actions; (b) provision for notice of all meetings of the Board of Directors;

Treasurer. (Sarah Baran)

(c) authentication of the records of the corporation ; (d) keeping of full and accurate accounts of all financial records of the corporation; (e) deposit of all monies and other valuable effects in the name and to the credit of the corporation in such depositories as may be designated by the Board of Directors; (f) disbursement of all funds when proper to do so; (g) making financial reports as to the financial condition of the corporation to the Board of Directors; and (h) any other duties as may be prescribed by the Board of Directors.

Article VI: Corporate Indemnity

This corporation will indemnify to the fullest extent not prohibited by law any person who is made or threatened to be made a party to an action, suit, or other proceeding, by reason of the fact that the person is or was a director or officer of the corporation or a fiduciary within the meaning of the Employee Retirement Income Security Act (or its corresponding future provisions) with respect to any employee benefit plan of the corporation. No amendment to this Article that limits the corporation's obligation to indemnify any person shall have any effect on such obligation for any act or omission that occurs prior to the later of the effective date of the amendment or the date notice of the amendment is given to the person. The corporation shall interpret this indemnification provision to extend to all persons covered by its provisions the most liberal possible indemnification — substantively, procedurally, and otherwise.

Article VII: Amendments to Bylaws

These Bylaws may be amended or repealed, and new Bylaws adopted, by the Board of Directors by a majority vote of Directors present, if a quorum is present. Prior to the adoption of the amendment, each Director shall be given at least two days notice of the date, time, and place of the meeting at which the proposed amendment is to be considered, and the notice shall state that one of the purposes of the meeting is to consider a proposed amendment to the Bylaws and shall contain a copy of the proposed amendment.

DATE ADOPTED: August 11, 2010

BALLOT FOR PROPOSED ACTION

NAME OF CORPORATION: Bunnies In Baskets

This written ballot is a ballot for you to vote for or against the proposed action below. In order to meet quorum requirements, the corporation must receive 3 valid ballots. 100 % of these ballots are necessary in order to approve this proposed action.

PROPOSED ACTION:

Vote for president.
See article 4 of the bylaws

I vote _____ FOR this action.

_____ AGAINST this action.

Please place an "X" or check mark by the choice above that reflects your vote. Place this ballot in the small envelope and sign and date the small envelope on the outside on the line indicated. Place the small envelope in the return envelope and mail or deliver it to the corporation. Your ballot must be received by 5:00 p.m. on Sunday, Oct. 24, 2010 in order to be counted.

BALLOT FOR ELECTION OF DIRECTORS

NAME OF CORPORATION: Bunnies In Baskets

This written ballot is a ballot for you to vote for your choices for the Board of Directors. Vote for no more than 1 of the choices below by placing an "X" or check mark on the line to the left of your choices or by filling in a blank space. Blank spaces are for other nominees.

Nominees:

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

In order to meet quorum requirements, the corporation must receive 3 valid ballots.

Place this ballot in the small envelope and sign and date the small envelope on the outside of the line indicated. Place the small envelope in the return envelope and mail or deliver it to the corporation. Your ballot must be received by 5:00 p.m. on Oct. 24, 20 10 in order to be counted.

BALLOT FOR PROPOSED ACTION

NAME OF CORPORATION: Bunnies In Baskets

This written ballot is a ballot for you to vote for or against the proposed action below. In order to meet quorum requirements, the corporation must receive 3 valid ballots. 100% of these ballots are necessary in order to approve this proposed action.

PROPOSED ACTION:

Select second depository -
not related to Sarah Bavan.

I vote FOR this action.

AGAINST this action.

Please place an "X" or check mark by the choice above that reflects your vote. Place this ballot in the small envelope and sign and date the small envelope on the outside on the line indicated. Place the small envelope in the return envelope and mail or deliver it to the corporation. Your ballot must be received by 5:00 p.m. on 10/24/10, 2010 in order to be counted.

**COMPLETE RELEASE AND HOLD HARMLESS AGREEMENT BY
CLIENT**

By my signature on this document, I assume all liability from any cause whatsoever that may arise out of or in connection with Bunnies In Baskets [hereinafter called "this nonprofit organization"], including but not limited to all liability from any cause whatsoever for personal injury or property damage; all liability from any cause whatsoever for contribution or indemnification; and all liability from any cause whatsoever that may arise out of, in connection with, or during the time of my presence at any businesses or other activities of this nonprofit organization.

I release and hold harmless this nonprofit organization and its directors, officers, employees, agents, volunteers, assigns, and successors [hereinafter, "the protected parties"] from all liability from any cause whatsoever as described above.

By this document, I assume all liability as described above that existed at the time of the execution of this document and all liability from that time forward into the future until such time as this nonprofit organization shall execute in writing a document revoking this document.

By this document, I release and hold harmless the protected parties from all liability from any cause whatsoever as described above that existed at the time of the execution of this document and all liability from that time forward into the future until such time as this nonprofit organization shall execute in writing a document revoking this document.

The consideration for this document is the services that this nonprofit organization is providing to me at a reduced cost.

This document shall be given a liberal construction, with all ambiguities resolved in favor of the protected parties. If any provision of this document is deemed to be partially void, invalid, or unenforceable, that provision shall continue in full force and effect to the maximum extent permitted by law and all remaining provisions of this document shall continue in full force and effect. To the extent that any provision of this document is deemed to be completely void, invalid or unenforceable, that provision shall be severed from the remainder of this document and all remaining provisions of this document shall continue in full force and effect.

DATED: _____

Signature

BALLOT FOR PROPOSED ACTION

NAME OF CORPORATION: Bunnies In Baskets

This written ballot is a ballot for you to vote for or against the proposed action below. In order to meet quorum requirements, the corporation must receive 3 valid ballots. 100% of these ballots are necessary in order to approve this proposed action.

PROPOSED ACTION:

require complete release and
hold harmless agreement
by all clients

I vote FOR this action.

AGAINST this action.

Please place an "X" or check mark by the choice above that reflects your vote. Place this ballot in the small envelope and sign and date the small envelope on the outside on the line indicated. Place the small envelope in the return envelope and mail or deliver it to the corporation. Your ballot must be received by 5:00 p.m. on 10/24/10, 2010 in order to be counted.

Internal Revenue Service
P.O. Box 2508
Cincinnati, Ohio 45201
Room 4-116

Department of the Treasury

Date: October 7, 2010

Bunnies in Baskets
C/O Sarah Baran
4004 SE Division St
Portland, OR 97202

Employer Identification Number:

27-3118884

Person to Contact:

Max Sullivan -Group 7823

ID# 1008463

Contact Telephone Numbers:

513-263-3360 Phone

513-263-3695 Fax

Response Due Date:

October 28, 2010

Dear Sir or Madam:

We need more information before we can complete our consideration of your application for exemption. Please provide the information requested on the enclosure by the response due date shown above. Your response must be signed by an authorized person or an officer whose name is listed on your application. Also, the information you submit should be accompanied by the following declaration:

Under penalties of perjury, I declare that I have examined this information, including accompanying documents, and, to the best of my knowledge and belief, the information contains all the relevant facts relating to the request for the information, and such facts are true, correct, and complete.

To facilitate processing of your application, **please attach a copy of this letter to your response.** This will enable us to quickly and accurately associate the additional documents with your case file.

If we do not hear from you within that time, we will assume you no longer want us to consider your application for exemption and will close your case. As a result, the Internal Revenue Service will treat you as a taxable entity. If we receive the information after the response due date, we may ask you to send us a new application.

In addition, if you do not respond to the information request by the due date, we will conclude that you have not taken all reasonable steps to complete your application for exemption. Under Code section 7428(b)(2), you must show that you have taken all the reasonable steps to obtain your exemption letter under IRS procedures in a timely manner and exhausted your administrative remedies before you can pursue a declaratory judgment. Accordingly, if you fail to timely provide the information we need to enable us to act on your application, you may lose your rights to a declaratory judgment under Code section 7428.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,



Max Sullivan
Exempt Organizations Specialist

Enclosure: Information Request

Letter 1312

Name: Bunnies in Baskets
EIN: 27-3118884

Additional Information Requested:

- 1) Please read the Penalties of Perjury statement on page 1 above. Then, please sign and date below, indicating you agree to the Declaration.


Name _____ Date 10/21/10

- ✓ 2) The board of your organization consists of only one individual. To insure that your organization will serve public interests, it is suggested that you modify your Board of Directors to place control in the hands of unrelated individuals selected from the community your will serve. Please submit the names and qualifications of the new board members, as well as a statement signed by each that they will take an active part in your operation. If you are unwilling to do so, please explain your position.
- ✓ 3) You have indicated that Sarah. A. Baran will personally own any copyrights or trademarks used by the organization. This may constitute substantial member benefit which would preclude exemption under section 501(c)(3) of the Code.
- ✓ To be considered exempt under section 501(c)(3), we suggest that your organization adopt the attached resolution stating that any copyrights will be held in the name of the organization. Please have this resolution signed and dated by a member of your board. If you disagree, please explain.
- ✓ 4) It is noted that all financial data that was presented on your income statement on page 9 of Form 1023 is a projection of future revenues and expenses. However, we can not accept "TBD" for lines 20 and 23. Please provide an estimate of your projected "occupancy expense" (line 20) and "expenses not classified" (line 23). Additionally, you must describe all expense not otherwise classified (line 23).
- ✓ 5) You have indicated that your occupancy expense is "TBD" but you currently use one room at your house. If any board members charge the organization occupancy expense for use of his/her private residence, please explain how the agreement is for the best interest of the organization and not the financial benefit of the board member. Your response should include how the amount of occupancy expense was determined in a fair and unbiased manner. In addition, please provide any applicable board minutes or a board resolution indicating that the board is aware and approves the agreement.
- 6) You indicate in your application for exemption that you are requesting classification as an organization described in section 509(a)(3). Organizations described in section 509(a)(3) must be operated, supervised, or controlled by or in connection with its supported organization. Based on the information submitted it does not appear you meet the integral part test under section 509(a)(3).

Based on the information presented in your application, you may wish to be classified as a public charity under section 509(a)(1) of the Internal Revenue Code.

Organizations described in sections 509(a)(1) are those which are primarily supported by gifts, grants, and contributions from the public.

If you wish to be classified under sections 509(a)(1) please submit a statement indicating so.

If you wish to pursue classification as a private operating foundation, please submit a statement signed by an officer explaining your position. In addition, you may wish to enclose a copy of any pertinent revenue rulings or court cases you feel may substantiate your position.

Name: Bunnies in Baskets
EIN: 27-3118884

PLEASE DIRECT ALL CORRESPONDENCE REGARDING YOUR CASE TO:

US Mail:

Internal Revenue Service
Exempt Organizations
P. O. Box 2508
Cincinnati, OH 45201
ATT: Max Sullivan
Group: 7823
Room: 4-116

Street Address:

Internal Revenue Service
Exempt Organizations
550 Main St, Federal Bldg.
Cincinnati, OH 45202
ATT: Max Sullivan
Group: 7823
Room 4-116

20. Expenses (continued)

20. Occupancy (rent, utilities, etc...) is \$0 for 2010 tax year; \$0 for 3 prior tax years and \$0 for 2 succeeding tax years. Bunnies in Baskets operations use Todd and Sarah Baran's residential/commercial property at 4004 SE Division St., Portland, OR 97202.

23.

Expenses

Program Services

	2010	2007-2009	2011-2012
Mileage (\$.30/mile)	\$735.	\$0	\$2880
Uniform Supplies	\$300	\$0	\$600
Baskets and Liners	\$100	\$0	\$200
Universal Precaution Supplies	\$25	\$0	\$100
Printing/Advertising	\$100	\$0	\$1000
Humane Education Supplies	\$5	\$0	\$1000
Events/Conference Supplies	\$0	\$0	\$1000
Postage	\$20	\$0	\$200
Hay & Food	\$1200	\$2400	\$2400
Veterinary Costs	\$1000	\$2000	\$2000
Animal Housing	\$100	\$250	\$1000
Travel Expenses (non-local Humane Education/Training)	\$0	\$0	\$2000

We have received \$170 in donations so far.

(Help here-----What are we missing?)

liability insurance \$200/yr

Please remove *Schedule D. Section 509(a)(3) Supporting Organizations* from my application.

Although we work closely with the Oregon Humane Society, Bunnies in Baskets does not request classification as an organization described in section 509(a)(3). Thank you for providing clarification.

RESOLUTION

As a part of our application for recognition of exemption from federal income tax, we agree to make the following Resolution. As an integral part of our application for exemption, we understand that this resolution is being signed under penalties of perjury.

Bunnies In Baskets
Name of Organization

Sarah A. Baran
Signature of Officer or
Person Holding Power of
Attorney

Signature of Officer or
Person Holding Power of
Attorney

10/24/10
Date

I/We agree that if any current or future literary or artistic are copyrighted, said copyright will be held in the name of *. Individual members of the organization or third parties will hold no copyrights for items distributed or sold by the organization. If individual members of the organization or third parties hold copyrights to items distributed or sold by the organization, the holder of the copyright will not receive any benefit from the copyright, including benefits from the sales of the items. All copyrights held by the organization will be considered assets of the organization and upon dissolution of the organization will be distributed in accordance with the Articles of Incorporation and the requirements of IRC 501(c)(3).

BALLOT FOR PROPOSED ACTION

NAME OF CORPORATION: Bunnies In Baskets

This written ballot is a ballot for you to vote for or against the proposed action below. In order to meet quorum requirements, the corporation must receive 3 valid ballots. 100 % of these ballots are necessary in order to approve this proposed action.

PROPOSED ACTION:

~~Atat~~ Approve IRS response
Changes as noted.

I vote _____ FOR this action.

_____ AGAINST this action.

Please place an "X" or check mark by the choice above that reflects your vote. Place this ballot in the small envelope and sign and date the small envelope on the outside on the line indicated. Place the small envelope in the return envelope and mail or deliver it to the corporation. Your ballot must be received by 5:00 p.m. on 10/24/10, 20__ in order to be counted.