

Internal Revenue Service
Director, Exempt Organizations
Rulings and Agreements

Department of the Treasury
P.O. Box 2508
Cincinnati, OH 45201

Date: MAR 06 2008

Mifalei Zichron Menachem
Jerusalem for Medicine
And Benevolence
C/O Julius Klein, CPA
152 Ninth Avenue
New York, NY 10011

Employer Identification Number:
98-0514129
Contact Person:
Michael Condon
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
December 31
Foundation Status:
170(b)(1)(A)(vi)
Advance Ruling Period Begins:
December 13, 2006
Advance Ruling Period Ends:
December 31, 2010
Form 990 Required:
Yes

Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined that you are exempt from federal income tax under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3).

We are not now making a final determination of your foundation status under section 509(a) of the Code. However, we have determined that you can reasonably expect to be a publicly supported organization described in sections 509(a)(1) and 170(b)(1)(A)(vi), or section 509(a)(2).

Accordingly, during an advance ruling period you will be treated as a publicly supported organization, and not as a private foundation. This advance ruling period begins and ends on the dates shown above.

Within 90 days after the end of your advance ruling period, you must send us the information needed to determine whether you have met the requirements of the applicable public support test during the advance ruling period. If you establish that you have been a publicly supported organization, we will classify you as a section 509(a)(1) or 509(a)(2) organization so long as you continue to meet the requirements of the applicable support test. If you do not meet the public support requirements during the advance ruling period, we will classify you as a private foundation for future periods. Also, if we classify you as a private foundation, we will treat you as a private foundation from your beginning date for purposes of sections 507(d) and 4948(a).

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Grantors and contributors may rely on our determination that you are not a private foundation until 90 days after the end of your advance ruling period. If you send us the required information within the 90 days, grantors and contributors may continue to rely on the advance determination until we make a final determination on your foundation status.

If your sources of support, or your purposes, character, or method of operation change, please let us know so we can consider the effect of the change on your exempt status and foundation status. In the case of an amendment to your organizational document or bylaws, please send us a copy of the amended document or bylaws. Also, you should inform us of all changes in your name and/or address.

With respect to your employees who are United States residents, and also with respect to those persons who are not United States residents but who are employed by you in the United States (collectively hereafter "United States employees"), unless you are specifically excepted, you must pay taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more you pay to each of your United States employees during a calendar year. You are not liable for the taxes imposed under the Federal Unemployment Tax Act (FUTA).

Since you are not a private foundation within the meaning of section 509(a) of the Code, you are not subject to the excise tax under section 4948(a) of the Code. Your withholding agent may rely on a copy of this letter to exempt you from withholding tax at the source from United States income. However, if you are involved in an excess benefit transaction, that transaction might be subject to the excise taxes of section 4958. In this letter we are not determining whether any of your present or proposed arrangements would be considered an excess benefit transaction resulting in tax under section 4958.

The procedures for obtaining exemption from withholding on United States source income are contained in section 1.1441-4 of the Income Tax Regulations.

Contributions to your organization by citizens or residents of the United States are not deductible by them in the computation of their taxable income for United States income tax purposes. Under section 170(c)(2)(A) of the Code, charitable contributions by donors to organizations formed either outside the United States or under foreign laws are not deductible.

In the heading of this letter we have indicated whether you must file Form 990, Return of Organization Exempt From Income Tax. If "Yes" is indicated, you are required to file Form 990 only if your gross receipts from sources within the United States are more than \$25,000. For further information, see Revenue Procedure 94-17, 1994-1 C.B. 579.

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If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. A penalty of \$20 a day is charged when a return is filed late, unless there is reasonable cause for the delay. However, the maximum penalty charged cannot exceed \$10,000 or 5 percent of your gross receipts for the year, whichever is less. For organizations with gross receipts exceeding \$1,000,000 in any year, the penalty is \$100 per day per return, unless there is reasonable cause for the delay. The maximum penalty for an organization with gross receipts exceeding \$1,000,000 shall not exceed \$50,000. This penalty may also be charged if a return is not complete, so please be sure your return is complete before you file it.

Unless you are subject to the tax imposed by section 511 of the Code and are required to file form 990-T, *Exempt Organization Business Income Tax Return*, you are not required to file United States income tax returns for income you receive from sources within the United States. You can determine whether income is derived from sources within the United States by referring to Subchapter N of Subtitle A of the Code. The procedures for obtaining exemption from withholding on United States source income are contained in section 1.1441-4 of the Income Tax Regulations. Any income you receive which is includible under section 512 may be subject to withholding. See Code section 1443(a). In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513.

A copy of this letter in the possession of each corporation or organization from which your United States income is derived may be relied upon by the withholding agent as evidence that no withholding of income tax is required.

The law requires you to make your annual return available for public inspection without charge for three years after the due date of the return. You are also required to make available for public inspection a copy of your exemption application, any supporting documents and this exemption letter to any individual who requests such documents in person or in writing. You can charge only a reasonable fee for reproduction and actual postage costs for the copied materials. The law does not require you to provide copies of public inspection documents that are widely available, such as posting them on the Internet (World Wide Web). You may be liable for a penalty of \$20 a day for each day you do not make these documents available (up to a maximum of \$10,000 in the case of an annual return).

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, we will assign a number to you and advise you of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

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This determination is based on evidence that your funds are dedicated to the purposes specified in section 501(c)(3) of the Code. To assure your continued exemption, you should maintain records to show that funds are expended only for those purposes. If you distribute funds to other organizations, your records should show whether they are exempt under section 501(c)(3). In cases where the recipient organization is not exempt under section 501(c)(3), there should be evidence that the funds will remain dedicated to the required purposes and that they will be used for those purposes by the recipient.

If distributions are made to individuals, case histories regarding the recipients should be kept showing names, addresses, purposes of awards, manner of selection, and relationship, if any, to members, officers, trustees or donors of funds to you, so that any and all distributions made to individuals can be substantiated upon request by the Internal Revenue Service (Revenue Ruling 56-304, 1956-2, p.306.).

The effective date of your recognition of exemption under section 501(c)(3) of the Code is December 13, 2006.

We have sent a copy of this letter to your representative as indicated in your power of attorney.

Because this letter could help resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

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

Sincerely yours,



Robert Choi
Director, Exempt Organizations
Rulings and Agreements

Enclosure:

Part X Public Charity Status (Continued)

- e 509(a)(4)—an organization organized and operated exclusively for testing for public safety.
- f 509(a)(1) and 170(b)(1)(A)(iv)—an organization operated for the benefit of a college or university that is owned or operated by a governmental unit.
- g 509(a)(1) and 170(b)(1)(A)(vi)—an organization that receives a substantial part of its financial support in the form of contributions from publicly supported organizations, from a governmental unit, or from the general public.
- h 509(a)(2)—an organization that normally receives not more than one-third of its financial support from gross investment income and receives more than one-third of its financial support from contributions, membership fees, and gross receipts from activities related to its exempt functions (subject to certain exceptions).
- i A publicly supported organization, but unsure if it is described in 5g or 5h. The organization would like the IRS to decide the correct status.

6 If you checked box g, h, or i in question 5 above, you must request either an advance or a definitive ruling by selecting one of the boxes below. Refer to the instructions to determine which type of ruling you are eligible to receive.

- a Request for Advance Ruling: By checking this box and signing the consent, pursuant to section 6501(c)(4) of the Code you request an advance ruling and agree to extend the statute of limitations on the assessment of excise tax under section 4940 of the Code. The tax will apply only if you do not establish public support status at the end of the 5-year advance ruling period. The assessment period will be extended for the 5 advance ruling years to 8 years, 4 months, and 15 days beyond the end of the first year. You have the right to refuse or limit the extension to a mutually agreed-upon period of time or issue(s). Publication 1035, Extending the Tax Assessment Period, provides a more detailed explanation of your rights and the consequences of the choices you make. You may obtain Publication 1035 free of charge from the IRS web site at www.irs.gov or by calling toll-free 1-800-829-3676. Signing this consent will not deprive you of any appeal rights to which you would otherwise be entitled. If you decide not to extend the statute of limitations, you are not eligible for an advance ruling.

Consent Fixing Period of Limitations Upon Assessment of Tax Under Section 4940 of the Internal Revenue Code

For Organization

Signature of Officer, Director, Trustee, or other authorized official

CHAIM EHRENTAL (Type or print name of signer)

11/19/06 (Date)

(Type or print title or authority of signer)

For IRS Use Only

Robert Choi

MAR 06 2008

IRS Director, Exempt Organizations

(Date)

- b Request for Definitive Ruling: Check this box if you have completed one tax year of at least 8 full months and you are requesting a definitive ruling. To confirm your public support status, answer line 6b(i) if you checked box g in line 5 above. Answer line 6b(ii) if you checked box h in line 5 above. If you checked box i in line 5 above, answer both lines 6b(i) and (ii).
- (i) (a) Enter 2% of line 8, column (e) on Part IX-A. Statement of Revenues and Expenses.
- (b) Attach a list showing the name and amount contributed by each person, company, or organization whose gifts totaled more than the 2% amount. If the answer is "None," check this box.
- (ii) (a) For each year amounts are included on lines 1, 2, and 9 of Part IX-A. Statement of Revenues and Expenses, attach a list showing the name of and amount received from each disqualified person. If the answer is "None," check this box.
- (b) For each year amounts are included on line 9 of Part IX-A. Statement of Revenues and Expenses, attach a list showing the name of and amount received from each payer, other than a disqualified person, whose payments were more than the larger of (1) 1% of line 10, Part IX-A. Statement of Revenues and Expenses, or (2) \$5,000. If the answer is "None," check this box.

7 Did you receive any unusual grants during any of the years shown on Part IX-A. Statement of Revenues and Expenses? If "Yes," attach a list including the name of the contributor, the date and amount of the grant, a brief description of the grant, and explain why it is unusual. Yes No