

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

Use the instructions to complete this application and for a definition of all **bold** items. For additional help, call IRS Exempt Organizations Customer Account Services toll-free at 1-877-829-5500. Visit our website at [www.irs.gov](http://www.irs.gov) for forms and publications. If the required information and documents are not submitted with payment of the appropriate user fee, the application may be returned to you.

Attach additional sheets to this application if you need more space to answer fully. Put your name and EIN on each sheet and identify each answer by Part and line number. Complete Parts I - XI of Form 1023 and submit only those Schedules (A through H) that apply to you.

**Part I Identification of Applicant**

<b>1</b> Full name of organization (exactly as it appears in your organizing document)		<b>2</b> c/o Name (if applicable)	
Orthopedics Capital Foundation, Inc.		Suzanne Light	
<b>3</b> Mailing address (Number and street) (see instructions)	Room/Suite	<b>4</b> Employer Identification Number (EIN)	
102 East Market Street		27-1038452	
City or town, state or country, and ZIP + 4		<b>5</b> Month the annual accounting period ends (01 - 12)	
Warsaw, Indiana 46580		06	
<b>6</b> Primary contact (officer, director, trustee, or authorized representative)		<b>b</b> Phone: (317) 237-0300	
<b>a</b> Name: Baker & Daniels LLP/Attention: Joseph E. Miller, Jr.		<b>c</b> Fax: (optional) (317) 237-1000	
<b>7</b> Are you represented by an authorized representative, such as an attorney or accountant? If "Yes," provide the authorized representative's name, and the name and address of the authorized representative's firm. Include a completed Form 2848, <i>Power of Attorney and Declaration of Representative</i> , with your application if you would like us to communicate with your representative.			
See Form 2848 for authorized representatives' contact information.			
<b>8</b> Was a person who is not one of your officers, directors, trustees, employees, or an authorized representative listed in line 7, paid, or promised payment, to help plan, manage, or advise you about the structure or activities of your organization, or about your financial or tax matters? If "Yes," provide the person's name, the name and address of the person's firm, the amounts paid or promised to be paid, and describe that person's role.			
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
<b>9a</b> Organization's website: None yet			
<b>b</b> Organization's email: (optional)			
<b>10</b> Certain organizations are not required to file an information return (Form 990 or Form 990-EZ). If you are granted tax-exemption, are you claiming to be excused from filing Form 990 or Form 990-EZ? If "Yes," explain. See the instructions for a description of organizations not required to file Form 990 or Form 990-EZ.			
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
<b>11</b> Date incorporated if a corporation, or formed, if other than a corporation. (MM/DD/YYYY) 09 / 22 / 2009			
<b>12</b> Were you formed under the laws of a foreign country? If "Yes," state the country.			
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			

**Part II Organizational Structure**

You must be a corporation (including a limited liability company), an unincorporated association, or a trust to be tax exempt. (See instructions.) **DO NOT file this form unless you can check "Yes" on lines 1, 2, 3, or 4.**

- 1 Are you a **corporation**? If "Yes," attach a copy of your articles of incorporation showing **certification of filing** with the appropriate state agency. Include copies of any amendments to your articles and be sure they also show state filing certification.  Yes  No **See Exhibit A.**
- 2 Are you a **limited liability company (LLC)**? If "Yes," attach a copy of your articles of organization showing certification of filing with the appropriate state agency. Also, if you adopted an operating agreement, attach a copy. Include copies of any amendments to your articles and be sure they show state filing certification. Refer to the instructions for circumstances when an LLC should not file its own exemption application.  Yes  No
- 3 Are you an **unincorporated association**? If "Yes," attach a copy of your articles of association, constitution, or other similar organizing document that is dated and includes at least two signatures. Include signed and dated copies of any amendments.  Yes  No
- 4a Are you a **trust**? If "Yes," attach a signed and dated copy of your trust agreement. Include signed and dated copies of any amendments.  Yes  No
- b Have you been funded? If "No," explain how you are formed without anything of value placed in trust.  Yes  No
- 5 Have you adopted **bylaws**? If "Yes," attach a current copy showing date of adoption. If "No," explain how your officers, directors, or trustees are selected.  Yes  No **See Exhibit B.**

**Part III Required Provisions in Your Organizing Document**

The following questions are designed to ensure that when you file this application, your organizing document contains the required provisions to meet the organizational test under section 501(c)(3). Unless you can check the boxes in both lines 1 and 2, your organizing document does not meet the organizational test. **DO NOT file this application until you have amended your organizing document.** Submit your original and amended organizing documents (showing state filing certification if you are a corporation or an LLC) with your application.

- 1 Section 501(c)(3) requires that your organizing document state your exempt purpose(s), such as charitable, religious, educational, and/or scientific purposes. Check the box to confirm that your organizing document meets this requirement. Describe specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document. Refer to the instructions for exempt purpose language. Location of Purpose Clause (Page, Article, and Paragraph): **Exhibit A, page 1, Article II**
- 2a Section 501(c)(3) requires that upon dissolution of your organization, your remaining assets must be used exclusively for exempt purposes, such as charitable, religious, educational, and/or scientific purposes. Check the box on line 2a to confirm that your organizing document meets this requirement by express provision for the distribution of assets upon dissolution. If you rely on state law for your dissolution provision, do not check the box on line 2a and go to line 2c.
- 2b If you checked the box on line 2a, specify the location of your dissolution clause (Page, Article, and Paragraph). Do not complete line 2c if you checked box 2a. **Exhibit A, page 6, Article XIII**
- 2c See the instructions for information about the operation of state law in your particular state. Check this box if you rely on operation of state law for your dissolution provision and indicate the state:

**Part IV Narrative Description of Your Activities See Exhibit C.**

Using an attachment, describe your *past*, *present*, and *planned* activities in a narrative. If you believe that you have already provided some of this information in response to other parts of this application, you may summarize that information here and refer to the specific parts of the application for supporting details. You may also attach representative copies of newsletters, brochures, or similar documents for supporting details to this narrative. Remember that if this application is approved, it will be open for public inspection. Therefore, your narrative description of activities should be thorough and accurate. Refer to the instructions for information that must be included in your description.

**Part V Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors**

- 1a List the names, titles, and mailing addresses of all of your officers, directors, and trustees. For each person listed, state their total annual **compensation**, or proposed compensation, for all services to the organization, whether as an officer, employee, or other position. Use actual figures, if available. Enter "none" if no compensation is or will be paid. If additional space is needed, attach a separate sheet. Refer to the instructions for information on what to include as compensation.

Name	Title	Mailing address	Compensation amount (annual actual or estimated)
See Exhibit D.			

**Part V Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors (Continued)**

**b** List the names, titles, and mailing addresses of each of your five highest compensated employees who receive or will receive compensation of more than \$50,000 per year. Use the actual figure, if available. Refer to the instructions for information on what to include as compensation. Do not include officers, directors, or trustees listed in line 1a.

Name	Title	Mailing address	Compensation amount (annual actual or estimated)
None			

**c** List the names, names of businesses, and mailing addresses of your five highest compensated independent contractors that receive or will receive compensation of more than \$50,000 per year. Use the actual figure, if available. Refer to the instructions for information on what to include as compensation.

Name	Title	Mailing address	Compensation amount (annual actual or estimated)
OrthoWorx, Inc.	Independent Contractor	c/o 102 East Market Street Warsaw, Indiana 46580	See Exhibit D
BioCrossroads/CICP Foundation	Independent Contractor	300 N. Meridian Street, Suite 950 Indianapolis, Indiana 46204	\$125,000

The following "Yes" or "No" questions relate to *past, present, or planned* relationships, transactions, or agreements with your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed in lines 1a, 1b, and 1c.

**2a** Are any of your officers, directors, or trustees **related** to each other through **family** or **business relationships**? If "Yes," identify the individuals and explain the relationship.  Yes  No

**b** Do you have a business relationship with any of your officers, directors, or trustees other than through their position as an officer, director, or trustee? If "Yes," identify the individuals and describe the business relationship with each of your officers, directors, or trustees.  Yes  No

**c** Are any of your officers, directors, or trustees related to your highest compensated employees or highest compensated independent contractors listed on lines 1b or 1c through family or business relationships? If "Yes," identify the individuals and explain the relationship.  Yes  No  
See Exhibit D.

**3a** For each of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed on lines 1a, 1b, or 1c, attach a list showing their name, qualifications, average hours worked, and duties. **See Exhibit D.**

**b** Do any of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed on lines 1a, 1b, or 1c receive compensation from any other organizations, whether tax exempt or taxable, that are related to you through **common control**? If "Yes," identify the individuals, explain the relationship between you and the other organization, and describe the compensation arrangement.  Yes  No

**4** In establishing the compensation for your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed on lines 1a, 1b, and 1c, the following practices are recommended, although they are not required to obtain exemption. Answer "Yes" to all the practices you use.

- a** Do you or will the individuals that approve compensation arrangements follow a conflict of interest policy?  Yes  No
- b** Do you or will you approve compensation arrangements in advance of paying compensation?  Yes  No
- c** Do you or will you document in writing the date and terms of approved compensation arrangements?  Yes  No

**Part V Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors (Continued)**

- d Do you or will you record in writing the decision made by each individual who decided or voted on compensation arrangements?  Yes  No
- e Do you or will you approve compensation arrangements based on information about compensation paid by **similarly situated** taxable or tax-exempt organizations for similar services, current compensation surveys compiled by independent firms, or actual written offers from similarly situated organizations? Refer to the instructions for Part V, lines 1a, 1b, and 1c, for information on what to include as compensation.  Yes  No
- f Do you or will you record in writing both the information on which you relied to base your decision and its source?  Yes  No
- g If you answered "No" to any item on lines 4a through 4f, describe how you set compensation that is **reasonable** for your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed in Part V, lines 1a, 1b, and 1c.

- 5a Have you adopted a **conflict of interest policy** consistent with the sample conflict of interest policy in Appendix A to the instructions? If "Yes," provide a copy of the policy and explain how the policy has been adopted, such as by resolution of your governing board. If "No," answer lines 5b and 5c.  Yes  No  
**See Exhibit B, pages 7-9, Article V.**
  - b What procedures will you follow to assure that persons who have a conflict of interest will not have influence over you for setting their own compensation?
  - c What procedures will you follow to assure that persons who have a conflict of interest will not have influence over you regarding business deals with themselves?
- Note:** A conflict of interest policy is recommended though it is not required to obtain exemption. Hospitals, see Schedule C, Section I, line 14.

- 6a Do you or will you compensate any of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed in lines 1a, 1b, or 1c through **non-fixed payments**, such as discretionary bonuses or revenue-based payments? If "Yes," describe all non-fixed compensation arrangements, including how the amounts are determined, who is eligible for such arrangements, whether you place a limitation on total compensation, and how you determine or will determine that you pay no more than reasonable compensation for services. Refer to the instructions for Part V, lines 1a, 1b, and 1c, for information on what to include as compensation.  Yes  No
- b Do you or will you compensate any of your employees, other than your officers, directors, trustees, or your five highest compensated employees who receive or will receive compensation of more than \$50,000 per year, through non-fixed payments, such as discretionary bonuses or revenue-based payments? If "Yes," describe all non-fixed compensation arrangements, including how the amounts are or will be determined, who is or will be eligible for such arrangements, whether you place or will place a limitation on total compensation, and how you determine or will determine that you pay no more than reasonable compensation for services. Refer to the instructions for Part V, lines 1a, 1b, and 1c, for information on what to include as compensation.  Yes  No

- 7a Do you or will you purchase any goods, services, or assets from any of your officers, directors, trustees, highest compensated employees, or highest compensated independent contractors listed in lines 1a, 1b, or 1c? If "Yes," describe any such purchase that you made or intend to make, from whom you make or will make such purchases, how the terms are or will be negotiated at **arm's length**, and explain how you determine or will determine that you pay no more than **fair market value**. Attach copies of any written contracts or other agreements relating to such purchases.  Yes  No  
**See Exhibit D.**
- b Do you or will you sell any goods, services, or assets to any of your officers, directors, trustees, highest compensated employees, or highest compensated independent contractors listed in lines 1a, 1b, or 1c? If "Yes," describe any such sales that you made or intend to make, to whom you make or will make such sales, how the terms are or will be negotiated at **arm's length**, and explain how you determine or will determine you are or will be paid at least fair market value. Attach copies of any written contracts or other agreements relating to such sales.  Yes  No

- 8a Do you or will you have any leases, contracts, loans, or other agreements with your officers, directors, trustees, highest compensated employees, or highest compensated independent contractors listed in lines 1a, 1b, or 1c? If "Yes," provide the information requested in lines 8b through 8f.  Yes  No
- b Describe any written or oral arrangements that you made or intend to make. **See Exhibit D.**
- c Identify with whom you have or will have such arrangements.
- d Explain how the terms are or will be negotiated at **arm's length**.
- e Explain how you determine you pay no more than fair market value or you are paid at least fair market value.
- f Attach copies of any signed leases, contracts, loans, or other agreements relating to such arrangements.

- 9a Do you or will you have any leases, contracts, loans, or other agreements with any organization in which any of your officers, directors, or trustees are also officers, directors, or trustees, or in which any individual officer, director, or trustee owns more than a 35% interest? If "Yes," provide the information requested in lines 9b through 9f.  Yes  No  
**See Exhibit D.**

**Part V Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors (Continued)**

- b Describe any written or oral arrangements you made or intend to make.
- c Identify with whom you have or will have such arrangements.
- d Explain how the terms are or will be negotiated at arm's length.
- e Explain how you determine or will determine you pay no more than fair market value or that you are paid at least fair market value.
- f Attach a copy of any signed leases, contracts, loans, or other agreements relating to such arrangements.

**Part VI Your Members and Other Individuals and Organizations That Receive Benefits From You**

The following "Yes" or "No" questions relate to goods, services, and funds you provide to individuals and organizations as part of your activities. Your answers should pertain to *past*, *present*, and *planned* activities. (See instructions.)

- 1a In carrying out your exempt purposes, do you provide goods, services, or funds to individuals? If "Yes," describe each program that provides goods, services, or funds to individuals.  Yes  No
- b In carrying out your exempt purposes, do you provide goods, services, or funds to organizations? If "Yes," describe each program that provides goods, services, or funds to organizations.  Yes  No  
See Exhibit C.
- 2 Do any of your programs limit the provision of goods, services, or funds to a specific individual or group of specific individuals? For example, answer "Yes," if goods, services, or funds are provided only for a particular individual, your members, individuals who work for a particular employer, or graduates of a particular school. If "Yes," explain the limitation and how recipients are selected for each program.  Yes  No
- 3 Do any individuals who receive goods, services, or funds through your programs have a family or business relationship with any officer, director, trustee, or with any of your highest compensated employees or highest compensated independent contractors listed in Part V, lines 1a, 1b, and 1c? If "Yes," explain how these related individuals are eligible for goods, services, or funds.  Yes  No

**Part VII Your History**

The following "Yes" or "No" questions relate to your history. (See instructions.)

- 1 Are you a **successor** to another organization? Answer "Yes," if you have taken or will take over the activities of another organization; you took over 25% or more of the fair market value of the net assets of another organization; or you were established upon the conversion of an organization from for-profit to non-profit status. If "Yes," complete Schedule G.  Yes  No
- 2 Are you submitting this application more than 27 months after the end of the month in which you were legally formed? If "Yes," complete Schedule E.  Yes  No

**Part VIII Your Specific Activities**

The following "Yes" or "No" questions relate to specific activities that you may conduct. Check the appropriate box. Your answers should pertain to *past*, *present*, and *planned* activities. (See instructions.)

- 1 Do you support or oppose candidates in **political campaigns** in any way? If "Yes," explain.  Yes  No
- 2a Do you attempt to **influence legislation**? If "Yes," explain how you attempt to influence legislation and complete line 2b. If "No," go to line 3a.  Yes  No
- b Have you made or are you making an **election** to have your legislative activities measured by expenditures by filing Form 5768? If "Yes," attach a copy of the Form 5768 that was already filed or attach a completed Form 5768 that you are filing with this application. If "No," describe whether your attempts to influence legislation are a substantial part of your activities. Include the time and money spent on your attempts to influence legislation as compared to your total activities.  Yes  No
- 3a Do you or will you operate bingo or **gaming** activities? If "Yes," describe who conducts them, and list all revenue received or expected to be received and expenses paid or expected to be paid in operating these activities. **Revenue and expenses** should be provided for the time periods specified in Part IX, Financial Data.  Yes  No
- b Do you or will you enter into contracts or other agreements with individuals or organizations to conduct bingo or gaming for you? If "Yes," describe any written or oral arrangements that you made or intend to make, identify with whom you have or will have such arrangements, explain how the terms are or will be negotiated at arm's length, and explain how you determine or will determine you pay no more than fair market value or you will be paid at least fair market value. Attach copies or any written contracts or other agreements relating to such arrangements.  Yes  No
- c List the states and local jurisdictions, including Indian Reservations, in which you conduct or will conduct gaming or bingo.

**Part VIII Your Specific Activities (Continued)**

**4a** Do you or will you undertake **fundraising**? If "Yes," check all the fundraising programs you do or will conduct. (See instructions.)  **Yes**  **No**

- mail solicitations
- email solicitations
- personal solicitations
- vehicle, boat, plane, or similar donations
- foundation grant solicitations
- phone solicitations
- accept donations on your website
- receive donations from another organization's website
- government grant solicitations
- Other

Attach a description of each fundraising program. **See Exhibit E.**

**b** Do you or will you have written or oral contracts with any individuals or organizations to raise funds for you? If "Yes," describe these activities. Include all revenue and expenses from these activities and state who conducts them. Revenue and expenses should be provided for the time periods specified in Part IX, Financial Data. Also, attach a copy of any contracts or agreements.  **Yes**  **No**  
**But See Exhibit E.**

**c** Do you or will you engage in fundraising activities for other organizations? If "Yes," describe these arrangements. Include a description of the organizations for which you raise funds and attach copies of all contracts or agreements.  **Yes**  **No**

**d** List all states and local jurisdictions in which you conduct fundraising. For each state or local jurisdiction listed, specify whether you fundraise for your own organization, you fundraise for another organization, or another organization fundraises for you. **See Exhibit E.**

**e** Do you or will you maintain separate accounts for any contributor under which the contributor has the right to advise on the use or distribution of funds? Answer "Yes" if the donor may provide advice on the types of investments, distributions from the types of investments, or the distribution from the donor's contribution account. If "Yes," describe this program, including the type of advice that may be provided and submit copies of any written materials provided to donors.  **Yes**  **No**

**5** Are you **affiliated** with a governmental unit? If "Yes," explain.  **Yes**  **No**

**6a** Do you or will you engage in **economic development**? If "Yes," describe your program.  **Yes**  **No**

**b** Describe in full who benefits from your economic development activities and how the activities promote exempt purposes.

**7a** Do or will persons other than your employees or volunteers **develop** your facilities? If "Yes," describe each facility, the role of the developer, and any business or family relationship(s) between the developer and your officers, directors, or trustees.  **Yes**  **No**

**b** Do or will persons other than your employees or volunteers **manage** your activities or facilities? If "Yes," describe each activity and facility, the role of the manager, and any business or family relationship(s) between the manager and your officers, directors, or trustees.  **Yes**  **No**  
**See Exhibit D.**

**c** If there is a business or family relationship between any manager or developer and your officers, directors, or trustees, identify the individuals, explain the relationship, describe how contracts are negotiated at arm's length so that you pay no more than fair market value, and submit a copy of any contracts or other agreements. **See Exhibit D.**

**8** Do you or will you enter into **joint ventures**, including partnerships or **limited liability companies** treated as partnerships, in which you share profits and losses with partners other than section 501(c)(3) organizations? If "Yes," describe the activities of these joint ventures in which you participate.  **Yes**  **No**

**9a** Are you applying for exemption as a childcare organization under section 501(k)? If "Yes," answer lines 9b through 9d. If "No," go to line 10.  **Yes**  **No**

**b** Do you provide child care so that parents or caretakers of children you care for can be **gainfully employed** (see instructions)? If "No," explain how you qualify as a childcare organization described in section 501(k).  **Yes**  **No**

**c** Of the children for whom you provide child care, are 85% or more of them cared for by you to enable their parents or caretakers to be gainfully employed (see instructions)? If "No," explain how you qualify as a childcare organization described in section 501(k).  **Yes**  **No**

**d** Are your services available to the general public? If "No," describe the specific group of people for whom your activities are available. Also, see the instructions and explain how you qualify as a childcare organization described in section 501(k).  **Yes**  **No**

**10** Do you or will you publish, own, or have rights in music, literature, tapes, artworks, choreography, scientific discoveries, or other **intellectual property**? If "Yes," explain. Describe who owns or will own any copyrights, patents, or trademarks, whether fees are or will be charged, how the fees are determined, and how any items are or will be produced, distributed, and marketed.  **Yes**  **No**

**Part VIII Your Specific Activities (Continued)**

- 11** Do you or will you accept contributions of: real property; conservation easements; closely held securities; intellectual property such as patents, trademarks, and copyrights; works of music or art; licenses; royalties; automobiles, boats, planes, or other vehicles; or collectibles of any type? If "Yes," describe each type of contribution, any conditions imposed by the donor on the contribution, and any agreements with the donor regarding the contribution.  Yes  No
- 
- 12a** Do you or will you operate in a **foreign country or countries**? If "Yes," answer lines 12b through 12d. If "No," go to line 13a.  Yes  No
- b** Name the foreign countries and regions within the countries in which you operate.
- c** Describe your operations in each country and region in which you operate.
- d** Describe how your operations in each country and region further your exempt purposes.
- 
- 13a** Do you or will you make grants, loans, or other distributions to organization(s)? If "Yes," answer lines 13b through 13g. If "No," go to line 14a.  Yes  No  
**See Exhibit C for additional information on 13b-13g**
- b** Describe how your grants, loans, or other distributions to organizations further your exempt purposes.
- c** Do you have written contracts with each of these organizations? If "Yes," attach a copy of each contract.  Yes  No
- d** Identify each recipient organization and any **relationship** between you and the recipient organization.
- e** Describe the records you keep with respect to the grants, loans, or other distributions you make.
- f** Describe your selection process, including whether you do any of the following:
- (i)** Do you require an application form? If "Yes," attach a copy of the form.  Yes  No
- (ii)** Do you require a grant proposal? If "Yes," describe whether the grant proposal specifies your responsibilities and those of the grantee, obligates the grantee to use the grant funds only for the purposes for which the grant was made, provides for periodic written reports concerning the use of grant funds, requires a final written report and an accounting of how grant funds were used, and acknowledges your authority to withhold and/or recover grant funds in case such funds are, or appear to be, misused.  Yes  No
- g** Describe your procedures for oversight of distributions that assure you the resources are used to further your exempt purposes, including whether you require periodic and final reports on the use of resources.
- 
- 14a** Do you or will you make grants, loans, or other distributions to foreign organizations? If "Yes," answer lines 14b through 14f. If "No," go to line 15.  Yes  No
- b** Provide the name of each foreign organization, the country and regions within a country in which each foreign organization operates, and describe any relationship you have with each foreign organization.
- c** Does any foreign organization listed in line 14b accept contributions earmarked for a specific country or specific organization? If "Yes," list all earmarked organizations or countries.  Yes  No
- d** Do your contributors know that you have ultimate authority to use contributions made to you at your discretion for purposes consistent with your exempt purposes? If "Yes," describe how you relay this information to contributors.  Yes  No
- e** Do you or will you make pre-grant inquiries about the recipient organization? If "Yes," describe these inquiries, including whether you inquire about the recipient's financial status, its tax-exempt status under the Internal Revenue Code, its ability to accomplish the purpose for which the resources are provided, and other relevant information.  Yes  No
- f** Do you or will you use any additional procedures to ensure that your distributions to foreign organizations are used in furtherance of your exempt purposes? If "Yes," describe these procedures, including site visits by your employees or compliance checks by impartial experts, to verify that grant funds are being used appropriately.  Yes  No

**Part VIII Your Specific Activities (Continued)**

- |           |  |  |   |
|-----------|--|--|---|
| <b>15</b> | Do you have a <b>close connection</b> with any organizations? If "Yes," explain. <b>See Exhibit C.</b>   | <input checked="" type="checkbox"/> <b>Yes</b> | <input type="checkbox"/> <b>No</b>            |
| <b>16</b> | Are you applying for exemption as a <b>cooperative hospital service organization</b> under section 501(e)? If "Yes," explain.  | <input type="checkbox"/> <b>Yes</b>            | <input checked="" type="checkbox"/> <b>No</b> |
| <b>17</b> | Are you applying for exemption as a <b>cooperative service organization of operating educational organizations</b> under section 501(f)? If "Yes," explain.  | <input type="checkbox"/> <b>Yes</b>            | <input checked="" type="checkbox"/> <b>No</b> |
| <b>18</b> | Are you applying for exemption as a <b>charitable risk pool</b> under section 501(n)? If "Yes," explain.   | <input type="checkbox"/> <b>Yes</b>            | <input checked="" type="checkbox"/> <b>No</b> |
| <b>19</b> | Do you or will you operate a <b>school</b> ? If "Yes," complete Schedule B. Answer "Yes," whether you operate a school as your main function or as a secondary activity.   | <input type="checkbox"/> <b>Yes</b>            | <input checked="" type="checkbox"/> <b>No</b> |
| <b>20</b> | Is your main function to provide <b>hospital or medical care</b> ? If "Yes," complete Schedule C.  | <input type="checkbox"/> <b>Yes</b>            | <input checked="" type="checkbox"/> <b>No</b> |
| <b>21</b> | Do you or will you provide <b>low-income housing</b> or housing for the <b>elderly or handicapped</b> ? If "Yes," complete Schedule F.   | <input type="checkbox"/> <b>Yes</b>            | <input checked="" type="checkbox"/> <b>No</b> |
| <b>22</b> | Do you or will you provide scholarships, fellowships, educational loans, or other educational grants to individuals, including grants for travel, study, or other similar purposes? If "Yes," complete Schedule H. | <input type="checkbox"/> <b>Yes</b>            | <input checked="" type="checkbox"/> <b>No</b> |

**Note:** Private foundations may use Schedule H to request advance approval of individual grant procedures.



**Part IX Financial Data**

For purposes of this schedule, years in existence refer to completed tax years. If in existence 4 or more years, complete the schedule for the most recent 4 tax years. If in existence more than 1 year but less than 4 years, complete the statements for each year in existence and provide projections of your likely revenues and expenses based on a reasonable and good faith estimate of your future finances for a total of 3 years of financial information. If in existence less than 1 year, provide projections of your likely revenues and expenses for the current year and the 2 following years, based on a reasonable and good faith estimate of your future finances for a total of 3 years of financial information. (See instructions.)

**A. Statement of Revenues and Expenses**

Type of revenue or expense	Current tax year	3 prior tax years or 2 succeeding tax years			(e) Provide Total for (a) through (d)	
	(a) From <u>9/22/09</u> To <u>6/30/10</u>	(b) From <u>7/2010</u> To <u>6/2011</u>	(c) From <u>7/2011</u> To <u>6/2012</u>	(d) From <u>7/2012</u> To <u>6/2013</u>		
<b>Revenues</b>	<b>1</b> Gifts, grants, and contributions received (do not include unusual grants)	0	2,500,000	3,100,000	1,190,000	6,790,000
	<b>2</b> Membership fees received					
	<b>3</b> Gross investment income	0	0	112,500	37,500	150,000
	<b>4</b> Net unrelated business income					
	<b>5</b> Taxes levied for your benefit					
	<b>6</b> Value of services or facilities furnished by a governmental unit without charge (not including the value of services generally furnished to the public without charge)					
	<b>7</b> Any revenue not otherwise listed above or in lines 9-12 below (attach an itemized list)					
	<b>8</b> Total of lines 1 through 7	0	2,500,000	3,212,500	1,227,500	6,940,000
	<b>9</b> Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to your exempt purposes (attach itemized list)					
	<b>10</b> Total of lines 8 and 9	0	2,500,000	3,212,500	1,227,500	6,940,000
<b>11</b> Net gain or loss on sale of capital assets (attach schedule and see instructions)						
<b>12</b> Unusual grants						
<b>13</b> Total Revenue Add lines 10 through 12	0	2,500,000	3,212,500	1,227,500	6,940,000	
<b>Expenses</b>	<b>14</b> Fundraising expenses	0	0	0	0	
	<b>15</b> Contributions, gifts, grants, and similar amounts paid out (attach an itemized list)	0	0	0	0	
	<b>16</b> Disbursements to or for the benefit of members (attach an itemized list)	0	0	0	0	
	<b>17</b> Compensation of officers, directors, and trustees	0	0	0	0	
	<b>18</b> Other salaries and wages	0	368,000*	386,400*	405,821*	
	<b>19</b> Interest expense	0	0	0	0	
	<b>20</b> Occupancy (rent, utilities, etc.)	0	32,500	24,750	24,750	
	<b>21</b> Depreciation and depletion	0	0	0	0	
	<b>22</b> Professional fees	0	263,000**	238,500**	238,500**	
	<b>23</b> Any expense not otherwise classified, such as program services (attach itemized list)	0	1,655,000**	2,324,750**	651,750**	
	<b>24</b> Total Expenses Add lines 14 through 23	0	2,318,500	2,974,400	1,320,821	

\* Paid to OrthoWorx, Inc., for leased employees. \*\* See Exhibit F.

Part IX Financial Data (Continued)

B. Balance Sheet (for your most recently completed tax year)

Year End: 12/2009

Table with columns for line numbers (1-18), descriptions of assets and liabilities, and dollar amounts. Assets total 0, liabilities total 0, and fund balances total 0.

19 Have there been any substantial changes in your assets or liabilities since the end of the period shown above? If "Yes," explain. [ ] Yes [X] No

Part X Public Charity Status

Part X is designed to classify you as an organization that is either a private foundation or a public charity. Public charity status is a more favorable tax status than private foundation status. If you are a private foundation, Part X is designed to further determine whether you are a private operating foundation. (See instructions.)

- 1a Are you a private foundation? [ ] Yes [X] No
b As a private foundation, section 508(e) requires special provisions... [ ]
2 Are you a private operating foundation? [ ] Yes [ ] No
3 Have you existed for one or more years? [ ] Yes [ ] No
4 Have you attached either (1) an affidavit or opinion of counsel... [ ] Yes [ ] No
5 If you answered "No" to line 1a, indicate the type of public charity status you are requesting...
a 509(a)(1) and 170(b)(1)(A)(i)—a church... [ ]
b 509(a)(1) and 170(b)(1)(A)(ii)—a school... [ ]
c 509(a)(1) and 170(b)(1)(A)(iii)—a hospital... [ ]
d 509(a)(3)—an organization supporting either one or more organizations... [X]

**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](http://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)

.....  
 (Type or print name of signer)

.....  
 (Date)

.....  
 (Type or print title or authority of signer)

For IRS Use Only

.....  
 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

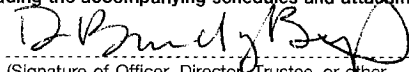
**Part XI User Fee Information**

You must include a user fee payment with this application. It will not be processed without your paid user fee. If your average annual gross receipts have exceeded or will exceed \$10,000 annually over a 4-year period, you must submit payment of \$750. If your gross receipts have not exceeded or will not exceed \$10,000 annually over a 4-year period, the required user fee payment is \$300. See instructions for Part XI, for a definition of **gross receipts** over a 4-year period. Your check or money order must be made payable to the United States Treasury. *User fees are subject to change. Check our website at [www.irs.gov](http://www.irs.gov) and type "User Fee" in the keyword box, or call Customer Account Services at 1-877-829-5500 for current information.*

- 1** Have your annual gross receipts averaged or are they expected to average not more than \$10,000?  Yes  No  
 If "Yes," check the box on line 2 and enclose a user fee payment of \$300 (Subject to change—see above).  
 If "No," check the box on line 3 and enclose a user fee payment of \$750 (Subject to change—see above).
- 2** Check the box if you have enclosed the reduced user fee payment of \$300 (Subject to change).
- 3** Check the box if you have enclosed the user fee payment of \$750 (Subject to change).

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

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

**D. Bradley Bishop**

(Type or print name of signer)

**2-18-10**

(Date)

**Chair**

(Type or print title or authority of signer)

**Reminder:** Send the completed Form 1023 Checklist with your filled-in-application.

Form **1023** (Rev. 6-2006)

**Schedule D. Section 509(a)(3) Supporting Organizations**

**Section I Identifying Information About the Supported Organization(s)**

1 State the names, addresses, and EINs of the supported organizations. If additional space is needed, attach a separate sheet.

Name	Address	EIN
Kosciusko County Community Foundation, Inc.	102 East Market Street Warsaw, Indiana 46580	35 - 6086777
		-

2 Are all supported organizations listed in line 1 public charities under section 509(a)(1) or (2)? If "Yes," go to Section II. If "No," go to line 3.  Yes  No

3 Do the supported organizations have tax-exempt status under section 501(c)(4), 501(c)(5), or 501(c)(6)?  Yes  No

If "Yes," for each 501(c)(4), (5), or (6) organization supported, provide the following financial information:

- Part IX-A. Statement of Revenues and Expenses, lines 1-13 and
- Part X, lines 6b(ii)(a), 6b(ii)(b), and 7.

If "No," attach a statement describing how each organization you support is a public charity under section 509(a)(1) or (2).

**Section II Relationship with Supported Organization(s)—Three Tests**

To be classified as a supporting organization, an organization must meet one of three relationship tests:

- Test 1: "Operated, supervised, or controlled by" one or more publicly supported organizations, or
- Test 2: "Supervised or controlled in connection with" one or more publicly supported organizations, or
- Test 3: "Operated in connection with" one or more publicly supported organizations.

1 Information to establish the "operated, supervised, or controlled by" relationship (Test 1)  
Is a majority of your governing board or officers elected or appointed by the supported organization(s)? If "Yes," describe the process by which your governing board is appointed and elected; go to Section III. If "No," continue to line 2.  Yes  No  
*See Ex. A, page 4, Article X. See Ex. B, pages 1-2, Article II, Sec. 1.*

2 Information to establish the "supervised or controlled in connection with" relationship (Test 2)  
Does a majority of your governing board consist of individuals who also serve on the governing board of the supported organization(s)? If "Yes," describe the process by which your governing board is appointed and elected; go to Section III. If "No," go to line 3.  Yes  No

3 Information to establish the "operated in connection with" responsiveness test (Test 3)  
Are you a trust from which the named supported organization(s) can enforce and compel an accounting under state law? If "Yes," explain whether you advised the supported organization(s) in writing of these rights and provide a copy of the written communication documenting this; go to Section II, line 5. If "No," go to line 4a.  Yes  No

- 4 Information to establish the alternative "operated in connection with" responsiveness test (Test 3)
- a Do the officers, directors, trustees, or members of the supported organization(s) elect or appoint one or more of your officers, directors, or trustees? If "Yes," explain and provide documentation; go to line 4d, below. If "No," go to line 4b.  Yes  No
  - b Do one or more members of the governing body of the supported organization(s) also serve as your officers, directors, or trustees or hold other important offices with respect to you? If "Yes," explain and provide documentation; go to line 4d, below. If "No," go to line 4c.  Yes  No
  - c Do your officers, directors, or trustees maintain a close and continuous working relationship with the officers, directors, or trustees of the supported organization(s)? If "Yes," explain and provide documentation.  Yes  No
  - d Do the supported organization(s) have a significant voice in your investment policies, in the making and timing of grants, and in otherwise directing the use of your income or assets? If "Yes," explain and provide documentation.  Yes  No
  - e Describe and provide copies of written communications documenting how you made the supported organization(s) aware of your supporting activities.

**Schedule D. Section 509(a)(3) Supporting Organizations (Continued)****Section II Relationship with Supported Organization(s)—Three Tests (Continued)**

- 5** Information to establish the "operated in connection with" integral part test (Test 3)  
Do you conduct activities that would otherwise be carried out by the supported organization(s)? If "Yes," explain and go to Section III. If "No," continue to line 6a.  Yes  No
- 6** Information to establish the alternative "operated in connection with" integral part test (Test 3)  
**a** Do you distribute at least 85% of your annual net income to the supported organization(s)? If "Yes," go to line 6b. (See instructions.)  Yes  No  
If "No," state the percentage of your income that you distribute to each supported organization. Also explain how you ensure that the supported organization(s) are attentive to your operations.  
**b** How much do you contribute annually to each supported organization? Attach a schedule.  
**c** What is the total annual revenue of each supported organization? If you need additional space, attach a list.  
**d** Do you or the supported organization(s) earmark your funds for support of a particular program or activity? If "Yes," explain.  Yes  No
- 7a** Does your organizing document specify the supported organization(s) by name? If "Yes," state the article and paragraph number and go to Section III. If "No," answer line 7b.  Yes  No  
**b** Attach a statement describing whether there has been an historic and continuing relationship between you and the supported organization(s).

**Section III Organizational Test**

- 1a** If you met relationship Test 1 or Test 2 in Section II, your organizing document must specify the supported organization(s) by name, or by naming a similar purpose or charitable class of beneficiaries. If your organizing document complies with this requirement, answer "Yes." If your organizing document does not comply with this requirement, answer "No," and see the instructions.  Yes  No  
*Ex. A, page 1, Art. II.*
- b** If you met relationship Test 3 in Section II, your organizing document must generally specify the supported organization(s) by name. If your organizing document complies with this requirement, answer "Yes," and go to Section IV. If your organizing document does not comply with this requirement, answer "No," and see the instructions.  Yes  No

**Section IV Disqualified Person Test**

You do not qualify as a supporting organization if you are **controlled** directly or indirectly by one or more **disqualified persons** (as defined in section 4946) other than **foundation managers** or one or more organizations that you support. Foundation managers who are also disqualified persons for another reason are disqualified persons with respect to you.

- 1a** Do any persons who are disqualified persons with respect to you, (except individuals who are disqualified persons only because they are foundation managers), appoint any of your foundation managers? If "Yes," (1) describe the process by which disqualified persons appoint any of your foundation managers, (2) provide the names of these disqualified persons and the foundation managers they appoint, and (3) explain how control is vested over your operations (including assets and activities) by persons other than disqualified persons.  Yes  No
- b** Do any persons who have a family or business relationship with any disqualified persons with respect to you, (except individuals who are disqualified persons only because they are foundation managers), appoint any of your foundation managers? If "Yes," (1) describe the process by which individuals with a family or business relationship with disqualified persons appoint any of your foundation managers, (2) provide the names of these disqualified persons, the individuals with a family or business relationship with disqualified persons, and the foundation managers appointed, and (3) explain how control is vested over your operations (including assets and activities) in individuals other than disqualified persons.  Yes  No
- c** Do any persons who are disqualified persons, (except individuals who are disqualified persons only because they are foundation managers), have any influence regarding your operations, including your assets or activities? If "Yes," (1) provide the names of these disqualified persons, (2) explain how influence is exerted over your operations (including assets and activities), and (3) explain how control is vested over your operations (including assets and activities) by individuals other than disqualified persons.  Yes  No

Orthopedics Capital Foundation, Inc.  
c/o Suzanne Light  
102 East Market Street  
Warsaw, Indiana 46580

Federal EIN: 27-1038452

Exhibit to Form 1023  
Part II, Line 1  
Part III, Lines 1 and 2b  
Schedule D, Section II, Line 1  
Schedule D, Section III, Line 1a

**EXHIBIT A**

Articles of Incorporation

(See attached)

State of Indiana  
Office of the Secretary of State

CERTIFICATE OF INCORPORATION

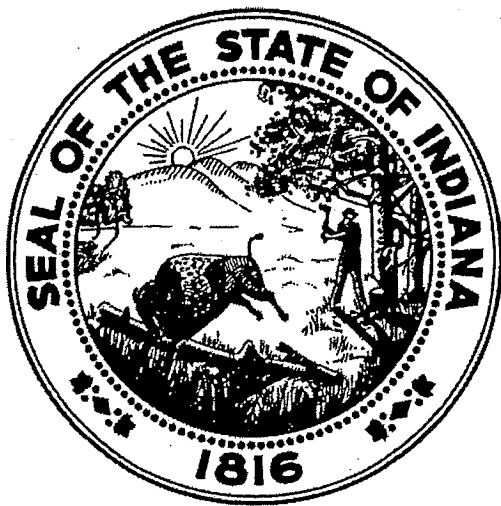
of

ORTHOPEDECS CAPITAL FOUNDATION, INC.

*Certified - a true copy*  
*[Signature]*  
*Attorney-in-fact*  
*4/20/2010*

I, TODD ROKITA, Secretary of State of Indiana, hereby certify that Articles of Incorporation of the above Non-Profit Domestic Corporation have been presented to me at my office, accompanied by the fees prescribed by law and that the documentation presented conforms to law as prescribed by the provisions of the Indiana Nonprofit Corporation Act of 1991.

NOW, THEREFORE, with this document I certify that said transaction will become effective Tuesday, September 22, 2009.



In Witness Whereof, I have caused to be affixed my signature and the seal of the State of Indiana, at the City of Indianapolis, September 22, 2009.

*Todd Rokita*

TODD ROKITA,  
SECRETARY OF STATE



RECEIVED  
IND. SECRETARY OF STATE

SEP 22 2009

*Odd Roberts*

*Certified: a true copy  
Janet [unclear]  
Attorney-in-fact  
1/20/2010*

ARTICLES OF INCORPORATION

OF

ORTHOPEDECS CAPITAL FOUNDATION, INC.

The undersigned Incorporator, desiring to form a corporation (the "Corporation") pursuant to the provisions of the Indiana Nonprofit Corporation Act of 1991, as amended (the "Act"), hereby executes the following Articles of Incorporation:

ARTICLE I

Name

The name of the Corporation is Orthopedics Capital Foundation, Inc.

ARTICLE II

Purposes

The Corporation is a public benefit corporation that shall be organized and operated exclusively to benefit, perform, and carry out the charitable, educational, and other exempt purposes of Kosciusko County Community Foundation, Inc. (the "Supported Organization"), as such purposes are described in Sections 170(c)(2)(B), 501(c)(3), 2055(a)(2), and 2522(a)(2) of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax laws (the "Code").

ARTICLE III

Powers

Notwithstanding any other provision of these Articles of Incorporation, neither the Board of Directors nor the Corporation shall have the power or authority to do any act that shall prevent the Corporation from being an organization described in Code sections 170(c)(2)(B), 501(c)(3), 2055(a)(2), and 2522(a)(2). Subject to the foregoing statement, and

APPROVED  
AND  
FILED  
*Odd Roberts*  
IND. SECRETARY OF STATE

subject to and in furtherance of the purposes for which it is organized, the Corporation shall possess all of the rights, privileges, and powers conferred by the Act or by other law and, in addition, the following rights, privileges, and powers:

Section 1. To indemnify any person against liability and expense, and to advance the expenses incurred by such person, in connection with the defense of any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, investigative, or otherwise, and whether formal or informal, to the fullest extent permitted by applicable law, or, if not permitted, then to any extent not prohibited by such law.

Section 2. To cease its activities and to dissolve and surrender its corporate franchise.

#### ARTICLE IV

##### Period of Existence

The period during which the Corporation shall continue is perpetual.

#### ARTICLE V

##### Initial Registered Agent and Registered Office

The name of the initial registered agent in charge of the Corporation's initial registered office is Suzanne Light, and the street address of the initial registered office of the Corporation is 102 East Market Street, Warsaw, Indiana 46580.

#### ARTICLE VI

##### Incorporator

The name of the Incorporator of the Corporation is Suzanne Light, and the address of such Incorporator is 102 East Market Street, Warsaw, Indiana 46580.

## ARTICLE VII

### Members

The Corporation shall not have members as that term is described in the Act. The Corporation may, upon resolution of the Board of Directors, designate as “members” certain individuals, corporations, or other associations and organizations who satisfy certain criteria established by the Board of Directors and who support the purposes and programs of the Corporation. Such designations shall carry no legal significance under the Act and shall not entitle such “members” to any vote on Corporation matters or to attendance at Corporation meetings.

## ARTICLE VIII

### Directors

The exact number of directors of the Corporation shall be specified in or fixed in accordance with the Bylaws of the Corporation at a number no smaller than three (3).

## ARTICLE IX

### Initial Board of Directors

The initial members of the Board of Directors of the Corporation are as follows, each of whom shall be deemed to have been appointed by the Supported Organization, shall serve for a term to expire on June 30, 2012, and shall have the address of 102 East Market Street, Warsaw, Indiana 46580:

Brad Bishop  
David Johnson  
Suzanne Light  
Ron Manahan

## ARTICLE X

### Appointment and Election of Directors

Each of the directors of the Corporation, other than the members of the initial Board of Directors, shall be appointed or elected in the manner and for terms as specified in or fixed in accordance with the Bylaws of the Corporation; provided, however, that at all times a majority of the directors of the Corporation shall be appointed by the Board of Directors of the Supported Organization or by an authorized officer of the Supported Organization.

## ARTICLE XI

### No Private Inurement

None of the Corporation's net earnings shall inure to the benefit of any private individual.

## ARTICLE XII

### Regulation of Corporate Affairs

The affairs of the Corporation shall be subject to the following provisions:

Section 1. Notwithstanding any other provision of these Articles of Incorporation, if for any taxable year the Corporation is deemed a "private foundation" described in Code section 509(a), the Corporation shall make distributions at such time and in such manner as not to subject the Corporation to the tax imposed by Code section 4942.

Section 2. Notwithstanding any other provision of these Articles of Incorporation, if at any time the Corporation is deemed a "private foundation" described in Code section 509(a), the Corporation shall not:

- (a) Engage in any act of self-dealing as defined in Code section 4941(d);
- (b) Retain any excess business holdings as defined in Code section 4943(c);

(c) Make any investment in such manner as to subject the Corporation to tax under Code section 4944; or

(d) Make any taxable expenditure as defined in Code section 4945(d).

Section 3. Except as otherwise permitted by Code section 501(h), no substantial part of the activities of the Corporation shall be or consist of carrying on propaganda, or otherwise attempting, to influence legislation.

Section 4. The Corporation shall not participate or intervene in (including the publishing or distributing of any statements) any political campaign on behalf of or in opposition to any candidate for public office.

Section 5. Subject to the provisions of these Articles of Incorporation and applicable law, the Board of Directors shall have complete and plenary power to manage, control, and conduct the affairs of the Corporation.

Section 6. The power to make, alter, amend, and repeal the Bylaws of the Corporation shall be vested in the Board of Directors of the Corporation.

Section 7. No director of the Corporation shall be liable for any of the Corporation's obligations.

Section 8. Meetings of the Board of Directors may be held at any location, either inside the State of Indiana or elsewhere.

Section 9. All parties dealing with the Corporation shall have the right to rely upon any action taken by the Corporation pursuant to authorization by the Board of Directors by resolution duly adopted in accordance with the Corporation's Articles of Incorporation and Bylaws and applicable law.

Section 10. The Board of Directors may from time to time, in the Bylaws of the Corporation or by resolution, designate an Executive Committee and such other committees as the Board of Directors may deem desirable for the furtherance of the purposes of the Corporation. The Board of Directors shall define the responsibilities of each such committee and delegate such powers as the Board of Directors deems appropriate.

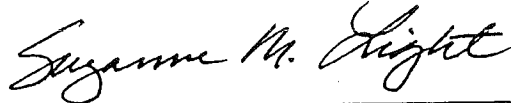
Section 11. Neither the Board of Directors nor the Corporation shall have power or authority to do any act that shall prevent the Corporation from being an organization described in Code section 501(c)(3):

### ARTICLE XIII

#### Dissolution of the Corporation

If the Corporation is dissolved, all of its property remaining after payment and discharge of its obligations shall be transferred and conveyed, subject to any contractual or legal requirement, to the Supported Organization or, if the Supported Organization no longer is in existence, to one or more other organizations that have been selected by the Board of Directors of the Corporation, that are organized and operated for purposes substantially the same as those of the Corporation, and that are described in Code sections 170(c)(2)(B), 501(c)(3), 2055(a)(2), and 2522(a)(2).

IN WITNESS WHEREOF, the undersigned Incorporator hereby adopts these Articles of Incorporation and presents them to the Secretary of State of the State of Indiana for filing, and verifies and affirms, subject to penalties of perjury, that the representations contained herein are true, this 22nd day of September, 2009.



---

Suzanne Light, Incorporator

This instrument was prepared by Joseph E. Miller, Jr., Attorney at Law, Baker & Daniels LLP, 300 North Meridian Street, Suite 2700, Indianapolis, Indiana 46204.

Orthopedics Capital Foundation, Inc.  
c/o Suzanne Light  
102 East Market Street  
Warsaw, Indiana 46580

Federal EIN: 27-1038452

Exhibit to Form 1023  
Part II, Line 5  
Part V, Line 5a  
Schedule D, Section II, Line 1

**EXHIBIT B**

Bylaws

(See attached)

See pages 7-9 (Article V) for the Conflict of Interest Policy recommended by Part V, Line 5a.



*Certified: a true copy  
Joseph Espinoza  
Attorney-in-fact  
1/20/2010*

BYLAWS  
OF  
ORTHOPEDECS CAPITAL FOUNDATION, INC.

*Adopted on 11/13/2009*

ARTICLE I

General

Section 1. Name. The name of the corporation is Orthopedics Capital Foundation, Inc. (the "Corporation").

Section 2. Fiscal Year. The fiscal year of the Corporation shall begin on the first day of July and end on the last day of June next succeeding.

ARTICLE II

Board of Directors

Section 1. Directors. Subject to the provisions of the Corporation's Articles of Incorporation (the "Articles") and these Bylaws, the business, property, and affairs of the Corporation shall be managed and controlled by, and under the supervision of, the Board of Directors. The Board of Directors shall have the number of members, no fewer than three (3), as designated by resolution of the Board of Directors from time to time. Notwithstanding any other provision of these Bylaws, at all times a majority of the members of the Corporation's Board of Directors shall be appointed by the Board of Directors of Kosciusko County Community Foundation, Inc. (the "Supported Organization"), or by an authorized officer of the Supported Organization. The Supported Organization's Board of Directors (or an authorized officer of the Supported Organization) shall appoint such directors (each, an "Appointed Director") after receiving a list of nominations for such directors from the Board of Directors of OrthoWorx, Inc. ("OrthoWorx"); provided, however, that the Supported Organization shall not be restricted to

such nominations in selecting Appointed Directors. One (1) additional Appointed Director may be appointed by the Board of Directors of OrthoWorx or by an authorized officer of OrthoWorx.

In addition to the Appointed Directors, one (1) or more at-large directors (each, a "Community Director") may be elected from time to time by the Board of Directors from among individuals nominated by the Board of Directors of OrthoWorx. At the regular meeting of the Board of Directors immediately preceding the expiration of the term of any Community Director, or at a special meeting, the directors of the Corporation may elect a new Community Director whose term will expire, or has expired, and each such new Community Director shall serve for a term of three (3) years, or such other period as prescribed by the directors at the time of such election, and until his or her successor is elected and qualified; provided, however, that terms may be staggered to provide for continuity on the Board of Directors.

An Appointed Director or a Community Director may serve any number of consecutive or nonconsecutive terms.

Section 2. Quorum and Voting. A majority of the directors in office immediately before a meeting begins shall constitute a quorum for the transaction of any business properly to come before the Board of Directors. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 3. Regular Meetings. The Board of Directors may hold regular meetings, as fixed by these Bylaws or by resolution of the Board of Directors, for the purpose of transacting such business as properly may come before the Board of Directors. Regular meetings of the Board of Directors may be held without notice of the date, time, place, or purpose of the meeting.

Section 4. Special Meetings. Notwithstanding the preceding Section 3 of this Article II, the Board of Directors may hold special meetings for any lawful purpose upon not less than two (2) days' notice, as described in Section 5 of this Article II, upon any call by the Chair or by two (2) or more members of the Board of Directors. A special meeting shall be held at such date, time, and place inside the State of Indiana or elsewhere as specified in the call of the meeting.

Section 5. Notice of Special Meeting. Oral or written notice of the date, time, and place of each special meeting of the Board of Directors shall be communicated, delivered, or mailed by the Secretary of the Corporation, or by the person or persons calling the meeting, to each member of the Board of Directors so that such notice is effective at least two (2) days before the date of the meeting. The notice need not describe the purpose of the special meeting.

Oral notice shall be effective when communicated. Written, electronic, or telefaxed notice, where applicable, shall be effective at the earliest of the following:

- (a) When received;
- (b) Five (5) days after the notice is mailed, as evidenced by the postmark or private carrier receipt, if mailed correctly addressed to the address listed in the most current records of the Corporation;
- (c) On the date shown on the return receipt, if sent by registered or certified United States mail, return receipt requested, and the receipt is signed by or on behalf of the addressee; or
- (d) Thirty (30) days after the notice is deposited with another method of the United States Postal Service other than first class, registered, or certified mail, as evidenced by the postmark, if mailed correctly addressed to the address listed in the most current records of the Corporation.

Section 6. Waiver of Notice. Notice may be waived in a writing signed by the director entitled to notice and filed with the minutes or the corporate records. Attendance at or participation in any meeting of the Board of Directors shall constitute a waiver of notice of such meeting unless the director shall, at the beginning of the meeting or promptly upon the director's arrival, object to holding the meeting and not vote for or assent to any action taken at the meeting.

Section 7. Means of Communication. The Board of Directors, or a committee thereof, may (a) permit a director or a committee member to participate in a meeting by or (b) conduct a meeting through the use of any means of communication by which all directors or committee members may simultaneously hear each other during the meeting. A director or committee member participating in a meeting by such means shall be considered present in person at the meeting.

Section 8. Action by Written Consent. Any action required or permitted to be taken at any meeting of the Board of Directors, or any committee thereof, may be taken without a meeting if a written consent describing such action is signed by each director or committee member and if such written consent is included in the minutes or filed with the Corporation's records reflecting the action taken. Action taken by written consent shall be effective when the last director or committee member signs the consent, unless the consent specifies a prior or subsequent effective date. A consent signed as described in this Section 8 shall have the effect of a meeting vote and may be described as such in any document.

Section 9. Resignation, Removal, and Vacancies. Any director may resign at any time by giving written notice of such resignation to the Board of Directors, the Chair, or the Secretary of the Corporation. Such resignation shall take effect at the time specified therein, or if

no time is specified, at the time of its receipt by the Board of Directors, the Chair, or the Secretary. The acceptance of a resignation shall not be necessary to make it effective.

An Appointed Director may be removed, with or without cause, by the Board of Directors or an authorized officer of the organization that appointed him or her. A Community Director may be removed, with or without cause, by a majority of all directors then in office.

Any vacancy on the Board of Directors created by the resignation or removal of an Appointed Director shall be filled by the Board of Directors or an authorized officer of the organization that appointed him or her. In the case of a vacancy created by the resignation or removal of an Appointed Director appointed by the Supported Organization, such vacancy shall be filled by the Supported Organization upon the nomination of the Board of Directors of OrthoWorx; provided, however, that the Supported Organization shall not be restricted to such nomination in filling the vacancy. Any vacancy on the Board of Directors created by the resignation or removal of a Community Director shall be filled by the Board of Directors upon the nomination of the Board of Directors of OrthoWorx.

### ARTICLE III

#### Officers

Section 1. In General. The officers of the Corporation shall consist of a Chair, a Secretary, a Treasurer, and such other officers as the Board of Directors may otherwise elect. An officer may simultaneously hold more than one (1) office. Each officer shall be elected by the Board of Directors and shall serve for one (1) year, or such other period as prescribed by the directors at the time of such election, and until the officer's successor is elected and qualified. An officer may, but need not, be a member of the Board of Directors. Any officer may be removed by the Board of Directors at any time, with or without cause. Any vacancy in any office shall be

filled by the Board of Directors, and the person elected to fill such vacancy shall serve until the expiration of the term vacated and until his or her successor is elected and qualified.

Section 2. Chair. The Chair shall preside at all meetings of the Board of Directors of the Corporation and shall be responsible for implementing policies established by the Board of Directors. The Chair shall perform such other duties as the Board of Directors may prescribe.

Section 3. Secretary. The Secretary shall be the custodian of all papers, books, and records of the Corporation other than books of account. The Secretary shall prepare and enter in the minute book the minutes of all meetings of the Board of Directors. The Secretary shall authenticate records of the Corporation as necessary. The Secretary shall perform such duties usual to the position of Secretary and such other duties as the Board of Directors or the Chair may prescribe.

Section 4. Treasurer. The Treasurer shall prepare and maintain correct and complete records of account showing accurately the financial condition of the Corporation. All notes, securities, and other assets coming into the possession of the Corporation shall be received, accounted for, and placed in safekeeping as the Treasurer may from time to time prescribe. The Treasurer shall furnish, whenever requested by the Board of Directors or the Chair, a statement of the financial condition of the Corporation and shall perform the duties usual to the position of Treasurer and such other duties as the Board of Directors or the Chair may prescribe.

Section 5. Other Officers. Each other officer of the Corporation shall perform such duties as the Board of Directors or the Chair may prescribe.

## ARTICLE IV

### Committees

Section 1. Executive Committee. The Board of Directors may, by resolution adopted by a majority of the directors then in office, designate two (2) or more directors of the Corporation to constitute an Executive Committee which, to the extent provided in such resolution and consistent with applicable law, shall have and exercise all of the authority of the Board of Directors in the management of the Corporation's affairs during intervals between the meetings of the Board of Directors. The Executive Committee shall be subject to the authority and supervision of the Board of Directors.

Section 2. Other Committees. The Board of Directors may establish other committees, in addition to the Executive Committee, to accomplish the goals and execute the programs of the Corporation. Such committees shall have such responsibilities and powers as the Board of Directors shall specify. Members of such committees may, but need not, be members of the Board of Directors. A committee member appointed by the Board of Directors may be removed by the Board of Directors with or without cause.

## ARTICLE V

### Conflicts of Interest

Section 1. General Statement and Procedures. It is the policy of the Corporation and its Board of Directors that the Corporation's directors, officers, and employees carry out their respective duties in a fashion that avoids actual, potential, or perceived conflicts of interest. The Corporation's directors, officers, and employees shall have the continuing, affirmative duty to report any personal ownership, interest, or other relationship that might affect their ability to

exercise impartial, ethical, and business-based judgments in fulfilling their responsibilities to the Corporation. This policy shall be further subject to the following principles:

- (a) Directors, officers, and employees of the Corporation shall conduct their duties with respect to potential and actual grantees, contractors, suppliers, agencies, and other persons transacting or seeking to transact business with the Corporation in a completely impartial manner, without favor or preference based upon any consideration other than the best interests of the Corporation.
- (b) Directors, officers, and employees of the Corporation shall not seek or accept for themselves or anyone else, from any person or business entity that transacts or seeks to transact business with the Corporation, any gifts, entertainment, or other favors relating to their positions with the Corporation that exceed common courtesies consistent with ethical and accepted business practices.
- (c) If a director, or a director's relative (the term "relative" includes spouses, ancestors, and descendants, whether by whole or half blood), directly or indirectly owns a significant financial interest in, or is employed by, any business entity that transacts or seeks to transact business with the Corporation, the director shall disclose that interest or position and shall refrain from voting on any issue pertaining to the transaction.
- (d) Officers and employees of the Corporation shall not conduct business on behalf of the Corporation with a relative or a business entity in which the officer, employee, or his or her relative owns a significant financial interest or by which such officer, employee, or relative is employed, except where such dealings have been disclosed to, and specifically approved and authorized by, the Board of Directors of the Corporation.
- (e) The Board of Directors may require the Corporation's directors, officers, or employees to complete annually (or as otherwise scheduled by the Board) a disclosure statement regarding any actual or potential conflict of interest described in these Bylaws. The disclosure statement shall be in such form as may be prescribed by the Board and may include information regarding a person's participation as a director, officer, or employee of any other nonprofit organization. The Board of Directors shall be responsible for oversight of all disclosures or failures to disclose and for taking appropriate action in the case of any actual or potential conflict of interest transaction.



Section 2. Validity of Actions. The failure of the Corporation, its Board of Directors, or any or all of its directors, officers, or employees to comply with the conflict of interest provisions of these Bylaws shall not invalidate, cancel, void, or make voidable any contract, relationship, action, transaction, debt, commitment, or obligation of the Corporation that otherwise is valid and enforceable under applicable law.

## ARTICLE VI

### Indemnification

Section 1. Indemnification by the Corporation. To the extent not inconsistent with applicable law, every person (and the heirs and personal representatives of such person) who is or was a director, officer, employee, or agent of the Corporation shall be indemnified by the Corporation against all liability and reasonable expense that may be incurred by him or her in connection with or resulting from any claim, action, suit, or proceeding (a) if such person is wholly successful with respect thereto or (b) if not wholly successful, then if such person is determined (as provided in Section 3 of this Article VI) to have acted in good faith, in what he or she reasonably believed to be the best interests of the Corporation (or, in any case not involving the person's official capacity with the Corporation, in what he or she reasonably believed to be not opposed to the best interests of the Corporation), and, with respect to any criminal action or proceeding, is determined to have had reasonable cause to believe that his or her conduct was lawful (or no reasonable cause to believe that the conduct was unlawful). The termination of any claim, action, suit, or proceeding by judgment, settlement (whether with or without court approval), or conviction, or upon a plea of guilty or of nolo contendere or its equivalent, shall not create a presumption that a person did not meet the standards of conduct set forth in this Article VI.

Section 2. Definitions.

- (a) As used in this Article VI, the phrase “claim, action, suit, or proceeding” shall include any threatened, pending, or completed civil, criminal, administrative, or investigative action, suit, or proceeding and all appeals thereof (whether brought by or on behalf of the Corporation, any other corporation, or otherwise), whether formal or informal, in which a person (or his or her heirs or personal representatives) may become involved, as a party or otherwise:
- By reason of his or her being or having been a director, officer, employee, or agent of the Corporation or of any corporation where he or she served as such at the request of the Corporation, or
  - By reason of his or her acting or having acted in any capacity in a corporation, partnership, joint venture, association, trust, or other organization or entity where he or she served as such at the request of the Corporation, or
  - By reason of any action taken or not taken by him or her in any such capacity, whether or not he or she continues in such capacity at the time such liability or expense shall have been incurred.
- (b) As used in this Article VI, the terms “liability” and “expense” shall include, but shall not be limited to, counsel fees and disbursements and amounts of judgments, fines, or penalties against, and amounts paid in settlement by or on behalf of, a person.
- (c) As used in this Article VI, the term “wholly successful” shall mean (i) termination of any action, suit, or proceeding against the person in question without any finding of liability or guilt against him or her, (ii) approval by a court, with knowledge of the indemnity provided in this Article VI, of a settlement of any action, suit, or proceeding, or (iii) the expiration of a reasonable time after the making of any claim or threat of any action, suit, or proceeding without the institution of the same, without any payment or promise made to induce a settlement.

Section 3. Entitlement to Indemnification. Every person claiming indemnification under this Article VI (other than one who has been wholly successful with respect to any claim, action, suit, or proceeding) shall be entitled to indemnification if (a) special independent legal counsel, which may be regular counsel of the Corporation or any other disinterested person or persons, in either case selected by the Board of Directors, whether or not a disinterested quorum

exists (such counsel or person or persons being hereinafter called the “referee”), shall deliver to the Corporation a written finding that such person has met the standards of conduct set forth in Section 1 of this Article VI and (b) the Board of Directors, acting upon such written finding, so determines. The person claiming indemnification shall, if requested, appear before the referee and answer questions that the referee deems relevant and shall be given ample opportunity to present to the referee evidence upon which he or she relies for indemnification. The Corporation shall, at the request of the referee, make available facts, opinions, or other evidence in any way relevant to the referee’s findings that is within the possession or control of the Corporation.

Section 4. Relationship to Other Rights. The right of indemnification provided in this Article VI shall be in addition to any rights to which any person may otherwise be entitled.

Section 5. Extent of Indemnification. Irrespective of the provisions of this Article VI, the Board of Directors may, at any time and from time to time, approve indemnification of directors, officers, employees, agents, or other persons to the fullest extent permitted by applicable law, or, if not permitted, then to any extent not prohibited by such law, whether on account of past or future transactions.

Section 6. Advancement of Expenses. Expenses incurred with respect to any claim, action, suit, or proceeding may be advanced by the Corporation (by action of the Board of Directors, whether or not a disinterested quorum exists) prior to the final disposition thereof upon receipt of an undertaking by or on behalf of the recipient to repay such amount unless he or she is entitled to indemnification.

Section 7. Purchase of Insurance. The Board of Directors is authorized and empowered to purchase insurance covering the Corporation’s liabilities and obligations under

this Article VI and insurance protecting the Corporation's directors, officers, employees, agents, or other persons.

## ARTICLE VII

### Contracts, Checks, Loans, Deposits, and Gifts

Section 1. Contracts. The Board of Directors may authorize one (1) or more officers, agents, or employees of the Corporation to enter into any contract or execute any instrument on its behalf. Such authorization may be general or confined to specific instances. Unless so authorized by the Board of Directors, no officer, agent, or employee shall have any power to bind the Corporation or to render it liable for any purpose or amount.

Section 2. Checks. All checks, drafts, or other orders for payment of money by the Corporation shall be signed by such person or persons as the Board of Directors may from time to time designate by resolution. Such designation may be general or confined to specific instances.

Section 3. Loans. Unless authorized by the Board of Directors, no loan shall be made by or contracted for on behalf of the Corporation and no evidence of indebtedness shall be issued in its name. Such authorization may be general or confined to specific instances.

Section 4. Deposits. All funds of the Corporation shall be deposited to its credit in such bank, banks, or depositories as the Board of Directors may designate. Such designation may be general or confined to specific instances.

Section 5. Gifts. The Board of Directors may accept on behalf of the Corporation any gift, bequest, devise, or other contribution for the purposes of the Corporation on such terms and conditions as the Board of Directors shall determine.

ARTICLE VIII

Amendments

The power to make, alter, amend, or repeal the Bylaws is vested in the Board of Directors of the Corporation.

Orthopedics Capital Foundation, Inc.  
c/o Suzanne Light  
102 East Market Street  
Warsaw, Indiana 46580

Federal EIN: 27-1038452

Exhibit to Form 1023  
Part IV  
Part VI, Line 1b  
Part VIII, Lines 13 and 15

## EXHIBIT C

### Description of Activities and Close Connections with Other Organizations

#### Introduction

Orthopedics Capital Foundation, Inc. (“OCF”), is an Indiana nonprofit corporation organized and operated exclusively to further, benefit, perform, and carry out the charitable, educational, and other exempt purposes of Kosciusko County Community Foundation, Inc. (“KCCF”), pursuant to Section 509(a)(3) of the Internal Revenue Code of 1986, as amended (the “Code”). KCCF is exempt from federal income tax under Code section 501(c)(3) and is classified as a publicly supported public charity under Code sections 509(a)(1) and 170(b)(1)(A)(vi).

In furthering KCCF’s exempt purposes, OCF intends to engage in charitable and educational activities in and around Warsaw and Kosciusko County, Indiana. Warsaw – a town of fewer than 15,000 residents – is the undisputed capital of the global orthopedic device industry:

- Three of the world’s five largest orthopedic manufacturers are headquartered in Warsaw.
- Warsaw is home to the world’s largest spinal implant manufacturing facility, which employs 650 skilled workers.
- More than 20 additional orthopedic device manufacturers, suppliers, and technical service providers are located in and around Warsaw.
- Nearly one-third of the world’s \$32.5 billion orthopedic device sector (including 60 percent of the global hip and knee replacement market) is now generated by firms located in Warsaw.

In light of the foregoing statistics, it is not surprising that 6,500 skilled workers – nearly half of the town’s population – are employed in the Warsaw orthopedics industry. Despite these assets, however, the greater Warsaw community faces a number of significant challenges in education, community development, workforce development, and related areas. Accordingly, OCF has identified several areas of initiative in which it plans to invest human and financial resources in order to assist KCCF in advancing charitable, educational, and other exempt purposes in Warsaw and Kosciusko County.

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In certain instances, additional activities related to these initiatives may be undertaken by OrthoWorx, Inc. ("OrthoWorx"), a newly-created organization that will be organized and operated as a business league under Code section 501(c)(6). OCF, however, will undertake and/or fund only those activities that are permissible under Code section 501(c)(3) and further KCCF's charitable, educational, and other exempt purposes. OCF anticipates that it will carry out such activities through individuals who are employed by, and leased from, OrthoWorx. Such individuals will record their time so that it may be properly allocated between business league activities (for which they will be paid solely by OrthoWorx) and charitable or educational activities (for which OrthoWorx may be reimbursed by OCF).

### Description of Activities

Consistent with the foregoing, the activities in which OCF intends to engage include the following:

#### 1. K-16 Education

- Developing and disseminating to the public a comprehensive K-16 educational strategy for Kosciusko County, including recommendations for schools to develop a strong core curriculum in science, technology, engineering, and mathematics disciplines
- Collaborating with institutions of higher education (e.g., Grace College and Ivy Tech Community College) to enhance offerings in management, engineering, and vocational/technical skills to younger students
- Researching and analyzing the development of public education options such as charter schools and "New Tech" high schools
- Researching and analyzing possible private educational development strategies

#### 2. Community Development

- Identifying strengths and gaps in the region's educational, cultural, and civic programs (e.g., art, music, and cultural exhibitions; farmers' markets; museums; curriculum development and expansion of adult education opportunities through local institutions of higher education)
- Educating the public about such strengths and gaps through the distribution of information (via website, "hard copies" of study findings, public conferences, and other methods)
- Providing program and/or financial support to strengthen such educational, cultural, and civic programs

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- Researching and analyzing existing day care options in the region and alternative proposals for bolstering such options (please note that any such work will be undertaken on a region-wide, public basis, and not in conjunction with or for the benefit of one or more specific employers)
3. Talent and Workforce Development
- Collaborating with industry, government, and higher education to improve the pipeline of workforce talent, bolster the resources available to workers for skill acquisition and improvement, and enhance current levels of success in workforce development programs
  - Undertaking research studies (e.g., with Ivy Tech Community College) to assess existing workforce development programs and future opportunities, including the augmentation of government training programs and the development of internship opportunities, among others
4. Research and Innovation
- Stimulating academic research leading to new discoveries and translation in promising areas of new technology such as regenerative medicine, orthobiologics, bionanotechnology, biosensors, pharmacogenomics, proteomics, and bioinformatics
  - Organizing the existing research, clinical, and industry resources within separate universities that are focused on innovation, and providing support to help universities accelerate discovery by combining those resources across institutional boundaries
5. Public Transportation and Logistics
- Devising and disseminating to the public a comprehensive transportation and logistics strategy that confronts the challenges of Warsaw's relatively remote location
  - Reviewing deficiencies in local and regional infrastructure assets with the Indiana Department of Transportation and exploring the feasibility of public transportation enhancements such as service to Chicago and other Midwestern cities via high-speed rail and/or shuttle flights

As noted throughout the preceding summaries, OCF intends to carry out its support of KCCF through a variety of methods, including the conduct and support of research and analysis; the hosting of public forums, seminars, and conferences; and the publication and distribution of information via websites, "white papers," and other modes of public communication.



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Close Connections with Other Organizations

OCF is a supporting organization of KCCF as described in Code section 509(a)(3), and OCF's Board of Directors is controlled by KCCF, which has the power to appoint a majority of the members of OCF's Board of Directors. Accordingly, OCF has a "close connection" with KCCF. Additionally, because OCF plans to lease employees from OrthoWorx in order to accomplish its activities in furtherance of KCCF's charitable and educational purposes, OCF also has a "close connection" with OrthoWorx.

Grants to Other Organizations

At this time, OCF does not anticipate that it will make substantial grants to other organizations. To the extent that it does so, however, OCF will select grant recipients based upon their past successes in charitable endeavors, the likelihood of future success, and the exempt purposes sought to be accomplished with the grant. OCF has not yet made any grants, so it does not currently have grant agreements available. However, OCF expects that any such grant will be made pursuant to an agreement that:

- Delineates the respective responsibilities of OCF and the grant recipient;
- Obligates the recipient to use the grant funds only for the purposes for which the grant was made;
- Provides for periodic and final written reports concerning the use of grant funds;
- Requires a final written report and an accounting of how grant funds were used; and
- Acknowledges OCF's authority to withhold and/or recover grant funds in case such funds are, or appear to be, misused.

OCF will keep copies of all such agreements. The foregoing oversight procedures will ensure that any grants made by OCF are used exclusively to further OCF's exempt purposes.

Orthopedics Capital Foundation, Inc.  
c/o Suzanne Light  
102 East Market Street  
Warsaw, Indiana 46580

Federal EIN: 27-1038452

Exhibit to Form 1023  
Part V, Lines 1a, 1c, 2c, 3a, 7a, 8a-f, and 9a-f  
Part VIII, Lines 7b-c

### **EXHIBIT D**

#### **Information Regarding Officers and Directors**

**Part V, Lines 1a and 3a**

#### **D. Bradley Bishop**

345 E. Main Street  
P.O. Box 708  
Warsaw, Indiana 46581

- *Qualifications:* Mr. Bishop is the Director of Public Affairs for Zimmer Holdings, Inc., one of the world's largest orthopedics device companies. He also has significant experience in nonprofit corporate governance and currently serves as the President of the Board of Directors of Kosciusko County Community Foundation, Inc. ("KCCF"), which is the public charity supported by Orthopedics Capital Foundation, Inc. ("OCF").
- *Average Hours Worked:* Less than 10 hours per week.
- *Duties:* In addition to serving as a member of OCF's Board of Directors, Mr. Bishop is the Chair of OCF, and his duties in that regard are described in Article III, Section 2, of OCF's Bylaws.
- *Compensation:* None.
- *Other Business Relationships:* None.

#### **David L. Johnson**

300 N. Meridian Street, Suite 950  
Indianapolis, Indiana 46204

- *Qualifications:* Mr. Johnson is the President and CEO of BioCrossroads, a market-driven collaboration of Indiana's corporate, university, government and entrepreneurial leaders in the life sciences industry, which is affiliated with Central Indiana Corporate Partnership, Inc., and CICP Foundation, Inc. Prior to joining BioCrossroads, he was a business and finance lawyer in private legal practice. He serves on numerous public, private, and community boards and commissions.
- *Average Hours Worked:* Less than 10 hours per week.
- *Duties:* Mr. Johnson is a member of OCF's Board of Directors.
- *Compensation:* None.
- *Other Business Relationships:* None.

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**Suzanne M. Light**

102 East Market Street  
Warsaw, Indiana 46580

- *Qualifications:* Ms. Light is the Executive Director of KCCF, which is the public charity supported by OCF.
- *Average Hours Worked:* Less than 10 hours per week.
- *Duties:* In addition to serving as a member of OCF's Board of Directors, Ms. Light is OCF's Secretary, and her duties in that regard are described in Article III, Section 3, of OCF's Bylaws.
- *Compensation:* None.
- *Other Business Relationships:* None.

**Ronald Manahan**

200 Seminary Drive  
Winona Lake, Indiana 46590

- *Qualifications:* Dr. Manahan is the President of Grace College and Grace Theological Seminary. He has been a member of numerous governing bodies of nonprofit organizations, presently including KCCF (the public charity supported by OCF) and the Council for Christian Colleges and Universities.
- *Average Hours Worked:* Less than 10 hours per week.
- *Duties:* In addition to serving as a member of OCF's Board of Directors, Dr. Manahan is OCF's Treasurer, and his duties in that regard are described in Article III, Section 4, of OCF's Bylaws.
- *Compensation:* None.
- *Other Business Relationships:* None.

Part V, Lines 1c, 2c, 7a, 8a-8f, and 9a-9f; Part VIII, Lines 7b-7c

OCF anticipates that it may lease employees from OrthoWorx, Inc. ("OrthoWorx"), an organization currently seeking exemption under Section 501(c)(6) of the Internal Revenue Code of 1986, as amended. Ms. Light, Dr. Manahan, and Mr. Johnson are directors and officers of OrthoWorx. The terms of such an employee lease agreement have not yet been negotiated, as OrthoWorx has not yet hired any employees; however, any such agreement will be negotiated between OCF and OrthoWorx at arm's length, in accordance with OCF's conflict of interest policy. OCF will determine that it pays not more than fair market value for such leased employees by taking into consideration available comparable compensation data.

Subject to appropriate review as described below, OCF also plans to obtain services from CICP Foundation, Inc., for the provision of consulting and facilitating support in pursuing the charitable, scientific, and educational initiatives described in Exhibit C. KCCF currently contracts with CICP Foundation for those services, but it plans to assign that contract to OCF

Orthopedics Capital Foundation, Inc.  
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upon (i) OCF's receipt of a determination letter from the Service and (ii) the review and acceptance of such assignment by disinterested members of OCF's Board of Directors. Because CICP Foundation's services will be provided through professional staff at BioCrossroads (an affiliate of Central Indiana Corporate Partnership, Inc., and CICP Foundation, Inc.), where Mr. Johnson serves as the President and CEO (as noted above), Mr. Johnson will recuse himself from the OCF Board's review of and decision on the proposed contract assignment, which will include a review of all material contract terms and the services provided to date to KCCF by CICP Foundation.

Orthopedics Capital Foundation, Inc.  
c/o Suzanne Light  
102 East Market Street  
Warsaw, Indiana 46580

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Exhibit to Form 1023  
Part VIII, Lines 4a, 4b, and 4d

## EXHIBIT E

### Fundraising Activities

Orthopedics Capital Foundation, Inc. ("OCF"), anticipates that its chief source of funding will be grants from private foundations, other philanthropic organizations, and governmental units. OCF also hopes to receive gifts from interested individuals and corporations. The funding for OCF's initial activities will come primarily from grants made by Kosciusko County Community Foundation, Inc., the public charity supported by OCF.

OCF anticipates that the vast majority of its fundraising activities will take place in Indiana, but it also may solicit grants from foundations located outside of Indiana and from federal government agencies. OCF has not yet prepared any written materials in connection with its planned fundraising activities.

At this time, OCF has not retained a paid professional fundraiser or fundraising consultant. To the extent that OCF enters into any such arrangement, it will be approved pursuant to the process set forth in Part V, Line 4, and will satisfy all applicable legal requirements, including (but not limited to) state-level registration obligations and the provisions of Section 4958 of the Internal Revenue Code of 1986, as amended.

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c/o Suzanne Light  
102 East Market Street  
Warsaw, Indiana 46580

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Exhibit to Form 1023  
(Part IX, Part A)

**EXHIBIT F**

Expense detail

<b><u>Expense Item</u></b>	<b><u>2010-2011</u></b>	<b><u>2011-2012</u></b>	<b><u>2012-2013</u></b>
<u>Line 22 – Professional fees</u>			
Legal fees (Baker & Daniels LLP)	\$ 15,000	\$ 22,500	\$ 22,500
Consultants for branding and awareness activities (TBD)	90,000	90,000	90,000
Consultants for development and implementation of charitable and educational initiatives (BioCrossroads)	113,000	112,500	112,500
Website development and maintenance (TBD)	45,000	13,500	13,500
Totals	\$ 263,000	\$ 238,500	\$ 238,500

(continued on next page)

Orthopedics Capital Foundation, Inc.  
c/o Suzanne Light  
102 East Market Street  
Warsaw, Indiana 46580

Federal EIN: 27-1038452

<u>Expense Item</u>	<u>2010-2011</u>	<u>2011-2012</u>	<u>2012-2013</u>
<u>Line 23 – Other expenses</u>			
Community development initiative activities	\$ 415,000	\$ 585,000	\$ 260,000
K-12 Education activities	160,000	1,150,000	0
Talent/workforce development initiative activities	275,000	175,000	175,000
Transportation and logistics initiative activities	225,000	225,000	25,000
University engagement activities	555,000	139,750	141,750
Conferences and community meetings to educate public on preceding initiatives	25,000	50,000	50,000
Totals	\$ 1,655,000	\$ 2,324,750	\$ 651,750