

# Form 1023 Checklist

(Revised December 2013)

## Application for Recognition of Exemption under Section 501(c)(3) of the Internal Revenue Code

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**Note.** Retain a copy of the completed Form 1023 in your permanent records. Refer to the General Instructions regarding Public Inspection of approved applications.

**Check each box to finish your application (Form 1023). Send this completed Checklist with your filled-in application. If you have not answered all the items below, your application may be returned to you as incomplete.**

- Assemble the application and materials in this order:
- Form 1023 Checklist
  - Form 2848, *Power of Attorney and Declaration of Representative* (if filing)
  - Form 8821, *Tax Information Authorization* (if filing)
  - Expedite request (if requesting)
  - Application (Form 1023 and Schedules A through H, as required)
  - Articles of organization
  - Amendments to articles of organization in chronological order
  - Bylaws or other rules of operation and amendments
  - Documentation of nondiscriminatory policy for schools, as required by Schedule B
  - Form 5768, *Election/Revocation of Election by an Eligible Section 501(c)(3) Organization To Make Expenditures To Influence Legislation* (if filing)
  - All other attachments, including explanations, financial data, and printed materials or publications. Label each page with name and EIN.
- User fee payment placed in envelope on top of checklist. DO NOT STAPLE or otherwise attach your check or money order to your application. Instead, just place it in the envelope.
- Employer Identification Number (EIN)
- Completed Parts I through XI of the application, including any requested information and any required Schedules A through H.
- You must provide specific details about your past, present, and planned activities.
  - Generalizations or failure to answer questions in the Form 1023 application will prevent us from recognizing you as tax exempt.
  - Describe your purposes and proposed activities in specific easily understood terms.
  - Financial information should correspond with proposed activities.
- Schedules. Submit only those schedules that apply to you and check either "Yes" or "No" below.
- |            |  |            |  |
|------------|--|------------|--|
| Schedule A | Yes ___ No <input checked="" type="checkbox"/> | Schedule E | Yes ___ No <input checked="" type="checkbox"/> |
| Schedule B | Yes ___ No <input checked="" type="checkbox"/> | Schedule F | Yes ___ No <input checked="" type="checkbox"/> |
| Schedule C | Yes ___ No <input checked="" type="checkbox"/> | Schedule G | Yes ___ No <input checked="" type="checkbox"/> |
| Schedule D | Yes ___ No <input checked="" type="checkbox"/> | Schedule H | Yes ___ No <input checked="" type="checkbox"/> |

- An exact copy of your complete articles of organization (creating document). Absence of the proper purpose and dissolution clauses is the number one reason for delays in the issuance of determination letters.
  - Location of Purpose Clause from Part III, line 1 (Page, Article and Paragraph Number) Article 4, Pg 1 & Art. 5.01, Pg 2
  - Location of Dissolution Clause from Part III, line 2b or 2c (Page, Article and Paragraph Number) or by operation of state law Article 5.03, Page 2
- Signature of an officer, director, trustee, or other official who is authorized to sign the application.
  - Signature at Part XI of Form 1023.
- Your name on the application must be the same as your legal name as it appears in your articles of organization.

Send completed Form 1023, user fee payment, and all other required information, to:

Internal Revenue Service  
P.O. Box 192  
Covington, KY 41012-0192

If you are using express mail or a delivery service, send Form 1023, user fee payment, and attachments to:

Internal Revenue Service  
201 West Rivercenter Blvd.  
Attn: Extracting Stop 312  
Covington, KY 41011

**Application for Recognition of Exemption (99)  
 Under Section 501(c)(3) of the Internal Revenue Code**

(Use with the June 2006 revision of the Instructions for Form 1023 and the current Notice 1382)

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** 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 <b>organizing document</b> )		<b>2</b> c/o Name (if applicable)	
AI for Good Foundation		James Hodson	
<b>3</b> Mailing address (Number and street) (see instructions)	Room/Suite	<b>4</b> Employer Identification Number (EIN)	
558 Washington Street	#1	81-1631000	
City or town, state or country, and ZIP + 4		<b>5</b> Month the annual accounting period ends (01-12)	
Brighton, MA, 02135-2565		12	
<b>6</b> Primary contact (officer, director, trustee, or <b>authorized representative</b> )		<b>b</b> Phone: (917) 744-9036	
<b>a</b> Name: James A. Hodson		<b>c</b> Fax: (optional)	
<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.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<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: <a href="http://www.ai4good.org">http://www.ai4good.org</a>			
<b>b</b> Organization's email: (optional) <a href="mailto:hodson@ai4good.org">hodson@ai4good.org</a>			
<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)		2 / 8 / 2016	
<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 corporation), 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**

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- 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**

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- 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**

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- 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**

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- 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**

**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): Article 4, Pg 1 & Art. 5.01, Pg 2

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- 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. Article 5.03, Page 2

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- 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**

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)
James A. Hodson	Board of Directors, CEO	558 Washington Street, #1 Brighton, MA, 02135	\$150,000 (Estimated)
Gary Marcus	Board of Directors	137 Varick Street, New York, NY, 10013	None
Stefano Pacifico	Board of Directors	200 E 71st Street New York, NY, 10021	None
Michael Witbrock	Board of Directors	3911 Walnut Clay Drive Austin, TX, 78731	None

**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)

**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)

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**?  Yes  No  
If "Yes," identify the individuals and explain the relationship.
- 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

**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.

**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.
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- 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**
- 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.
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- 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**
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- 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**
- 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.
- 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.
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- 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**

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

- b** Describe any written or oral arrangements that 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?  Yes  No  
If "Yes," describe each program that provides goods, services, or funds to individuals.
- b** In carrying out your exempt purposes, do you provide goods, services, or funds to organizations?  Yes  No  
If "Yes," describe each program that provides goods, services, or funds to organizations.
- 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 of 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.  **Yes**  **No**  
(See instructions.)

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> mail solicitations                         | <input checked="" type="checkbox"/> phone solicitations                                   |
| <input checked="" type="checkbox"/> email solicitations                        | <input checked="" type="checkbox"/> accept donations on your website                      |
| <input checked="" type="checkbox"/> personal solicitations                     | <input checked="" type="checkbox"/> receive donations from another organization's website |
| <input checked="" type="checkbox"/> vehicle, boat, plane, or similar donations | <input checked="" type="checkbox"/> government grant solicitations                        |
| <input checked="" type="checkbox"/> foundation grant solicitations             | <input checked="" type="checkbox"/> Other   |

Attach a description of each fundraising program.

**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**

**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.

**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**

**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.

**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**
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- 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.
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- 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**
- 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 close connection with any organizations? If "Yes," explain.  | <input type="checkbox"/> <b>Yes</b> | <input checked="" type="checkbox"/> <b>No</b> |
| <b>16</b> | Are you applying for exemption as a cooperative hospital service organization 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</b> or <b>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>2/8/16</u> To <u>12/31/16</u>	(b) From <u>1/1/17</u> To <u>12/31/17</u>	(c) From <u>1/1/18</u> To <u>12/31/18</u>	(d) From _____ To _____	
Revenues	<b>1</b> Gifts, grants, and contributions received (do not include unusual grants)	1,564,000	620,400	682,440		2,866,840
	<b>2</b> Membership fees received	120,000	132,000	145,200		397,200
	<b>3</b> Gross investment income	0	0	0		0
	<b>4</b> Net unrelated business income	12,000	13,200	14,520		39,720
	<b>5</b> Taxes levied for your benefit	0	0	0		0
	<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)	0	0	0		0
	<b>7</b> Any revenue not otherwise listed above or in lines 9–12 below	0	0	0		0
	<b>8</b> Total of lines 1 through 7	1,696,000	765,600	842,160		3,303,760
	<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					
	<b>10</b> Total of lines 8 and 9	1,696,000	765,600	842,160		3,303,760
<b>11</b> Net gain or loss on sale of capital assets	0	0	0		0	
<b>12</b> Unusual grants	0	0	0		0	
<b>13</b> Total Revenue Add lines 10 through 12	1,696,000	765,600	842,160		3,303,760	
Expenses	<b>14</b> Fundraising expenses	1,800	1,890	1,984.5		
	<b>15</b> Contributions, gifts, grants, and similar amounts paid out	350,000	367,500	385,875		
	<b>16</b> Disbursements to or for the benefit of members	0	0	0		
	<b>17</b> Compensation of officers, directors, and trustees	110,000	150,000	150,000		
	<b>18</b> Other salaries and wages	115,000	165,000	180,750		
	<b>19</b> Interest expense	0	0	0		
	<b>20</b> Occupancy (rent, utilities, etc.)	12,000	12,600	13,230		
	<b>21</b> Depreciation and depletion	0	0	0		
	<b>22</b> Professional fees	0	0	0		
	<b>23</b> Any expense not otherwise classified, such as program services	82,200	86,310	90,625.5		
	<b>24</b> Total Expenses Add lines 14 through 23	671,000	783,300	822,465		

**Part IX Financial Data (Continued)**

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

<b>Assets</b>			
1	Cash . . . . .	1	0
2	Accounts receivable, net . . . . .	2	0
3	Inventories . . . . .	3	0
4	Bonds and notes receivable . . . . .	4	0
5	Corporate stocks . . . . .	5	0
6	Loans receivable . . . . .	6	0
7	Other investments . . . . .	7	0
8	Depreciable and depletable assets . . . . .	8	0
9	Land . . . . .	9	0
10	Other assets . . . . .	10	0
11	Total Assets (add lines 1 through 10) . . . . .	11	0
<b>Liabilities</b>			
12	Accounts payable . . . . .	12	0
13	Contributions, gifts, grants, etc. payable . . . . .	13	0
14	Mortgages and notes payable . . . . .	14	0
15	Other liabilities . . . . .	15	0
16	Total Liabilities (add lines 12 through 15) . . . . .	16	0
<b>Fund Balances or Net Assets</b>			
17	Total fund balances or net assets . . . . .	17	0
18	Total Liabilities and Fund Balances or Net Assets (add lines 16 and 17) . . . . .	18	0
19	Have there been any substantial changes in your assets or liabilities since the end of the period shown above? If "Yes," explain.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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? If "Yes," go to line 1b. If "No," go to line 5 and proceed as instructed. If you are unsure, see the instructions.  Yes     No
- b** As a private foundation, section 508(e) requires special provisions in your organizing document in addition to those that apply to all organizations described in section 501(c)(3). Check the box to confirm that your organizing document meets this requirement, whether by express provision or by reliance on operation of state law. Attach a statement that describes specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document or by operation of state law. See the instructions, including Appendix B, for information about the special provisions that need to be contained in your organizing document. Go to line 2.
- 
- 2** Are you a private operating foundation? To be a private operating foundation you must engage directly in the active conduct of charitable, religious, educational, and similar activities, as opposed to indirectly carrying out these activities by providing grants to individuals or other organizations. If "Yes," go to line 3. If "No," go to the signature section of Part XI.  Yes     No
- 
- 3** Have you existed for one or more years? If "Yes," attach financial information showing that you are a private operating foundation; go to the signature section of Part XI. If "No," continue to line 4.  Yes     No
- 
- 4** Have you attached either (1) an affidavit or opinion of counsel, (including a written affidavit or opinion from a certified public accountant or accounting firm with expertise regarding this tax law matter), that sets forth facts concerning your operations and support to demonstrate that you are likely to satisfy the requirements to be classified as a private operating foundation; or (2) a statement describing your proposed operations as a private operating foundation?  Yes     No
- 
- 5** If you answered "No" to line 1a, indicate the type of public charity status you are requesting by checking one of the choices below. You may check only one box.  
The organization is not a private foundation because it is:
- a** 509(a)(1) and 170(b)(1)(A)(i)—a church or a convention or association of churches. Complete and attach Schedule A.
  - b** 509(a)(1) and 170(b)(1)(A)(ii)—a **school**. Complete and attach Schedule B.
  - c** 509(a)(1) and 170(b)(1)(A)(iii)—a **hospital**, a cooperative hospital service organization, or a medical research organization operated in conjunction with a hospital. Complete and attach Schedule C.
  - d** 509(a)(3)—an organization supporting either one or more organizations described in line 5a through c, f, g, or h.

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 \$850. 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 \$400. 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 \$400 (Subject to change—see above).  
 If "No," check the box on line 3 and enclose a user fee payment of \$850 (Subject to change—see above).
- 2 Check the box if you have enclosed the reduced user fee payment of \$400 (Subject to change).
- 3 Check the box if you have enclosed the user fee payment of \$850 (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)

James A. Hodson

(Type or print name of signer)

Chief Executive Officer/Director

(Type or print title or authority of signer)

03/01/2016

(Date)

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

Form **1023** (Rev. 12-2013)

**Part II Organizational Structure**

4b. If "No," explain how you are formed without anything of value placed in trust.

N/A

**Part IV Narrative Description of Your Activities**

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.

Please see attachment (Part IV, Narrative Description of Activities).

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

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.

James Hodson	Previous Director of AI research at Bloomberg LP	40 hours/week	CEO/Board of Directors
Gary Marcus	CEO, Geometric Intelligence Inc., Professor, NYU	1 hour/week	Board of Directors
Stefano Pacifico	AI Researcher	1 hour/week	Board of Directors
Michael Witbrock	Head of Research, Cycorp and Lucid.ai	1 hour/week	Board of Directors

Please see duties as described in the organization's bylaws (attached).

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

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, please see the attached Conflict of Interest Policy as part of the bylaws (Article X) of the corporation.

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

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.

We will not compensate through non-fixed incentive compensation arrangements.

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

6b. 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.

We will not compensate through non-fixed incentive compensation arrangements.

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

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.

No, all grants and distributions are made explicitly to organizations as described in other parts of this form and its attachments.

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

1b. 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.

It is the mission, duty and purpose of the AI for Good Foundation to educate researchers, practitioners, policy-makers, and the public, and support good scientific work in Artificial Intelligence. As such, we intend to provide research grants as described in our grant policy and grant program description attachments. Furthermore, we may make distributions to organizations that help further our exempt purpose as described in Part VIII, Line 13. All grants and distributions made by the AI for Good Foundation are made based on adherence to our attached conflict of interest policy, based upon a documented review of the furtherance of our mission and exempt purposes. Grants are open to any qualified research or educational organization according to our grant policy and review process.

**Part VIII****Your Specific Activities**

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.

We have not yet spent any director, employee or volunteer time or any part of our budget to influence legislation. Our legislative activities will always be "insubstantial" and less than 5% of our time and expenses, if we decide to do so. As an organization whose mission is to ensure that Artificial Intelligence technologies can be used to maximize good in the world, we certainly foresee opportunities to provide our expertise, through studies, publications, presentations, and other educational materials, that would help the public and policy makers to better understand the issues at hand. We may take positions in favor or against certain legislation, but these activities will remain insubstantial from a time and expense view.

**Part VIII****Your Specific Activities**

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.

We will not operate Bingo but will utilize raffle games in our annual banquet fundraisers or at times on the corporation's website. An example of this activity would be offering 50/50 raffle games at our fundraising banquets and auctions. The participants will buy tickets of low value (e.g. \$1) and with each ticket; they would have one chance of winning half of the pot at the end of the event. The other half of the pot will go towards the fundraising goal. Participants will generally donate their winnings back to the pot to be used toward the event's goal. Another example of games would be holding contests on our website to raise awareness for our mission. One type of contest would require the participants to write an essay to be considered and with that, would have the chance of winning a prize (e.g. \$25 gift card to a sponsoring restaurant) at the end of the contest. There will be no compensation of any sort for volunteers who carry on or help with these activities and all income and expenses will be documented as they occur.



**Part VIII Your Specific Activities**

3c. List the states and local jurisdictions, including Indian Reservations, in which you conduct or will conduct gaming or bingo.

In general, we anticipate holding our banquets in State of Massachussetts and so the gaming activities related to such events. Our web contests will be conducted on our website. If the event would be held outside of the state of Massachussetts, we will observe and comply with all applicable Federal and State laws in carrying on such activities and that holds true for all 50 states of the United States.

**Part VIII Your Specific Activities**

4a. Do you or will you undertake **fundraising**? Attach a description of each fundraising program.

Other (describe):

See the attachment (Part VIII, Fundraising Activities)

**Part VIII Your Specific Activities**

4d. 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.

AI for Good Foundation is primarily based in the state of Massachussetts, however, we will engage in fundraising in all 50 states of the United States whether via internet solicitation, mail-outs, banquets or activities such as our workshops, conferences, and presentations. For more information about these activities please refer to the Narrative of Our Activities.

We will not raise funds for other organizations; No other organization will raise funds for us and we will only fundraise for ourselves. This rule holds true for all 50 States of the United States.

**Part VIII Your Specific Activities**

4e. 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.

We do not anticipate soliciting contributions where the donor has the right to advise how to use or distribute the funds. However, we will comply with and recognize special requests, notes, terms and conditions which are specified by contributors and will maintain a separate account for that specific donation. An example of this rule is foundation grants. There may be situations whereby we solicit a foundation grant for a specific purpose; (e.g. education) and in those cases the grant, if awarded, will probably have restrictions on the activities it can support. Honoring those terms is inherent in the grant application process.

**Part VIII Your Specific Activities**

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.

We fully anticipate publishing, and creating literature, scientific discoveries, and other related intellectual property in the course of fulfilling the scientific research and education goals of the AI for Good Foundation. Although we have not yet encountered this situation, we anticipate providing access to our intellectual property and other works under permissive creative commons-like licenses. In rare cases, where maintaining ownership of these works would offer more value in furthering the exempt purposes of the AI for Good Foundation than providing the work freely to all, such an arrangement may be considered. In these cases, we expect that any proceeds would be earmarked for specific purposes, and marketed transparently as such through our website and related channels as appropriate. In any case, we cannot foresee at this time, such an arrangement representing a not insubstantial source of revenue for the AI for Good Foundation, but it is worth mentioning.

**Part VIII Your Specific Activities**

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.

We may accept contributions of: real property, 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 said contributions further the purposes of this corporation. We will not accept donations if any conditions imposed by the donor on the contribution limit the corporation's ability to achieve its purposes or force this corporation to conduct activities that are not in furtherance of 501(c)(3) purposes. We will ensure that donations are accepted in accordance with 501(c)(3) regulations and we will properly determine fair market value according to IRS Publication 561. We currently have no specific plans, but it's prudent to mention the possibility.

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**Part VIII Your Specific Activities**


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**12b. Name the foreign countries and regions within the countries in which you operate.**

It is the mission, duty and purpose of the AI for Good Foundation to educate researchers, practitioners, policy-makers, and the public, and support good scientific work in Artificial Intelligence regardless of its geographic position. Therefore AI for Good Foundation may operate in any country and any region in any country around the world where we may fulfill our mission and further our exempt status. The AI for Good Foundation will obtain any required permits or permissions from the respective governments of any country we may operate in as required by law. This includes complying with the sanctions, embargoes, and other restrictions imposed by the United States government to such countries. For detailed information regarding our foreign activities please refer to the section of our Narrative of our Activities titled: Foreign activities. We may work closely<sup>[1]</sup> with other non-profit and non-governmental organizations who are active participants in the same field where that would allow us to further our exempt status.

(<sup>[1]</sup>Note: Working closely with other organizations does not constitute a "Close Connection" as it is defined on page 11, line 15 of the IRS publication of instruction for form 1023. It merely refers to exchange of information, non-financial data, suggestions and advices on locations and ways to address and direct the focus based on up-to-date information.)

Please Note: Rev. Rul. 71-460, 1971-2 C.B. 231

"A domestic corporation that conducts a part or all of its charitable activities in a foreign country is not precluded from exemption under section 501(c)(3) of the Code. A domestic corporation that is otherwise exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code of 1954 carries on part of its charitable activities in foreign countries. Held, since its activities are charitable within the meaning of section 501(c)(3) of the Code when carried on within the United States, the conduct of such activities elsewhere does not preclude the organization from qualifying as an exempt organization under that section. The same conclusion applies if all of its charitable activities are carried on in foreign countries. With respect to deductibility of contributions to the organization under section 170 of the Code, see Revenue Ruling 63-252, C.B. 1963-2, 101 and Revenue Ruling 66-79, C.B. 1966-1, 48."

We anticipate the majority of our programs and activities to take place within the United States, especially in the formative years of operation. For the foreseeable future, foreign operations will represent an insubstantial portion of our operating time and costs.

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**Part VIII Your Specific Activities**


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**12c. Describe your operations in each country and region in which you operate.**

For more details, please see the narrative of activities part 10 (Foreign Countries).

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**Part VIII Your Specific Activities**


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**12d. Describe how you operate in each country and region further your exempt purposes**

For more details, please see the narrative of activities part 10 (Foreign Countries).

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**Part VIII Your Specific Activities**


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**13b. Describe how your grants, loans, or other distributions to organizations further your exempt purposes.**

We do not offer or provide loans to other organizations. Distributions to other organizations will be documented with copies

of receipts, letters or other relevant documents. According to our bylaws (Article IX, Section 1), any distribution would have to be approved by the governing body. The method of approval would be fully documented. Distributions to organizations have not yet occurred since the incorporation.

Our grant-making process is described fully in the attachment (Part VIII, Specific Activities, Grant Making).

Please Note: Rev. Rul. 68-489, 1968-2 C.B. 210

An organization will not jeopardize its exemption under section 501(c)(3) of the Code, even though it distributes funds to nonexempt organizations, provided it retains control and discretion over use of the funds for section 501(c)(3) purposes.

An organization exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code of 1954 distributed part of its funds to organizations not themselves exempt under that provision. The exempt organization ensured use of the funds for section 501(c)(3) purposes by limiting distributions to specific projects that are in furtherance of its own exempt purposes. It retains control and discretion as to the use of the funds and maintains records establishing that the funds were used for section 501(c)(3) purposes. Held, the distributions did not jeopardize the organization's exemption under section 501(c)(3) of the Code.

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**Part VIII Your Specific Activities**

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13d. Identify each recipient organization and any **relationship** between you and the recipient organization.

There are currently no recipient organizations. However, we will be looking to make such arrangements (in the form of grants and limited distributions) in the next 1-2 years of operation. The AI for Good Foundation endeavors to be fully transparent with all grant-making and distributions. Following our conflict of interest policy (attached in Bylaws) we will always ensure that any existing relationship between any agent of our organization and any potential recipient organization is identified and managed appropriately. Except where it is possible to maintain a strict clean separation of decision-making, such relationships will not be permitted.

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**Part VIII Your Specific Activities**

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13f. 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.
- (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.

We do require an application form, and a full grant proposal from applicants at qualified institutions. The terms of our grant are available in the attachment (Part VIII, Grant Policy Document), and the description of our grant making and audit process is detailed in another attachment (Part VIII, Grant Making Activities). The grant application form constitutes a cover letter with a brief summary of the project, applicants, institution, and acceptance of the policy (attached as Part VIII, Research Award Application Form). The specific proposal format is defined by our Research Award Program Committee on a case by case basis, and would constitute additional pages attached thereto. An outline of the proposal format is described in our Grant Policy document.

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**Part VIII Your Specific Activities**

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14b. 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.

There are currently no foreign recipients of grants or distributions. However, we fully intend to pursue our mission of a united vision for the field of Artificial Intelligence through programs across international boundaries. These will be selected, documented, and implemented pursuant to our purpose as a 501(c)3 organization, in an equivalent manner to grants given within the United States.

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**Part VIII Your Specific Activities**

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14d. 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.

It is very clear to our contributors and especially the public how we operate, direct funds and the nature of programs. The donation page of our website lists where the donations go and for what purpose. For contributions other than credit cards, we have a donation form available which every contributor is required to fill and it specifically points out our mission, goals and functions. A copy of this form is included in with this attachment for your consideration. We will continue to look for ways

to increase transparency regarding where our funds come from, and how they are spent to promote and further our exempt mission.

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**Part VIII Your Specific Activities**

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14e. 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.

For any grants made by AI for Good Foundation to any organization, we take into consideration the tax-exempt status, overall financial standing of the recipient and we inquire about:

The recipient's name in English, in the language of origin, and any acronym or other names used to identify the recipient

The jurisdictions in which the recipient maintains a physical presence;

Any reasonably available historical information about the recipient that assures us of the recipient's identity and integrity;

The available postal, email and website addresses and phone number of each place of business of the recipient;

A statement of the principal purpose of the recipient, including a detailed report of the recipient's projects and goals;

Copies of any public filings or releases made by the recipient, including the most recent official registry documents, annual reports, and annual filings with the pertinent government, as applicable; and

The recipient's sources of income, such as official grants, private endowments, and commercial activities.

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**Part VIII Your Specific Activities**

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14f. 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.

We generally will not contribute to any organization unless we have a representative in that country to research and oversee the distribution of the funds regardless of their location, domestic or foreign. The governing body will conduct due diligence and maintain control of any funds contributed to any organizations and will comply with all applicable laws and guidelines. We will also, at our discretion, conduct the following to verify and ensure that funds are used appropriately and safely:

conducting a reasonable search of publicly available information to determine whether the recipient is suspected of activity relating to terrorism, including terrorist financing or other support;

assuring that recipients do not appear on OFAC's master list of Specially Designated Nationals (the "SDN List"), maintained on OFAC's website at [www.treas.gov](http://www.treas.gov) and are not otherwise subject to OFAC sanctions;

with respect to key employees, members of the governing board, or other senior management at the recipient's principal place of business, and for key employees at the recipient's other business locations, we will, to the extent reasonable, obtain the full name in English, in the language of origin, and any acronym or other names used; nationality; citizenship; current country of residence; and place and date of birth;

As a pre-condition to the issuance of a grant or charitable contribution, we will require the recipient to certify that they are in compliance with all laws, statutes, and regulations restricting U.S. persons from dealing with any individuals, entities, or groups subject to OFAC sanctions.

We will adhere to "Anti-Terrorist Financing Guidelines: Voluntary Best Practices for U.S.-Based Charities" released by the U.S. Department of the Treasury in November 2002, and revised in December of 2005, whenever feasible as part of our due diligence and accounting practices.

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**Part IX Financial Data**

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**14. Fundraising expenses**

We expect to host a yearly gala, which will require some expenses to be covered by the AI for Good Foundation, though we

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**Part IX** **Financial Data**

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15. Contributions, gifts, grants, and similar amounts paid out

The bulk of our program costs are represented by grants for fundamental research in areas that are important to encouraging the prevalence of AI for broader societal benefit. A portion of the costs represents our regular workshops and scientific conferences (venue, core staffing other than volunteers, sound/video, etc.), and the creation/dissemination of our educational materials where/when needed in digital and physical form.

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**Part IX** **Financial Data**

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23. Any expense not otherwise classified, such as program services

We expect to incur various operating costs such as accounting, legal, office supplies, postage, utilities, travel, etc. that are detailed in our separately attached cash flow projections (Part IX, Cashflow). We expect to pay reasonable market rates for these basic business services, and our employee travel policy aims to ensure adequate planning to minimize costs on economy segments and lodging as necessary.



## HARVARD BUSINESS SERVICES, INC.

16192 COASTAL HIGHWAY  
LEWES, DELAWARE 19958-9776  
Phone: (302) 645-7400 (800)-345-2677  
Fax: (302) 645-1280  
www.delawareinc.com

Mr. James Hodson  
558 Washington Street #1  
Brighton, MA 02135

Dear Mr. Hodson,

We would like to convey our congratulations to you and AI For Good Foundation. We hope you enjoy terrific success with your new company. Thank you for giving us the opportunity to serve you as your incorporator and Delaware Registered Agent. You are now our valued client and we want to increase your success in any way we can.

Name: **AI For Good Foundation**  
Date of Incorporation: February 8, 2016  
Delaware file number: **5958390** HBS Record ID Number: 299638

Enclosed is the Recorded Copy of your Certificate of Incorporation. Please review the information on the certificates and insert them in your corporate kit.

Please remember these three things in the future:

**1. We must be made aware of any address changes. You may provide this information to us via email (mail@delawareinc.com) or phone (800-345-2677 ext. 6903). This will ensure that we remind you of the following two things:**

2. Delaware franchise tax and report are due March 1st each year. If the tax and report are not filed at the State of Delaware by March 1st, a \$125 late penalty plus 1.5% interest monthly will be imposed by the State of Delaware and your company will become delinquent. Failure to file the tax two years in a row will cause the company to become void.

3. Your annual registered fee of \$50 is due on the anniversary date of your corporation. If the registered agent fee is not received by the due date, a \$25 late penalty will be imposed. Failure to pay the registered agent fee within 3 months of the due date may lead to the loss of your registered agent, which could cause your company to become forfeit with Delaware.

We would like to thank you once again, and wish you the best of luck. You can help us by telling a friend or business associate about our services. We work hard to keep things simple for you and your associates when it's time to incorporate.

Sincerely,

Filing Department  
Harvard Business Services, Inc.

**AI for Good Foundation**

**ARTICLES OF INCORPORATION**

**ARTICLE I: Name**

The name of this corporation shall be **AI for Good Foundation**. The business of the corporation may be conducted as **AI for Good** or **AI4Good**.

**ARTICLE II: Address**

Its registered office in the State of Delaware is located at 16192 Coastal Highway, Lewes, DE 19958, County of Sussex. The registered agent in charge thereof is Harvard Business Services, Inc.

**ARTICLE III: Duration**

The period of duration of the corporation is perpetual.

**ARTICLE IV: Purpose**

**AI for Good Foundation** is a non-profit corporation and shall operate exclusively for scientific and charitable purposes within the meaning of Section 501 (c)(3) of the Internal Revenue Code, or the corresponding section of any future Federal tax code. **AI for Good Foundation's** purpose is three-fold.

First, to motivate the research, government, and private industry communities to work together to extend the benefits of artificial intelligence broadly, throughout society. To achieve this, we will hold conferences, summits, workshops, and other education and networking-focused events. We will provide support (both scientific and administrative) and funding to research, humanitarian and other entities in establishing and pursuing projects towards this end, in addition to starting our own community and research-based initiatives towards this goal. We will encourage AI researchers, without otherwise altering their research or its goals to:

- a) Preferentially pursue applications of AI that are good, in the sense of being widely beneficial to humans, non-human animals, and the earth's ecology, and
- b) To whatever extent is possible, develop AI systems and subsystems that represent or are somehow cognizant of, and deliberately drive towards such good goals.

Second, in organizing public outreach campaigns and open forums to bring different stakeholders together, we aim to bring discussions of maximizing the benefits of AI onto a strong footing with reasoned, logical arguments, and good scientific evidence.

Third, to help the scientific and industry research communities by creating mechanisms and incentives that create a more transparent culture of sharing and reproducibility of scientific results, especially regarding beneficial AI. This will involve developing and funding projects that provide common platforms for dissemination and validation, encourage re-use, and help the community to converge on a vision for the field that is ultimately in the best interests of our broader civilization and its supporting ecology.

To maximize our impact on current efforts, we may seek to collaborate with other non-profit organizations, which fall under the 501(c) (3) section of the internal revenue code and are operated exclusively for scientific and charitable purposes.

At times, we may provide internships or volunteer opportunities, which will provide occasions for involvement in said activities and programs in order to have a greater impact.

## **ARTICLE V: Non-profit Nature**

### **5.01 Non-profit Nature**

**AI for Good Foundation** is organized exclusively for scientific and charitable purposes including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501 (c) (3) of the Internal Revenue Code, or corresponding section of any future federal tax code. No part of the net earnings of **AI for Good Foundation** shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the purpose clause hereof.

Notwithstanding any other provision of this document, the corporation shall not carry on any other activities not permitted to be carried on (a) by any organization exempt from federal income tax under section 501 (c) (3) of the Internal Revenue Code, corresponding section of any future federal tax code, or (b) by an organization, contributions to which are deductible under section 170 (c) (2) of the Internal Revenue Code, or corresponding section of any future federal tax code.

**AI for Good Foundation** is not organized and shall not be operated for the private gain of any person. The property of the corporation is irrevocably dedicated to its charitable and scientific purposes. No part of the assets, receipts, or net earnings of the corporation shall inure to the benefit of, or be distributed to any individual.

### **5.02 Personal Liability**

No officer or director of this corporation shall be personally liable for the debts or obligations of **AI for Good Foundation** of any nature whatsoever, nor shall any of the property or assets of the officers or directors be subject to the payment of the debts or obligations of this corporation.

### **5.03 Dissolution**

Upon termination or dissolution of the **AI for Good Foundation**, any assets lawfully available for distribution shall be distributed to one (1) or more qualifying organizations described in Section 501(c)(3) of the Internal Revenue Code of 1986 (or described in any corresponding provision of any successor statute) which organization or organizations have a charitable purpose which, at least generally, includes a purpose similar to the terminating or dissolving corporation.

The organization to receive the assets of the **AI for Good Foundation** hereunder shall be selected at the discretion of a majority of the managing body of the **AI for Good Foundation** and if they cannot so agree, then the recipient organization shall be selected pursuant to a verified petition in equity filed in a court of proper jurisdiction against the **AI for Good Foundation** by one (1) or more of its managing body which verified petition shall contain such statements as reasonably indicate the applicability of this section. The court upon a finding that this section is applicable shall select the qualifying organization or organizations to receive the assets to be distributed.

In the event that the court shall find that this section is applicable but that there is no qualifying organization known to it which has a charitable purpose, which, at least generally, includes a purpose similar to this corporation, then the



court shall direct the distribution of its assets lawfully available for distribution to the Treasurer of the State of Delaware to be added to the general fund.

#### **5.04 Prohibited Distributions**

No part of the net earnings, or properties of this corporation, on dissolution or otherwise, shall inure to the benefit of, or be distributable to, its members, directors, officers or other private person or individual, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article III, Section 3.01.

#### **5.05 Restricted Activities**

No substantial part of the corporation's activities shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene (including the publishing or distribution of statements) in any political campaign on behalf of or in opposition to any candidate for public office.

#### **5.06 Prohibited Activities**

Notwithstanding any other provision of these Articles, the corporation shall not carry on any activities not permitted to be carried on (I) by a corporation exempt from federal income tax as an organization described by Section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or (II) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

### **ARTICLE VI: Board of Directors**

**AI for Good Foundation** shall be governed by its board of directors.

The initial directors of the corporation shall be:

- James A. Hodson of 558 Washington Street, Brighton, MA, 02135;
- Gary Marcus of 137 Varick Street, New York, NY 10013
- Stefano Pacifico of 200 E 71st St New York NY 10021; and
- Michael Witbrock of 3911 Walnut Clay Drive, Austin, TX, 78731.

### **ARTICLE VII: Membership**

**AI for Good Foundation** may have members, but not shareholders. Membership is pursuant to the bylaws of the corporation.

### **ARTICLE VIII: Amendments**

Any amendment to the Articles of Incorporation may be adopted by approval of at least two-thirds (2/3) of the board of directors.

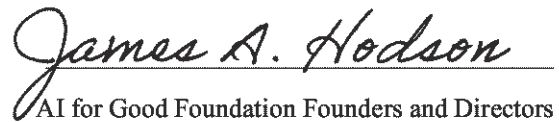
### **ARTICLE IX: Registered Agent**

The name and address of the registered agent of the corporation is Harvard Business Services Inc., 16192 Coastal Highway, Lewes, Delaware, 19958.

**CERTIFICATE OF ADOPTION OF ARTICLES OF INCORPORATION**

I, the undersigned, for the purpose of forming a corporation under the laws of the State of Delaware do make and file this certificate, and do certify that the facts herein stated are true; and have accordingly signed below, this 5<sup>th</sup> day of February, 2016.

Signed and Attested to by:

  
AI for Good Foundation Founders and Directors

By: *James A. Hodson*, Director, co-Founder

## AI for Good Foundation

### BYLAWS

#### ARTICLE I

##### NAME

The name of this nonprofit Corporation is *AI for Good Foundation*, hereinafter referred to as the "Corporation".

#### ARTICLE II

##### OFFICES

The Corporation shall maintain an office in a place determined by the Board, which is not required to be in the state of Delaware. The Corporation shall have a registered agent as required by law.

*See, Addendum 1: Address and Registered Delaware Agent*

#### ARTICLE III

##### MEMBERSHIP

**Section 1. Determination of members.** Membership is open to any interested individuals or organizations that contribute appropriate fees/dues each year, and maintain adherence to membership policies as determined by the Board of Directors.

*See, Addendum 2: Membership Policies*

**Section 2. Fees and dues.** The Board of Directors, pursuant to the membership group, shall determine the annual dues payable to the Corporation by each member.

*See, Addendum 3: Current Membership Dues and Programs*

**Section 3. Annual Meeting.** A membership meeting shall be held once each year at such date, time and place as shall be determined by a resolution passed by a majority of the Board of Directors and designated in a notice or waiver of notice of the meeting. At each Annual Meeting the members shall elect the Directors, and may transact such other business as may properly come before the meeting.

**Section 4. Voting & Quorum.** All members are entitled to vote at the annual membership meeting. At least twenty (20) members shall constitute a quorum at all membership meetings.

**Section 5. Manner of Acting.** Each Member shall have one vote on all matters submitted to the Members for approval. The act of a majority of members at a meeting at which a quorum is present shall be an act of the membership, except as otherwise provided by law or by these bylaws.

**Section 6. Notice.** Notice of the annual membership meeting shall be sent to each member by either U.S. mail, overnight courier, facsimile, electronic mail or other mode of written transmittal, not less than ten (10), or more than sixty (60) days before the time set for such meeting, and must include the time, date, and place of such meeting. The annual meeting will be held each year at a time and place set by the Board of Directors.

**Section 7. Death, Resignation or Deprivation of Member.** All the rights, powers and privileges of any member of the Corporation shall cease upon his or her death, disability or resignation or upon deprivation or suspension of his or her membership according to law and the policies set forth.

## ARTICLE IV

### BOARD OF DIRECTORS

**Section 1. General Powers.** The property, affairs and business of the Corporation shall be managed and controlled by its Board of Directors. The Board of Directors may, by general resolution, delegate to officers of the Corporation and to committees, such powers as provided for in these Bylaws.

**Section 2. Number.** The number of Directors shall be four voting members or such other number as may be determined by the Board of Directors from time to time.

*See, Addendum 4: Current Board of Directors*

**Section 3. Meetings.** The Board of Directors may provide by resolution the time and place for holding annual membership meetings, regular meetings, or special meetings of the Board.

The meetings of the Board of Directors shall be closed except to those persons invited by the Board of Directors.

**Section 4. Special Meetings.** Special meetings of the Board of Directors may be called by a majority vote of the Executive Committee, if such committee exists.

**Section 5. Notice.** Notice of any meeting of the Board of Directors shall be sent to each Director by either U.S. mail, overnight courier, facsimile, electronic mail or other mode of written transmittal, not less than ten (10) or more than sixty (60) days before the time set for such a meeting, and must include the time, date, and place of such meeting. Any Director may waive notice of any meeting before, at or after such meeting.

**Section 6. Quorum.** A presence of two-thirds of the voting members of the Board of Directors in office shall constitute a quorum for the transaction of business at any meeting of the Board. If a majority of the Board of Directors is unable to attend, any decisions made at such board meetings must be approved by a majority of the total Board of Directors before said decisions become official.

**Section 7. Manner of Acting.** 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, except as otherwise provided by law or by these Bylaws.

**Section 8. Teleconferencing.** Meetings of the Board may be conducted by conference call, teleconference, or other electronic means, as permitted by law, provided that all persons can communicate with one another, and all persons are otherwise able to fully participate in the meeting. Votes of the members of the Board of Directors received in such manner shall have the same force and effect as votes at a meeting at which the members of the Board of Directors are physically congregated.

**Section 9. Action by Unanimous Written Consent.** Where permitted by law, any action required to be taken at a meeting of the Board of Directors or any action which may be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors entitled to vote with respect to the subject matter thereof.

**Section 10. Vacancies.** Any vacancy occurring caused by the death, resignation, removal, disqualification, or otherwise, in the Board of Directors or any Directorship to be filled by reason of an increase in the number of Directors may be filled by the Board of Directors. A Director selected to fill a vacancy shall serve the remaining, unexpired term of his or her predecessor in office. Vacancies may be filled or new Directorships created and filled at any meeting of the Board of Directors.

**Section 11. Term of office.** The term of office for all elected directors shall be three (3) years. Directors may not be re-elected to a Director position for more than three (3) consecutive terms. Any director selected to fill a vacancy on the Board of Directors may subsequently be elected to a full three-year term without waiting for any minimum time between terms. In other situations, there will be a minimum wait of one (1) year between terms.

**Section 12. Nominating Committee.** At the first board meeting of the year the CEO shall designate a Nominating Committee of at least three members. The committee members shall be approved by the Board of Directors. It shall be the duty of this committee to nominate at least one candidate to fill each open office.

**Section 13. Elections.** The Board of Directors shall act on a timely basis to elect Directors to replace those whose terms expire. New Directors shall be elected by a majority of Directors present at a meeting, provided there is a quorum. Directors so elected shall serve a term beginning immediately.

## ARTICLE V

### OFFICERS

**Section 1. Officers.** The Officers of the Corporation shall initially be a CEO/Executive Director, Secretary, Treasurer, and such other Officers as may be determined by the Board of Directors. The Board of Directors may decide not to fill all offices and may elect such other Officers as it shall deem necessary and proper, such Officers to be vested with such authority and to be obligated to perform such duties as shall be prescribed by the Board of Directors.

*See, Addendum 5: Officers and Duties*

**Section 2. Election and Term of Office.** The Officers shall be elected by the Board of Directors for a two-year term. Officers are limited to three, two-year terms in any one office.

Officers shall be chosen in such manner and shall hold their offices for such terms as are prescribed by the bylaws or determined by the Board of Directors or other governing body. Each officer shall hold office until such officer's successor is elected and qualified or until such officer's earlier resignation or removal. Any officer may resign at any time upon written notice to the Corporation.

Such election of officers shall be by the affirmative vote of a majority of the Directors in attendance, provided a quorum has been achieved. Incoming Officers shall be elected at the last board meeting of the outgoing officers and shall serve until their successors have been duly elected.

**Section 3. Removal.** Any Officer may be removed from office at any time by the affirmative vote of two-thirds of the Directors in office, whenever in their judgment the best interests of the Corporation would be served thereby.

**Section 4. Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification, or otherwise, may be filled by the Board of Directors for the unexpired portion of the term. Vacancies may be filled or new offices created and filled at any meeting of the Board of Directors.

## ARTICLE VI

### ELECTIONS

#### Section 1. Election Day

Elections will be held once a year at a general meeting of the members in the fiscal first quarter.

#### Section 2. Nomination committee

At least ninety (90) days prior to the election meeting, the president shall appoint a nomination committee of three members who are not officers to be in charge of elections. Members interested in seeking election shall be solicited by this committee through a general mailing to the membership, at least thirty (30) days prior to the annual meeting. This committee will draw up a slate of nominees, who will have agreed to serve. An introduction of nominees will be given and elections will be by written ballot at the yearly meeting.

#### Section 3. Number of votes

Each individual member shall have one vote. Organizations may only vote through their individual members.

## ARTICLE VII

### COMMITTEES

**Section 1. Creation, Membership, Etc.** The Board of Directors, by a resolution or resolutions passed by a majority of the whole Board, may designate from among its members one or more standing committees, which committees shall possess and exercise such power, duties and authority in the management of the business of the Corporation between meetings of the Board of Directors as the Board shall determine and set forth in such resolution or resolutions. Members of each standing committee shall be appointed annually to serve for one year or until their successors have been appointed. A majority of the members of each committee shall constitute a quorum for the transaction of business at any meeting thereof and, except as otherwise provided by law or the Certificate of Incorporation or these By-laws, the act of a majority of the members of each committee present at any meeting at which a quorum is present shall be the act of such committee. Each committee shall, to the extent not otherwise determined by the Board of Directors or provided in the Certificate of Incorporation or these By-laws, elect its own chairperson and determine its own rules.

Each committee shall submit to the Board of Directors at each meeting thereof a report of the actions, if any, which such committee may have taken since the previous meeting of the Board of Directors, which actions shall be subject to revision or alteration by the Board of Directors. The Board of Directors shall fill any and all vacancies on the standing committees and may, from time to time, appoint alternate members of such committees to serve in the temporary absence or disability of any member. Such designation of a member or such appointment of an alternate member may be terminated at any time, with or without cause, and any member or alternate member of such committee may be removed, with or without cause, at any time, by the Board of Directors.

*See, Addendum 6: Active Committees*

**Section 2. Prohibited Actions.** Anything in Section 1 to the contrary notwithstanding, no committee shall have authority to authorize or take any of the following actions, all of which are reserved to the Board of Directors:

- i. Make, alter or repeal any By-law of the Corporation;
- ii. Elect or appoint any Member or Director, or remove any officer, Director or Member;
- iii. Submit to Members any action that requires Members' approval; or
- iv. Amend or repeal any resolution previously adopted by the Board of Directors.

## ARTICLE VIII

### AMENDMENTS

These bylaws may be amended by a majority vote of the Board of Directors.

## ARTICLE IX

### MISCELLANEOUS

**Section 1. Grants, Contracts, Etc., How Executed.** The Board of Directors may authorize any officer or officers, agent or agents, to make, enter into, execute and deliver any grant, contract or other instrument in the name of and on behalf of the Corporation, and such authority may be general or

confined to specific instances. Unless authorized so to do by these By-laws or the Board of Directors, no officer, agent or employee shall have any power or authority to bind the Corporation by any grant, contract or engagement, or to pledge its credit or to render it liable pecuniary for any purpose or in any amount.

**Section 2. Checks, Drafts, Etc.** All checks, drafts or other evidences of indebtedness issued in the name of the Corporation shall be signed or endorsed by such one or more officers, agents or employees of the Corporation as shall from time to time be determined by resolution of the Board of Directors, or, if appointed, the Executive Committee or the Finance Committee. Each of such officers or employees shall give such bond as the Board of Directors or such committees may require.

**Section 3. Deposits.** All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, mutual funds, or other depositories as the Board of Directors, or, if appointed, the Executive Committee or the Finance Committee, may from time to time designate, or as may be designated by any officer, agent or employee of the Corporation to whom such power may be delegated by the Board of Directors or by either of such committees, and for the purpose of any such deposit, all checks, drafts, and other orders for the payment of money which are payable to the order of the Corporation may be endorsed, assigned and delivered by any officer of the Corporation authorized by, or in such other manner as may from time to time determined by resolution of, the Board of Directors or either of such committees.

**Section 4. Indemnification.** The Corporation shall, and hereby does, indemnify each of its present and former Directors and officers and agents and any other person who may serve or have served, against expenses actually and necessarily incurred by her or him in connection with the defense of any action, suit or proceeding in which he or she is made a party by reason of being or having been a Director, officer or agent of the Corporation, provided the Director, officer or agent acted in good faith and in a manner which he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation, and provided further that if such indemnity is with respect to a criminal proceeding, the Director, officer or agent had no reasonable cause to believe the conduct was unlawful.

**Section 5 Insurance.** Corporation may purchase and maintain insurance on behalf of the Board of Directors, officers, former board members and former officers and all persons who have served at its request or by its election as a director or officer of another association, organization or Corporation or in a fiduciary capacity with respect to any employee benefit plan against any liability, or settlement based on asserted liability, incurred by them by reason of being or having been board members or officers of the Corporation or directors or officers of such other association, Corporation, organization or Corporation, or in a fiduciary capacity with respect to any employee benefit plan of the Corporation, whether or not Corporation would have the power to indemnify them against such liability or settlement under the provisions of this section.

**Section 6 Fiscal Year.** The fiscal year of the Corporation shall commence on January 1 and end on December 31.

## Article X

### CONFLICT OF INTEREST POLICY

#### Purpose



The purpose of the conflict of interest policy is to protect the Corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Corporation or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

## **Definitions**

### **1. Interested Person**

Any director, principal officer, or member of a committee with governing board-delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

### **2. Financial Interest**

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which the Corporation has a transaction or arrangement,
- b. A compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

## **Procedures**

### **1. Duty to Disclose**

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

### **2. Determining Whether a Conflict of Interest Exists**

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest

- a. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- b. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the governing board or committee shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

4. Violations of the Conflicts of Interest Policy

- a. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

**Records of Proceedings**

The minutes of the governing board and all committees with board-delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the

proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

### **Compensation**

- a. A voting member of the governing board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- c. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

### **Annual Statements**

Each director, principal officer and member of a committee with governing board-delegated powers shall annually sign a statement, which affirms such person:

- a. Has received a copy of the conflicts of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

### **Periodic Reviews**

To ensure the Organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

### **Use of Outside Experts**

When conducting the periodic reviews as provided for in “Periodic Reviews”, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

## Article XI

### **COMPENSATION**

The Board of Directors is responsible for setting and maintaining policies to ensure fair and timely compensation of the Board of Directors, Officers, Employees, and any independent Service Providers to the Corporation. All compensation policies are governed by the Conflict of Interest Policy described in Article X of these bylaws.

*See, Addendum 7: Compensation Arrangements*

*See, Addendum 8: Compensation Approval Documentation*

## Article XII

### **ETHICS AND DISCIPLINE**

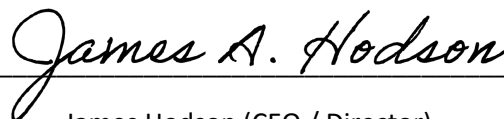
The CEO and Board of Directors shall appoint an Ethics & Discipline Committee to establish procedures to ensure that the corporation maintains and enforces fair policies with respect to all employees. These policies will be effective regardless of age, race, gender, sexual orientation or any other protected class. They will promote a safe and collaborative working environment free of bullying or harassment of any kind. They will enact progressive strategies with respect to health, family care, leaves of absence, sick leave, and the flexibility required to establish a comfortable work-life balance for all officers and employees of the AI for Good Foundation. It is the CEO’s responsibility to oversee that the committee has all resources necessary to uphold such policies in the workplace through appropriate training, research, workplace structures, events, and disciplinary procedures.

## Ratification

These bylaws and addenda hereby ratified by a quorum and functional majority of the active Board of Directors, this 1st day of March, 2016.

As approved by James Hodson, Gary Marcus, Stefano Pacifico, Michael Witbrock.

Signed on behalf of AI for Good Foundation:



James Hodson (CEO / Director)

## Addendum 1

### Address and Registered Delaware Agent

The Corporation's registered office in the State of Delaware is located at 16192 Coastal Highway, Lewes, DE 19958, County of Sussex. The registered agent in charge thereof is Harvard Business Services, Inc.

## Addendum 2

### Membership Policies

#### **Payment of Dues/Fees**

Payment of membership dues and any associated fees is in advance, and all individuals or and organizations must maintain their membership as current in order to continue receiving the benefits of membership. Dues can be paid electronically, by bank transfer, by check, or any other method as listed under the membership section of the company website, as amended from time to time. Payment of dues is final, and no reimbursements will be made under any circumstance.

#### **Participation Requirements**

Members have a duty to vote on issues brought before them at the yearly general meeting, or any other meeting pursuant to these bylaws. Members may join such meetings remotely by teleconference, or be physically present. Absent members will be considered to have abstained from voting on any issues that arise.

Membership entitles individuals and organizations to participate in workshops, conferences, and any other member events that are organized by the company. Furthermore, membership entitles individuals to an email address (@ai4good.org), regular newsletter, and special entitlements as will be offered from time to time.

#### **Courtesy and Respect**

Any member who is considered by the company to have shown a gross lack of courtesy or respect towards their fellow members, company representatives, or the broader community of which they form part, may have their membership terminated immediately, without recourse. In most cases, the company will issue a formal warning to the member in question, outlining the issue, and providing the opportunity to reconcile.

#### **Special Interests**

The board of directors, and trustees of the company, retain the right and responsibility to ensure that the membership program works to fulfill the mission of the organization, and not to further the agendas of special interest groups that may ultimately cause the organization to be less effective. As such, this membership program's terms and conditions are subject to change by review of the governing body at any time, and without notice.

## Addendum 3

### Current Membership Dues and Programs

The Corporation shall maintain several membership groups:

Membership Group	Description	Yearly Dues
<b>Individual Public Members</b>	Members of the public wishing to participate in the community.	\$250
<b>Individual Research Members</b>	Practitioners and researchers who are actively contributing to the field of Artificial Intelligence.	\$250
<b>Implementing Organizations</b>	Organizations that use or plan to make use of Artificial Intelligence Technologies.	\$5,000
<b>Research Organizations</b>	Organizations actively involved in furthering the field of Artificial Intelligence.	\$5,000
<b>Policy Organizations</b>	Organizations actively involved in programs and projects that use Artificial Intelligence to influence decision-making, but are neither for-profit, nor host research facilities.	\$5,000

Organization memberships entitle an organization to ten (10) representatives, each with individual membership rights.

Membership entitles the participant to engage in meetings, committees, elections, member-only events, workshops, and a variety of other programs as decided by the Board of Directors and Officers of the Corporation with appropriate authority.

## Addendum 4

### Current Board of Directors

The current Board of Directors is composed of the following members:

- James A. Hodson of 558 Washington Street, Brighton, MA, 02135;
- Gary Marcus of 137 Varick Street, New York, NY 10013
- Stefano Pacifico of 200 E 71st St New York NY 10021; and
- Michael Witbrock of 3911 Walnut Clay Drive, Austin, TX, 78731.

Membership fees are waived for active Board members, Officers, and Employees of the Corporation.



## Addendum 5

### Officers and Duties

#### **CEO/Executive Director: [Interim] James Hodson**

##### **DUTIES OF CEO**

- i. Direct and be responsible for the overall operation of the organization and the strategic plan;
- ii. Serve as the organization's official representative and spokesperson on matters of policy and positions;
- iii. Be responsible for the duties of other officer positions that are temporarily vacant;
- iv. Call, preside and set agenda at meetings;
- v. Designate committees and supervise their activities;
- vi. Research and Communicate to the membership – National, Local and Legislative issues and information pertinent to the membership and the organization.

#### **Secretary: Vacant**

##### **DUTIES OF SECRETARY**

- i. Record and maintain minutes of all meetings.
- ii. Assist the President as requested.
- iii. Handle all mailings.
- iv. Draft all group correspondence
- v. Handle Corporation phone
- vi. Receive and distribute all incoming mail.
- vii. Maintain membership database

#### **Treasurer: Vacant**

##### **DUTIES OF TREASURER**

- i. Receive and disburse funds with appropriate authorization.
- ii. Maintain financial records.
- iii. Prepare a year-end financial report
- iv. Assist the President as requested.
- v. Serve as chair or member of one or more committees/sub-committees

## Addendum 6

### Active Committees

There are currently no active committees.

## Addendum 7

### Compensation Arrangements

#### **COMPENSATION POLICY FOR OFFICERS, DIRECTORS, TOP MANAGEMENT OFFICIAL AND KEY EMPLOYEES**

##### **1. Policy and Purposes**

This is the policy of AI for Good Foundation (the “organization”) with respect to the review and approval of compensation of its officers and employees. The purpose of this document is to ensure that all compensation paid by the organization is reasonable, and based upon a review of available comparability information. This policy provides a procedure for the review and approval of the compensation of the officers, directors trustees, CEO, executive director or top management officials, and key employees of the organization (“Compensated Individuals”) consistent with applicable federal tax law. (The IRS Form 990 definitions for some of the identified positions are included in the Appendix and used in this policy with the same meanings.)

##### **2. Procedure for Approval of Compensation**

- A. General.** The board of directors or trustees, or authorized committee (“Governing Body”) shall review and approve the compensation of Compensated Individuals.
- B. Specific Requirements.** The Governing Body reviewing and approving compensation for Compensated Individuals shall satisfy the following requirements or procedures:

**(1) Approval by Persons Without a Conflict of Interest.** Compensation shall be reviewed and approved by the Governing Body, provided that persons with a conflict of interest with respect to the compensation arrangement at issue are not involved. Members of the Governing Body do not have a conflict of interest if they (a) are not benefitting from or participating in the compensation arrangement; (b) are not in an employment relationship subject to the direction or control of any person benefitting from or participating in the compensation arrangement; (c) do not receive compensation or other payments subject to the approval of any person benefitting from or participating in the compensation arrangement; (d) have no material financial interest affected by the compensation arrangement; and (e) do not approve a transaction providing economic benefits to any person participating in the compensation arrangement, who in turn has or will approve a transaction providing economic benefits to the member. (Form 990, Part VI, Line 15, Instructions; Treas. Reg. § 53.4958-6(c)(1)(iii).)

**(2) Use of Comparability Data.** In its review and approval of compensation, the Governing Body shall affirmatively determine that compensation is reasonable to the organization based upon information sufficient to determine whether the value of services is the amount that would ordinarily be paid for like services by like enterprises, whether taxable or tax exempt, under like circumstances. Relevant information includes, but is not limited to, compensation levels paid by similarly situated organizations, both taxable and tax exempt, for functionally comparable positions; the availability of similar services in the geographic area of the organization; current compensation surveys compiled by independent firms; and actual written offers from similar institutions competing for the services of the compensated person. If the organization has average annual gross receipts of less than \$1 million for the prior three tax years, the Governing Body will have appropriate comparability information if it has information on compensation paid by three comparable organizations in the same or similar communities for similar services. (Form 990, Part VI, Line 15, 2009 Instructions; Treas. Reg. §§ 53.4958-4(b), 53.4958-6(c)(2)).

**(3) Recording Compensation Deliberations.** The Governing Body's review and approval of compensation shall be promptly recorded in the minutes of its meetings and contain: (a) the terms of the compensation and the date approved; (b) the names of the members of the Governing Body who were present during the discussion and those who voted on the approved compensation; (c) the comparability data obtained and relied upon, and how it was obtained; (d) any action taken with respect to consideration of the compensation by a member of the Governing Body who had a conflict of interest with respect to the compensation; and (e) if the reasonable compensation is higher or lower than the range of comparability data obtained, the basis for the decision. Such minutes shall be reviewed and approved by the Governing Body as reasonable, accurate and complete within a reasonable time after the review and approval of the compensation. (Form 990, Part VI, Line 15, 2009 Instructions; Treas. Reg. § 53.4958-6(c)(3).)

**(4) Review and Approval for Certain Executive Officers.** In addition to the requirements of this policy applicable to all Compensated Individuals, any compensation set for the CEO or president, and CFO or treasurer, (or individuals with equivalent powers, duties or responsibilities comparable to these positions), must be determined to be just and reasonable. The Governing Body's review and approval shall occur initially upon hiring, whenever the term of employment, if any, is renewed or extended, and whenever the compensation is modified. Separate review and approval shall not be required if a modification of compensation extends to substantially all employees.

**APPENDIX to Addendum 7**

**2009 IRS FORM 990 INSTRUCTIONS**

**DEFINITIONS<sup>1</sup>**

**Director or trustee.** A “director or trustee” is a member of the organization’s **governing body**, but only if the member has voting rights. A director or trustee that served at any time during the organization’s **tax year** is deemed a current director or trustee. Members of advisory boards that do not exercise any governance authority over the organization are not considered directors or trustees. An “institutional trustee” is a trustee that is not an individual or natural person but an organization. For instance, a bank or trust company serving as the trustee of a trust is an institutional trustee.

**Officer.** An **officer** is a person elected or appointed to manage the organization’s daily operations. An officer that served at any time during the organization’s **tax year** is deemed a current officer. The officers of an organization are determined by reference to its organizing document, bylaws, or resolutions of its **governing body**, or as otherwise designated consistent with state law, but, at a minimum, include those officers required by applicable state law. Officers can include a president, vice-president, secretary, treasurer and, in some cases, a Board Chair. In addition, for purposes of Form 990, including Part VII, Section A, and Schedule J (Form 990), treat as an officer the following persons, regardless of their titles.

1. *Top management official.* The person who has ultimate responsibility for implementing the decisions of the governing body or for supervising the management, administration, or operation of the organization.

2. *Top financial official.* The person who has ultimate responsibility for managing the organization’s finances.

If ultimate responsibility resides with two or more individuals (for example, co-presidents or co-treasurers), who can exercise such responsibility in concert or individually, then treat all such individuals as officers.

**Key employee.** For purposes of Form 990, a current **key employee** is an **employee** of the organization (other than an **officer**, **director** or **trustee**) who meets all three of the following tests, applied in the following order:

1. *\$150,000 Test:* Receives **reportable compensation** from the organization and all **related organizations** in excess of \$150,000 for the **calendar year** ending with or within the organization’s **tax year**.

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<sup>1</sup> The definitions in this Appendix are taken from the IRS 2009 Instructions for Form 990 at page 22.

2. *Responsibility Test*: At any time during the calendar year ending with or within the organization's **tax year**:

a. Has responsibilities, powers, or influence over the organization as a whole that is similar to those of officers, directors, or trustees;

b. Manages a discrete segment or activity of the organization that represents 10% or more of the activities, assets, income, or expenses of the organization, as compared to the organization as a whole; or

c. Has or shares authority to control or determine 10% or more of the organization's capital expenditures, operating budget, or compensation for **employees**.

3. *Top 20 Test*: Is one of the 20 employees other than officers, directors, and trustees who satisfy the \$150,000 Test and Responsibility Test with the highest reportable compensation from the organization and **related organizations** for the calendar year ending with or within the organization's **tax year**.

If the organization has more than 20 individuals who meet the \$150,000 Test and Responsibility Test, report as **key employees** only the 20 individuals that have the highest reportable compensation from the organization and related organizations. Note that any others, up to five, might be reportable as current **highest compensated employees**, with over \$100,000 in reportable compensation. Use the calendar year ending with or within the organization's tax year for determining the organization's current key employees.

An individual that is not an employee of the organization (or of a disregarded entity of the organization) is nonetheless treated as a key employee if he or she serves as an officer or director of a disregarded entity of the organization and otherwise meets the standards of a key employee set forth above. See Disregarded Entities, later [on page 24 of the Instructions], for treatment of certain employees of a disregarded entity as a key employee of the organization.

If an employee is a key employee of the organization for only a portion of the year, that person's entire compensation for the calendar year ending with or within the organization's tax year, from both the filing organization and related organizations, should be reported in Part VII, Section A. **Management companies** and similar entities that are **independent contractors** should not be reported as key employees. The organization's **top management official** and **top financial official** are deemed officers rather than key employees.

## Addendum 8

### Compensation Approval Documentation

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AI for Good Foundation  
Compensation Approval Document

Date: \_\_/\_\_/\_\_\_\_

Name of Officer/Employee/Consultant/Trustee: \_\_\_\_\_

Title/Role/Primary Function: \_\_\_\_\_

Fixed Compensation for fiscal year \_\_\_\_\_ : \$\_\_\_\_\_.\_\_\_\_

New Employee: Yes / No, if "no", list nominal increase over previous year: \_\_\_\_\_.%

Compensation Structure and Amount Summary Justification:

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Who approved this compensation arrangement? Board of Directors / Trustees / Committee

Authorized Members:

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Include the following evidence and documentation as attachments:

- Relevant sections of meeting minutes discussing and justifying compensation;
- Prior year compensation arrangements, if appropriate;
- A copy of the signed compensation arrangement, listing specifics;
- Comparable survey/comparison/market data that was used to ensure compensation is "reasonable" for this role/function;
- Extended justification of any non-standard compensation arrangements, such as would be required by the IRS as part of form 990 or 1023;

Signed as authorized on behalf of the AI for Good Foundation: Name: \_\_\_\_\_

Title: \_\_\_\_\_

\_\_\_\_\_

## AI for Good Foundation

### PROGRAMS

#### The AI for Good Foundation Mission

The aim of the AI for Good Foundation is to provide the tools, transparency, engagement, vision, and education necessary for Artificial Intelligence technologies to thrive within human societies, both now, and in the future. Our work encompasses the academic and institutional research communities, practitioners in all industries, global and local policy makers, and the interested public, with programs to demystify the impact and potential of Artificial Intelligence, and ensure that a future with increasingly intelligent assistive and automating technologies is a bright one.

The last several years have seen a massive resurgence in interest in the potential of Artificial Intelligence to increase the efficiency of decision making, help us navigate the physical world, prevent fraud, and a myriad of other potential uses. At the same time, such increased focus has not been without speculation of some of the dangers that might result from the application of Artificial Intelligence technologies to nefarious purposes, or simply from a lack of appropriate oversight. Such speculation can and has led to gaps in understanding of the realities surrounding Artificial Intelligence, fear mongering, and a proliferation of organizations nominally devoted to averting a cataclysmic end to society as we know it.

At its core, Artificial Intelligence encompasses the mathematical, statistical, reasoning, and data modeling toolkits that allow algorithms to extract (learn) robust patterns from data. The intersection of such models and algorithms allow for decision-making and goal-driven reasoning inspired by and approximating human behavior. Artificial Intelligence need not be the pursuit of the replication of human capabilities, but rather, the pursuit of optimal reasoning and decision making under specifically defined constraints. Artificial Intelligence provides a mathematical optimization for well-specified problems and objectives, just as structural engineering allows us to build bridges, towers, and dams that do not crumble over time.

The AI for Good Foundation plans to assume a leadership role with respect to issues and policies of global concern to the international Artificial Intelligence community.

#### Program of Activities

The AI for Good Foundation addresses three principal issues that exist today, and that are preventing Artificial Intelligence from having its most beneficial impact on society.

1. The lack of a common vision in the AI research community, and a fragmented body of scientific work that is difficult to reproduce and build upon;
2. The absence of mechanisms and forums of communication between researchers, practitioners, policy-makers, and the public, to educate and engage on the opportunities and threats of emerging capabilities, both from a technology and socio-economic perspective;



3. The unbalanced nature of incentives and funding for Artificial Intelligence research, that end up favoring defense and military applications, at the expense of directly socially beneficial projects;

We believe that Artificial Intelligence is misunderstood, that the various stakeholders do not communicate as well as they should, and that the research efforts need more common ground for sharing and benefiting from the good work that is already happening. We also believe that the solutions need to be global, bringing together people from many different backgrounds, identifying the most promising areas for research and implementation, and being the voice of rationality and data-driven conclusions. As such, we have developed a series of complementary programs, engaging the world's most prominent researchers in the field, and based on a culture of evidence-driven transparency. Our programs are:

#### **1. Workshops and Conferences**

Host regular workshops and conferences, in partnership with major AI-related conferences, as well as independently in key strategic locations around the world. These events would bring together different groups of people from the research, practitioner, and policy communities, along with the general public. We aim to engage these groups to contribute to the research agenda, speak openly about the threats and opportunities, and develop a coherent plan of action through discussions, panels, collaborative projects, presentations, surveys, and other methods as appropriate to furthering the exempt mission of the organization.

It is expected that these activities will represent 15% of the time and resources of the organization.

#### **2. Education Outreach**

In collaboration with strategic partners such as [videlectures.net](http://www.videlectures.net) (a United Nations Educational, Scientific, and Cultural Organization) and Knowledge 4 All Foundation Ltd. (a not-for-profit Foundation registered in England and Wales), among others, we aim for the continuous dissemination of up-to-date studies, statistics, charts, newsletters, and presentations. We try to elucidate the current state of affairs in Artificial Intelligence research and practice, future possibilities, the possible socio-economic impacts of change, and the management of any emerging threats from such capabilities.

We look to harness all relevant social and traditional media platforms, from discussion forums, blogs, social networks, to television, radio, and newspapers. Additionally, we will present at appropriate forums nationwide and globally, and host all materials freely on our website and partner websites to encourage access and redistribution.

To date, we have been hosted on the StarTalk (<http://www.startalkradio.net/>) radio show, provided the keynote for the Joint Conference on Robotics and Intelligent Systems (JCRIS), provided a panel discussion at the United Nations Summit on Sustainable Investing (<http://www.unpri.org>), provided a panel discussion at the Financial Data Science Association quarterly meeting in Zurich, Switzerland

(<http://www.fdsaglobal.org>), and organized a Schloss Dagstuhl Seminar Series (<https://www.dagstuhl.de>).

It is expected that these activities will represent 25% of the time and resources of the organization.

### **3. Standards and Guidelines**

Part of building a shared vision and a culture of transparency, stems from having common principles that can be followed by the community of researchers and practitioners. Any such guidelines need to be crafted with strong oversight from key stakeholder groups, and should outline achievable goals that do not overburden participants.

We aim to propose guidelines for rendering research in Artificial Intelligence more accessible and reproducible. We also aim to propose a code of ethics for the research and practitioner communities that would promote risk-mitigation practices in situations where these would be appropriate. Finally, we may research and offer guidance associated with socio-economic policy direction, where Artificial Intelligence might have an impact.

We believe that these initiatives will promote trust and transparency among all stakeholders.

It is expected that these activities will represent 5% of the time and resources of the organization.

### **4. Tools and Platforms**

One of the biggest difficulties in the scientific research community is building a strong and coherent body of work that can be leveraged, built upon, and trusted. Incentives for academic researchers lie mostly in the publication of novel ideas, and not in the validation of others' novel ideas. As such, the pressure to publish often overwhelms the need for clarity and robustness. Incentives are misaligned. Most research results cannot and will not be reproduced. The inefficiencies of such incentives go far beyond the research communities, with businesses of all sizes wasting months of R&D effort attempting to leverage promising results, and failing due to under-specified procedures, private data, models that over-fit a particular domain, or that were trained on samples statistically equivalent to their test data.

There is a need for tools, services, and platforms that realign incentives. This will require close collaboration with leading journals and conferences, as well as establishing reputational mechanisms to encourage beneficial behaviors from students and researchers. We have been discussing the blueprints for these systems with various stakeholder groups, and feel ready to begin implementation. These tools and platforms will be managed by the AI for Good Foundation, and access will be free for all.

It is expected that these activities will represent 30% of the time and 20% of the resources of the organization.

## **5. Research Program Funding and Support**

In order to benefit society to the fullest extent possible, Artificial Intelligence researchers need to be driven to solve problems that are relevant to our everyday social existence. Instead, much funding is driven by military and advertising applications, and as a result, these domains are heavily overrepresented.

We intend to build a set of very visible and prestigious research awards that focus on solving some of the biggest societally impacting issues of our time. We will solicit proposals for each research award, favoring those that have far-reaching consequences, and are scientifically bold, as judged by a panel of top academics, practitioners, and policy-makers. Not only will each research award have a direct impact, but the visibility of these projects will help shift more attention to a class of important problems that are otherwise not so visible.

Furthermore, we may engage in our own internal programs of fundamental research, where we see a strategic opportunity, and where it has proven difficult to solicit such aligned proposals as part of our award program. Such fundamental research will adhere to the IRC 501(c)(3) definition of ‘Scientific Research’, and be exclusively in furtherance of our exempt mission.

It is expected that these activities will represent 15% of the time and 20% of the resources of the organization.

## **6. Local Chapters**

In order to engage the widest possible population to disseminate information, encourage transparency, and build a shared vision, we need to create a global community. We plan on encouraging local chapters with their own events, projects, and engagement. Each local chapter would be encouraged to apply for grants to help with the costs of running events that further our exempt purpose. We view these organizations instrumental in driving our membership numbers, which we view as the natural lifeblood of an organization wishing to enact ongoing change.

It is expected that these activities will represent 5% of the time and 10% of the resources of the organization.

## **7. Distribution to Other Organizations and Individuals**

We do not fundraise for any specific organization and the AI for Good Foundation is not organized solely to contribute or fundraise for any specific entity. However, at the discretion of the governing body, we may at times choose to contribute to other organizations who share a similar mission and only if the contributions further our exempt status, with the objective to promote good in the world through Artificial Intelligence and good scientific method.

One example of an organization which we may contribute to is the “Mozilla Foundation” (EIN 20-0097189) which is a U.S.-based, nonprofit, nonpartisan 501 (c)(3) tax-exempt charitable organization that focuses on ensuring that the internet and related

technologies remain open to all regardless of means and geographic location. The Mozilla Foundation is the world's leading organization pursuing transparency, open and fair distribution of the technological means for communication and access to information, and thus shares in our mission of ensuring that the positive impact of new technologies is distributed evenly and fairly to all.

AI for Good Foundation may exercise its right under law to contribute to non 501 (c)(3) organizations only on the condition that AI for Good Foundation retains control over the use of the funds and maintains records showing that the funds are used for exclusively charitable purposes in accordance with our mission.

## **8. Programs for Volunteers**

At times, per the discretion of the governing body, we may provide internships or volunteer programs, which will provide opportunities for involvement in outreach activities and projects in order to have a greater impact for change. One of the activities that volunteers may be involved in is collaborative projects targeting particular social issues where Artificial Intelligence can help. Such activities shall always be free of charge to participants and will not include compensation to the volunteers.

It is expected that these activities will represent 5% of the resources of the organization.

## **9. Multimedia**

It is our goal to bring awareness from every medium possible and this does not exclude documentaries and photos of our activities, projects, and programs. By documenting and reporting our efforts, we intend to broaden our outreach. These multimedia features will be recorded by our volunteers during the aforementioned activities and will be available to the public.

## **10. Foreign Activities**

In general, our foreign activities can be summed up into two categories: contributions, and educational programs.

- Foreign contributions will include assistance given to individuals or organizations outside of the United States which have been selected by the governing body after conducting due diligence and a thorough investigation. The process of selection is in accordance with all applicable laws and regulations concerning our exempt status such as collecting information (i.e. physical address, phone number, mailing address, website, relationships with other organizations, financial standing which includes past and present, and governance). Contributions will mostly target the support of local chapters and their events in furtherance of our exempt mission (see 6. Local Chapters, above), as well as research awards (see 5. Research Program Funding and Support).

- Foreign educational programs will include our efforts to provide educational based lectures, slideshows, discussion forums and instruction as has been detailed in sections 1-3 of our Programs and Activities above.

**Please Note:**

- Section 1.501(c)(3)-1(d)(2) of the Income Tax Regulations states that the term “charitable” is used in section 501(c)(3) of the Code in its generally accepted legal sense and includes the advancement of education.
- Section 1.501(c)(3)-1(d)(3)(i)(a) of the regulations states that the term educational, as used in IRC 501(c)(3), relates to the instruction or training of the individual for the purpose of improving or developing his capabilities or the instruction of the public on subjects useful to the individual and beneficial to the community.
- Section 1.501(c)(3)-1(d)(5) states that the term "scientific" as used in IRC 501(c)(3) includes scientific research in the public interest. The 1986 EO CPE Text, section “O. SCIENTIFIC RESEARCH UNDER IRC 501(c)(3)” goes on to define “This formulation can be broken down into its constituent parts to form three questions: (1) Is the questioned activity scientific? (2) Is it research? and (3) Is it in the public interest? Affirmative answers are necessary to all three questions in order for a particular activity to qualify as scientific research in furtherance of the scientific purpose specified in IRC 501(c)(3)”. We believe that we can answer affirmatively to all three questions, given our exempt mission and programs.
- Example 2 in Section 1.501(c)(3)-1(d)(3)(ii) of the regulations, makes it clear that “An organization whose activities consist of presenting public discussion groups, forums, panels, lectures, or other similar programs,” is educational.
- Section 501(c)(3) of the Internal Revenue Code provides tax exemption for organizations organized and operated exclusively for scientific and/or educational purposes.

**Financial Information**

The sources of the corporation’s income derive from personal resources. Additional income sources will include grants, membership dues, sponsorship, and fundraising. The corporation disposes its income through the decisions made by its board of directors or through the decisions of the duly elected treasurer (or CEO/Executive Director should the position be vacant), whose power to pay expenses is set out by the board or the corporation’s bylaws in accordance to the corporation’s purpose. Expenses paid by the corporation include, but are not limited to: computer equipment, office rental, salaries, internet web site fees, publications, fundraising, advertising, event hosting, event travel, and grants.

AI for Good Foundation

Part V, Conflict of Interest Policy

Our conflict of interest policy can be found within our ratified bylaws attachment. The policy was adopted as part of our bylaws as it is intrinsic to the way we make decisions throughout our organization. Each day, we must go beyond what is expected to show transparency in all of our dealings, and complete separation from potentially conflictual relationships. This is what our donors and beneficiaries expect and deserve.

AI for Good Foundation

Part VI, Individuals and Organizations

**Your Members and Other Individuals and Organizations That receive Benefits From You:**

**1(a)(b)**

At the discretion of the governing body, we may provide research awards to organizations in furtherance of our tax-exempt purpose. Each award is competitively solicited and selected, with an independent award committee formed by experts from research, practitioner, and policy fields. Any grants or awards provided will be specifically monitored and audited to ensure funds are used solely for exempt purposes that further our mission. Furthermore, organizations will be subject to checks, per our grant award process documentation, to ensure we are compliant with Federal guidelines preventing funding of terrorist groups and their support networks. Furthermore, we will support local chapters set up by volunteers by providing educational materials (e.g. our educational publications and pamphlets), and reasonable reimbursements for approved events. Reimbursements require documentation at the transaction level, and may be manually audited to ensure compliance. Any organizations selected for support will be chosen based on merit alone. These organizations are not known at the time of preparing this application.

Form **5768**

(Rev. August 2013)

Department of the Treasury  
Internal Revenue Service

**Election/Revocation of Election by an Eligible  
Section 501(c)(3) Organization To Make  
Expenditures To Influence Legislation**  
(Under Section 501(h) of the Internal Revenue Code)

► Information about Form 5768 and its instructions is at [www.irs.gov/form5768](http://www.irs.gov/form5768).

For IRS  
Use Only ►

Name of organization <b>AI for Good Foundation</b>	Employer identification number <b>81-1631000</b>
Number and street (or P.O. box no., if mail is not delivered to street address) <b>558 Washington Street</b>	Room/suite <b>#1</b>
City, town or post office, and state <b>Brighton, MA</b>	ZIP + 4 <b>02135</b>

**1 Election**— As an eligible organization, we hereby elect to have the provisions of section 501(h) of the Code, relating to expenditures to influence legislation, apply to our tax year ending 12/31/2016 and all subsequent tax years until revoked. (Month, day, and year)

**Note:** This election must be signed and postmarked within the first taxable year to which it applies.

**2 Revocation**— As an eligible organization, we hereby revoke our election to have the provisions of section 501(h) of the Code, relating to expenditures to influence legislation, apply to our tax year ending \_\_\_\_\_ and all subsequent tax years (until a new election is made). (Month, day, and year)

**Note:** This revocation must be signed and postmarked before the first day of the tax year to which it applies.

Under penalties of perjury, I declare that I am authorized to make this (check applicable box) ►  election  revocation on behalf of the above named organization.

*James A. Hodson*  
(Signature of officer or trustee)

**James Hodson (Chief Executive Officer/Director)**  
(Type or print name and title)

**3/1/2016**  
(Date)

**General Instructions**

Section references are to the Internal Revenue Code.

Section 501(c)(3) states that an organization exempt under that section will lose its tax-exempt status and its qualification to receive deductible charitable contributions if a substantial part of its activities are carried on to influence legislation. Section 501(h), however, permits certain eligible section 501(c)(3) organizations to elect to make limited expenditures to influence legislation. An organization making the election will, however, be subject to an excise tax under section 4911 if it spends more than the amounts permitted by that section. Also, the organization may lose its exempt status if its lobbying expenditures exceed the permitted amounts by more than 50% over a 4-year period. For any tax year in which an election under section 501(h) is in effect, an electing organization must report the actual and permitted amounts of its lobbying expenditures and grass roots expenditures (as defined in section 4911(c)) on its annual return required under section 6033. See Part II-A of Schedule C (Form 990 or Form 990-EZ). Each electing member of an affiliated group must report these amounts for both itself and the affiliated group as a whole.

To make or revoke the election, enter the ending date of the tax year to which the election or revocation applies in item 1 or 2, as applicable, and sign and date the form in the spaces provided.

**Eligible organizations.** A section 501(c)(3) organization is permitted to make the election if it is not a disqualified organization (see below) and is described in:

1. Section 170(b)(1)(A)(ii) (relating to educational institutions),
2. Section 170(b)(1)(A)(iii) (relating to hospitals and medical research organizations),
3. Section 170(b)(1)(A)(iv) (relating to organizations supporting government schools),
4. Section 170(b)(1)(A)(vi) (relating to organizations publicly supported by charitable contributions),
5. Section 509(a)(2) (relating to organizations publicly supported by admissions, sales, etc.), or
6. Section 509(a)(3) (relating to organizations supporting certain types of public charities other than those section 509(a)(3) organizations that support section 501(c)(4), (5), or (6) organizations).

**Disqualified organizations.** The following types of organizations are not permitted to make the election:

- a. Section 170(b)(1)(A)(i) organizations (relating to churches),

- b. An integrated auxiliary of a church or of a convention or association of churches, or
- c. A member of an affiliated group of organizations if one or more members of such group is described in a or b of this paragraph.

**Affiliated organizations.** Organizations are members of an affiliated group of organizations only if (1) the governing instrument of one such organization requires it to be bound by the decisions of the other organization on legislative issues, or (2) the governing board of one such organization includes persons (i) who are specifically designated representatives of another such organization or are members of the governing board, officers, or paid executive staff members of such other organization, and (ii) who, by aggregating their votes, have sufficient voting power to cause or prevent action on legislative issues by the first such organization.

For more details, see section 4911 and section 501(h).

**Note.** A private foundation (including a private operating foundation) is not an eligible organization.

**Where to file.** Mail Form 5768 to:  
Department of the Treasury  
Internal Revenue Service Center  
Ogden, UT 84201-0027



AI for Good Foundation  
Part VIII, Fundraising Programs

Fundraising Programs

**Mail Solicitations**

We will be sending fundraising letters to businesses and individuals at least annually to request that they donate funds to support the AI for Good Foundation or to be cordially invited to attend our annual fundraising banquet and auction.

**Email Solicitations**

We will be utilizing internet solicitation methods, including but not limited to email, social media contacts and other mediums.

**Personal Solicitation**

We will be fundraising by approaching a broad spectrum of entities and individuals in person to share the mission of the AI for Good Foundation and seek public support.

**Foundation Grant Solicitations**

We will be applying for private or public foundation grants. We have no current arrangement for this method at this time.

**Vehicle, Boat, Plane, or Similar Donations**

We do not anticipate donation of boat or planes, but in case of donated vehicle (such as automobiles), we accept these kinds of donations with the intent of using the vehicles for the corporation's mission. The donated vehicles will not be used for any other activities other than those that will further our exempt purpose.

**Through the Corporation's Website**

We do accept donations on our website. This function will be accessible through a "donate" tab on the website of the corporation. The payments are processed by PayPal, Inc. and are directed to the corporation's bank account.

**Other**

**Slideshows and Lectures.** We will be accepting donations during our workshops, conferences, lectures and educational programs. (Please see the Narrative of our Activities for further information regarding these activities.)

**Small Scale Fundraising Events.** At times we will be holding road-side small-scale fundraising events. The work performed for such events shall be "Volunteer Labor" and without compensation. The material used for such events shall only come from the gifts or contributed products. Volunteer charity lemonade or cookie sale would be an example.

**Banquet and Auctions.** We will also be holding at least one fundraising banquet and auction annually. All auction items will be from the gifts or contributed merchandise and all the work performed for such events shall be volunteer labor and without compensation.

**Web-related Donations.** We may arrange with commercial organizations for donations based on sales referrals. For example, some web sites (such as smile.amazon.com) allow nonprofit organizations to receive donations for the purchases of interested individuals, or sales that were referred from their web site. Some local businesses in our area might also make such offers to non-profit organizations. We would only consider this for items and services related to our organization's activities and topics (e.g. books on Artificial Intelligence, Philosophy, and Policy). We currently have no specific plans or contracts, but it is prudent to mention the possibility.

**Sale of Merchandise.** We will have shirts, hats, mugs and similar items available through our website, which will bear our logo and mission statement. The revenue from this activity is anticipated to be insubstantial and we have no current arrangement or contract for this.

## AI for Good Foundation

### Part VIII, Specific Activities: Grant Making

#### Grant Program Creation Process

At the order of the Board of Directors or Executive Director/CEO of the corporation, a Research Award Proposal (RAP) committee may be formed to establish a new grant solicitation program. Each RAP committee is assigned a budget which they may not exceed, and such budget must include all research award moneys that will be made available as part of the specific grant solicitation program.

RAP committees are composed of AI researchers, practitioners, sector experts, policy-makers, and the public, as appropriate to each objective.

It is up to the RAP committee how many awards and of what size to give out, where such awards are crafted to maximize the impact of grants and further the exempt mission of the organization.

#### Example

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*A newly formed RAP committee has been chosen by the Board of Directors to create a grant proposal program soliciting research into Artificial Intelligence systems tailored to real-time environmental monitoring and control applications—seeking to understand the limits of energy conservation in human environments. The assigned budget is \$100k, and the duration of the program is one year.*

*The RAP committee chooses to allow grant proposal writers (applicants) to seek support ranging from \$5k-\$25k, to ensure a minimum of four funded projects. The RAP committee is composed of researchers, sector experts, and potential beneficiaries of the research. They understand what it is reasonable to expect with such grants.*

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The RAP committee crafts a Research Award Program, which specifies the goals of the research program, the degree of innovation required to qualify, the duration of the program, and any additional information required from the applicants.

*Every program is subject to restrictions on the use of funds, and to regular reporting requirements. We have a standard form and agreement, which must be signed with every Program application, which ensures applicants are aware of the restrictions on their award, and the frequency and detail of the required reports (see attached Grant Terms and Conditions).*

Each Research Award Program is advertised as widely as possible through our website, social media, relevant email lists, conferences, and any other avenue that we believe will be conducive to amplifying the message.

### Grant Review Process

As proposals are received from applicants, ahead of the stated deadline, a reviewer is assigned from the RAP committee in a round-robin fashion. Assignments are subject to conflict of interest guidelines (i.e. any member of the RAP committee who holds a relationship with an applicant or an applicant's institution will not be permitted to partake in the process of review for the application in question). The assigned reviewer is responsible for all communication with applicants, any research or background checks as might be necessary, and for ensuring reviews by the committee occur in a fair and timely manner.

Reviewers present proposals to the RAP committee, and the RAP committee independently reviews all written materials. At this point, each member (excepting the reviewer) rates the proposal along the following dimensions:

- ✓ **Ambition:** Does the proposal claim a breadth and depth of work that is concomitant with or exceeds the expectations of reviewers given the size of the grant?
- ✓ **Novelty:** Is the proposal novel in terms of the scientific work involved, the approach, and will it build significantly on top of existing work in the relevant areas?
- ✓ **Impact:** Will the proposal, if successful, have a large positive impact to further the exempt purposes of the AI for Good Foundation?
- ✓ **Clarity:** Does the proposal adequately and credibly lay out a plan for achieving the goals and impact claimed?
- ✓ **Likelihood of Success:** Given the resources available, the competence of the applicants, the scope of the work, how likely is it that this project will succeed in having the scientific impact claimed?
- ✓ **Overall:** The reviewer's overall assessment of the applicant and proposal.

Proposals are ranked according to these metrics, and the committee then decides, based upon the ranking, funding constraints, and the overall objectives of the award program, which of the proposals should be funded.

### Research Award Program

Each award recipient is provided with, and must agree to, the grant policy document (attached hereto). This document outlines allowed and prohibited uses of the research award funds, and outlines reporting requirements throughout the life of the Research Award Program. Specifically, the reviewer is responsible for ensuring the research agenda remains on track with regular communication with award recipients, and award recipients are responsible for filing regular (quarterly) financial reports, as well as a final progress report and financial summary. A consistent lack of, or delay in, reporting is grounds for termination and return of funds. Furthermore, if the reviewer deems the research program to be progressing significantly less quickly than anticipated, or notices unexplained and unreasonable irregularities in spending of the research award funds, he or she may immediately end the award program and request return of remaining funds, as well as return of any funds used in a manner not concomitant with the award program. All communication and reports are filed to document the success (or failure) of the particular research award.

### Research Award Program Debrief

Reviewers will submit a final report on each award program, and may be called upon to present this report to the governing body. Finally, reviewers are responsible for showcasing successful awards as case studies for use in marketing materials and on the Foundation website.

AI for Good Foundation  
Part VIII, Grant Policy Document

### Purpose

The purpose of the research grant program is to support fundamental Artificial Intelligence research at educational and research institutions globally.

### Grant Application

Applications are restricted to universities, colleges, other educational institutions, or qualified research institutions. Research under a grant should be conducted under the leadership of a principal investigator who is a fulltime regular faculty member with tenure or is on tenure track, or equivalent role in the organization. Only one proposal per calendar year may be submitted by a principal investigator. In addition, any principal investigator with an AI for Good Foundation research grant is not normally eligible for any additional AI for Good Foundation funding during the grant period.

The Foundation will respond to all grant applications. Awards will require formal acceptance by the grantee institution of the Foundation's award letter and all terms and conditions stated in these Research Grant Program Guidelines.

The application should include one original on 8 1/2" x 11" single-sided paper. The proposal must conform to the following requirements: (a) the font size must be 11 points or larger, (b) line spacing must be at least 1.5-spaced but no more than five (5) lines of text per vertical inch, and (c) margins must be at least an inch in all directions. Foundation forms must not be modified from their original appearance. Principal investigators are advised that readability is of paramount importance and not being in compliance with these guidelines may be grounds to return the proposal without review. The following original items should be submitted to the Foundation address:

1. Cover page with scientific summary (Foundation form).
2. Description of the project. Cover the background and the approach of the research proposal of the principal investigator. This section should be no more than five pages including any exhibits. References are not included in the five-page limitation.
3. Principal investigator's biographical sketch, limited to two pages.
4. Bibliography of the principal investigator. List all of the papers published by the principal investigator in refereed journals within the last 24 months and selected papers published within the last five years most pertinent to the proposed project.
5. A letter from the grantee institution stating that the principal investigator is a full-time faculty member with tenure or is on tenure track, or holds an equivalent position for their type of organization.
6. Budget. The requested grant amount, per the guidelines of the specific Research Award Program targeted.

Funds may be utilized for direct expenditures in accordance with the following:

1. FELLOWSHIPS AND SCHOLARSHIPS
  - a. Postdoctoral fellowship appointments should normally be for 12 months but not less than three consecutive months.

- b. Graduate fellowship appointments must cover a meaningful period that is not less than three consecutive months.
  - c. Undergraduate scholarship appointments must cover a meaningful period such as an academic year, semester, or if during the summer, a minimum of two (2) consecutive months.
2. FRINGE BENEFITS
  - a. Amounts may be paid for individuals receiving fellowships or scholarships
3. PERMANENT SCIENTIFIC EQUIPMENT
  - a. Items with at least one year of useful life expectancy and costing a minimum of \$1,000.
4. EXPENDABLE SCIENTIFIC ITEMS, SERVICES, AND EQUIPMENT MAINTENANCE
  - a. The grantee institution must maintain a record of actual expenditures, by category, for inclusion in the financial statement.
5. PUBLICATION EXPENSES
  - a. Expenses for publishing the results of research accomplished with the grant.
6. TRAVEL
  - a. Foreign or domestic travel expenses, including registration fees, by the principal investigator and current fellowship or scholarship recipients under the grant. Travel must be relevant to the research. Total expenditures may not exceed \$2,500 per grant year.

Grant funds for direct expenditures may be utilized for any proper purpose beneficial to the research and not specifically excluded by the Foundation. Any expenditures made outside of these guidelines may result in a request for refund. The following are excluded as direct expenditures:

1. General office supplies, equipment, or expenses.
2. Building construction, alteration, renovation, rent, or utilities.
3. Personnel expenses other than fellowships and scholarships as detailed above.
4. Consultant fees and/or related expenditures.
5. Student tuition or fees.
6. Membership dues.
7. Overhead.

#### Control of Research

The conduct and supervision of all research performed under a Research Award Program shall be within the exclusive control of the grantee institution. In accepting a grant, the grantee institution agrees to assume the entire responsibility for the research, for taking any necessary precautions for protection of persons and property, and for the proper operation and maintenance of all equipment in research activities.

#### Grant Payments

Grant funds normally will be paid by the Foundation on a quarterly basis. Equal payments will be made throughout the life of the grant.

#### Appointments

The purpose of postdoctoral and graduate fellowships and undergraduate scholarships is education and training in Artificial Intelligence through research. All postdoctoral and graduate fellowships and

undergraduate scholarships must have signed letters of appointment at the grantee institution. A recipient-signed appointment/acceptance letter must be retained on file at the grantee institution for examination when required. Joint appointments may be made with other external funding but at least 50 percent of the individual's external support must be from the Foundation research grant. There shall not be any employer-employee relationship between the Foundation and the principal investigators or recipients of appointments under Foundation grants.

#### Absence of a Principal Investigator

If a principal investigator expects to be away from the grantee institution for an appreciable period of time, the Foundation must be informed in advance. The grant will become inactive unless the grantee institution submits a written request acceptable to the Foundation demonstrating that the grant will remain under the full control of the grantee institution.

#### Transfer of a Principal Investigator

If a principal investigator transfers from the grantee institution, normal closeout procedures should be carried out at the grantee institution with respect to the grant. A new grant proposal may be submitted by any qualified institution to which a principal investigator has transferred.

#### Attribution Rights

Any publication in scientific media shall include an acknowledgement referencing the AI for Good Foundation grant number and stating that the research was funded in part by a grant from The AI for Good Foundation. In addition, the background section of any patent application filed on an invention made with the assistance of an AI for Good Foundation grant shall include an acknowledgement referencing the AI for Good Foundation grant number and stating that the development of this invention was funded in part by The AI for Good Foundation.

#### Quarterly Financial Reports

The grantee institution must submit quarterly financial reports listing all transactions involving AI for Good Foundation grants, and a description of the qualified expenditure. The institution must be able to produce evidence for any expense representing more than 2.5% of the total award, when requested by the assigned reviewer at the Foundation.

#### Program Research Reports

(must be received in the foundation office by the last business day of the Research Award Program):

1. Final Progress Report (Foundation form). Font size must be 11 points or larger with line spacing of at least 1.5- spacing and must include the following:
  1. Statement of the research objective for the current grant.
  2. Brief report of the progress of the research.
  3. List of publications, in which the principal investigator is the author or co-author.
    1. Published Articles. Articles reported in this section must have appeared in print. One copy of each article must be enclosed.
    2. Submitted Articles. Articles reported in this section are those that have been submitted to a refereed journal and actively are being considered for publication. In parentheses, indicate the date the article was submitted. One copy of each article must be enclosed.



3. Other Published Articles or Patents. Conference or symposium proceedings, books, other invited articles with original material, or patent applications filed on any inventions made with the assistance of The AI for Good Foundation. Articles listed in this section must have appeared in print, have acknowledged AI for Good Foundation support, and not previously been reported to the Foundation.
2. Final Financial Statement (Foundation form) reporting the duration of the grant. All amounts should be reported on a cash basis.

#### Termination of Grants

A grant may be cancelled for cause if progress toward the objective of the grant is not being made satisfactorily or if the grantee institution or the principal investigator is not in compliance with the terms and conditions of the award letter. Once the principal investigator or grantee institution is aware the grant will terminate, expenditures can no longer be made for permanent scientific equipment. In addition, any expenses for expendable scientific items must be for items that will be utilized during the remainder of the grant term. The following shall be forwarded to the Foundation within 60 days after the termination of a grant for any reason:

1. Final Progress Report. (Foundation form)
2. Final Financial Statement. (Foundation form) A refund of any unexpended balance will be requested after the Final Financial Statement has been approved.

#### Documentation

As a condition of a grant, all documents in connection with a grant must be signed by persons authorized by the institution to sign such documents. In addition, all documents in connection with a grant may be signed in multiple counterparts and delivered by facsimile, email, U.S. mail, or otherwise, each of which signatures shall be deemed an original.



AI for Good Foundation  
Part VIII, Donation Acknowledgement Form

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**AI for Good Foundation Form**

Unrestricted Gift Donation Acknowledgement

Name of Donor(s) as it should appear on any materials: \_\_\_\_\_

Amount of donation: US\$ \_\_\_\_\_, or currency: \_\_\_\_\_, amount: \_\_\_\_\_

Or, for donations of physical goods/services, intellectual property, etc., please describe the item(s):  
\_\_\_\_\_  
\_\_\_\_\_

(please contact us directly to arrange for non-standard, non-monetary donations, with this form signed)

- AI4Good may use the name above in materials to further the exempt purposes of the organization;
- AI4Good may disclose the donation amount/type in places other than where required by law;

**Method of donation:**

- Credit Card ( Visa, Mastercard, AMEX, Discover, Diners)  
Name: \_\_\_\_\_, #: \_\_\_\_\_ Expiry: \_\_\_/\_\_\_ CSC: \_\_\_\_\_
- Paypal/Venmo
- Check by mail or in-person
- Bank Transfer by Email Address ([donations@ai4good.org](mailto:donations@ai4good.org))
- Cash in person at event or AI for Good Foundation office
- Physical delivery of Goods (contact us)

**Contact Details**

Email Address: \_\_\_\_\_ Address: (street) \_\_\_\_\_  
(city) \_\_\_\_\_, (zip/postal code) \_\_\_\_\_, (country) \_\_\_\_\_

Donations to the AI for Good Foundation cannot be earmarked for specific purposes, and AI for Good Foundation will not maintain separate accounts for donors or specific purposes. AI for Good Foundation will always have final determination over the use of any funds or goods donated, in furtherance of our exempt purpose under IRC section 501(c)(3).

- I acknowledge the AI for Good Foundation Donation Terms as specified herein;
- I acknowledge that this donation does not represent a quid pro quo transaction;
- I acknowledge that donations larger than \$250 will receive a contemporaneous written acknowledgement for IRS tax deduction purposes via the email address or physical address listed above;

Signed: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_

# AI for Good Foundation, Part IX, Cashflow Statement [EIN 81-1631000]

	1st Year	2nd Year	3rd Year	
<b>Support and Revenue Plus Increase:</b>	0%	10%	10%	Monthly
Online / PayPal / Credit Cards	\$180,000.00	\$198,000.00	\$217,800.00	\$15,000.00
Checks	\$240,000.00	\$264,000.00	\$290,400.00	\$20,000.00
Cash Donations	\$0.00	\$0.00	\$0.00	\$0.00
Grants	\$60,000.00	\$66,000.00	\$72,600.00	\$5,000.00
In kind Donations	\$0.00	\$0.00	\$0.00	\$0.00
Equipment Donations	\$0.00	\$0.00	\$0.00	\$0.00
Sponsorships	\$60,000.00	\$66,000.00	\$72,600.00	\$5,000.00
Member Dues	\$120,000.00	\$132,000.00	\$145,200.00	\$10,000.00
Fees for Services	\$0.00	\$0.00	\$0.00	\$0.00
Fundraisers	\$24,000.00	\$26,400.00	\$29,040.00	\$2,000.00
Sales (Website Merchandise, etc)	\$12,000.00	\$13,200.00	\$14,520.00	\$1,000.00
Startup Grant (Various Unrelated Donors)	\$1,000,000.00			
<b>Total:</b>	<b>\$1,696,000.00</b>	<b>\$765,600.00</b>	<b>\$842,160.00</b>	<b>\$58,000.00</b>

	1st Year	2nd Year	3rd Year	
<b>Internal and Program Expenses Plus Increase:</b>	0%	5%	5%	Monthly
Funds Spent On Programs	\$350,000.00	\$367,500.00	\$385,875.00	Monthly
Accounting / Bookkeeping	\$14,400.00	\$15,120.00	\$15,876.00	\$1,200.00
Fundraising Expenses	\$1,800.00	\$1,890.00	\$1,984.50	\$150.00
Insurance	\$6,000.00	\$6,300.00	\$6,615.00	\$500.00
Legal Fees	\$6,000.00	\$6,300.00	\$6,615.00	\$500.00
Postage	\$1,200.00	\$1,260.00	\$1,323.00	\$100.00
Printing	\$1,200.00	\$1,260.00	\$1,323.00	\$100.00
Rent (Facilities)	\$12,000.00	\$12,600.00	\$13,230.00	\$1,000.00
Rent (vehicles)	\$0.00	\$0.00	\$0.00	\$0.00
Employee Salaries & Taxes	\$225,000.00	\$315,000.00	\$330,750.00	\$25,000.00
Office Supplies & Software	\$3,000.00	\$3,150.00	\$3,307.50	\$250.00
Tax	\$0.00	\$0.00	\$0.00	\$0.00
Telephone	\$600.00	\$630.00	\$661.50	\$50.00
Travel	\$30,000.00	\$31,500.00	\$33,075.00	\$2,500.00
Fuel	\$0.00	\$0.00	\$0.00	\$0.00
Lodging	\$12,000.00	\$12,600.00	\$13,230.00	\$1,000.00
Licensing Fees	\$1,800.00	\$1,890.00	\$1,984.50	\$150.00
Meals	\$6,000.00	\$6,300.00	\$6,615.00	\$500.00
Professional Fees (Explain If Any)	\$0.00	\$0.00	\$0.00	\$0.00
Legislation Influence	\$0.00	\$0.00	\$0.00	\$0.00
Training	\$0.00	\$0.00	\$0.00	\$0.00
Other (Explain If Any)	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total:</b>	<b>\$671,000.00</b>	<b>\$783,300.00</b>	<b>\$822,465.00</b>	<b>\$33,000.00</b>
<b>Net Revenue Minus Expenses:</b>	<b>\$1,025,000.00</b>	<b>\$1,007,300.00</b>	<b>\$1,026,995.00</b>	

Percentage Of Internal Expenses:	14.31%	12.87%	12.87%	(Decreasing)
Percentage Of Funds Spent On Actual Programs:	85.69%	87.13%	87.13%	(Increasing)