



U. S. TREASURY DEPARTMENT
INTERNAL REVENUE SERVICE

DISTRICT DIRECTOR
AUSTIN, TEXAS 78701

November 21, 1967

AUS:EO :67-476
IN REPLY REFER TO
Form L-178
A:R:EO :GAB

The Coast Foundation
2801 Main Street
Dickinson, Texas 77539

Gentlemen:

PURPOSE	
Charitable	
ADDRESS INQUIRIES & FILE RETURNS WITH DISTRICT DIRECTOR OF INTERNAL REVENUE	
Austin, Texas	
FORM 990-A RE- QUIRED	ACCOUNTING PERIOD ENDING
<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	September 30

On the basis of your stated purposes and the understanding that your operations will continue as evidenced to date or will conform to those proposed in your ruling application, we have concluded that you are exempt from Federal income tax as an organization described in section 501(c)(3) of the Internal Revenue Code. Any changes in operation from those described, or in your character or purposes, must be reported immediately to your District Director for consideration of their effect upon your exempt status. You must also report any change in your name or address.

You are not required to file Federal income tax returns so long as you retain an exempt status, unless you are subject to the tax on unrelated business income imposed by section 511 of the Code, in which event you are required to file Form 990-T. Our determination as to your liability for filing the annual information return, Form 990-A, is set forth above. That return, if required, must be filed on or before the 15th day of the fifth month after the close of your annual accounting period indicated above.

Contributions made to you are deductible by donors as provided in section 170 of the Code. Bequests, legacies, devises, transfers or gifts to or for your use are deductible for Federal estate and gift tax purposes under the provisions of section 2055, 2106 and 2522 of the Code.

You are not liable for the taxes imposed under the Federal Insurance Contributions Act (social security taxes) unless you file a waiver of exemption certificate as provided in such act. You are not liable for the tax imposed under the Federal Unemployment Tax Act. Inquiries about the waiver of exemption certificate for social security taxes should be addressed to this office, as should any questions concerning excise, employment or other Federal taxes.

This is a determination letter.

Sincerely yours,

R. L. Phinney

R. L. Phinney
District Director

DEC 1 1967

EXEMPTION APPLICATION

(To be made only by a principal officer of the organization claiming exemption)

To be filed in duplicate
with the District Director
for your District.

For use of organizations applying for exemption under section 501(a) and described in section 501(c)(3) of the Internal Revenue Code, which are organized and operated (or will operate) exclusively for one or more of the following purposes (check purpose(s)):

- Religious Charitable Scientific Testing for Public Safety
 Educational For the prevention of cruelty to children or animals Literary

Every organization that claims to be exempt must furnish the information and data specified in duplicate. If any organization fails to submit the information and data required, this application will not be considered on its merits and the organization will be notified accordingly.

This application shall be open to public inspection in accordance with section 6104(a)(1) of the Internal Revenue Code. See separate instructions for Form 1023 to properly answer the questions below.

1a. Full name of organization
The Coast Foundation, Inc.

b. Employer identification number
Applied for

2. Complete address (number, street, city or town, State and Postal ZIP code)
2801 Main Street, Dickinson, Texas

3a. Is the organization incorporated?
 Yes No

b. If "Yes," in which State and under which law (General corporation, not for profit, membership, educational, eleemosynary, etc.)? Cite statutory provisions.
Texas non - profit Corporation Act

4a. If not incorporated, what is form of organization?

b. Date incorporated or organized
10-10-67

c. Month and day on which the annual accounting period ends
September 30

5a. Has organization filed Federal income tax return(s)?
 Yes No

b. If "Yes," form number of return filed and Internal Revenue District where filed.

c. Year(s) filed

6. After July 1, 1950, did the creator of your organization (if a trust), or a contributor to your organization, or a brother or sister (whole or half blood), spouse, ancestor, or lineal descendant of such creator or contributor, or a corporation controlled directly or indirectly by such creator or contributor, enter into any of the transactions (or activities) enumerated below? NOTE: If you have any knowledge or contemplate that you will be a party to any of the transactions (or activities) enumerated in 6a through 6f, check "planned" in the applicable block(s) and see instructions.

	Yes	No	Planned		Yes	No	Planned
a. Borrow any part of your income or corpus?		<input checked="" type="checkbox"/>		d. Purchase any securities or other property from you?		<input checked="" type="checkbox"/>	
b. Receive any compensation from you?		<input checked="" type="checkbox"/>		e. Sell any securities or other property to you?		<input checked="" type="checkbox"/>	
c. Have any part of your services made available to him?		<input checked="" type="checkbox"/>		f. Receive any of your income or corpus in any other transaction?		<input checked="" type="checkbox"/>	

7. Have you issued or do you plan to issue membership, stock, or other certificates evidencing voting power in the organization?
 Yes No
- 8a. Are you the outgrowth or continuation of any form of predecessor(s)?
 Yes No
- b. Do you have capital stock issued and outstanding?
 Yes No
- c. Have you made or do you plan to make any distribution of your property to shareholders or members?
 Yes No
- d. Did you receive or do you expect to receive 10 percent or more of your assets from any organization, group of affiliated organizations (affiliated through stockholding, common ownership, or otherwise), any individual, or members of a family group (brother or sister whether whole or half blood, spouse, ancestor, or lineal descendant)?
 Yes No
- e. Does any part or will any part of your receipts represent payment for services of any character rendered or to be rendered by you?
 Yes No
- f. Are you now, have you ever been, or do you plan to be engaged in carrying on propaganda, or otherwise advocating or opposing pending or proposed legislation?
 Yes No
- g. Do you participate or plan to participate in or intervene in (including the publishing or distributing of statements) any political campaign on behalf of or in opposition to any candidate for public office?
 Yes No
- h. Have you made or do you plan to make any payments to members or shareholders for services rendered or to be rendered?
 Yes No
- i. Does any part or do you plan to have any part of your net income inure to the benefit of any private shareholder or individual?
 Yes No
- j. Are you now or are you planning to be affiliated in any manner with any organization(s)?
 Yes No
- k. Do you hold or plan to hold 10 percent or more of any class of stock or 10 percent or more of the total combined voting power of stock in any corporation?
 Yes No

9. Has any State or any court (including a Court of Probate, Surrogate's Court, etc.) ever declared whether you were or were not organized and operated for charitable, etc., purposes? Yes No. If "Yes," attach copies in duplicate of pertinent administrative or judicial decisions.

10. You must attach copies in duplicate of the following: **Schedule Attached**

a. If incorporated, a copy of your articles of incorporation, or if not incorporated, a copy of your constitution, articles of association, declaration of trust, or other document whereby you were created setting forth your aims and purposes, a copy of all amendments thereto, and any changes presently proposed.

b. A copy of your bylaws or other similar code of regulations, all amendments thereto, and any changes presently proposed.

c. A complete statement of assets and liabilities as of the end of each annual accounting period (or as of the date of the filing of this application, if you were in existence for less than a year).

d. A statement of receipts and expenditures for each annual accounting period of operation (or for the period for which you were in existence, if less than a year).

e. A statement which clearly indicates what State statutes or court decisions govern the distribution of assets upon dissolution. (This statement may be omitted if your charter, certificate, or other instrument of organization makes provision for such distribution.)

f. A brief statement of the specific purposes for which you were formed. (Do not quote from or make reference to your articles of incorporation, constitution, articles of association, declaration of trust, or other document whereby you were created for this question.)

g. A statement explaining in detail each fund-raising activity and each business enterprise you have engaged in or plan to engage in, accompanied by copies of all agreements, if any, with other parties for the conduct of each fund-raising activity or business enterprise.

h. A statement which describes in detail the nature of each of your activities which you have checked on page 1, activities which you sponsor, and proposed activities.

i. A statement which explains fully any specific activities that you have engaged in or sponsored and which have been discontinued. Give dates of commencement and termination and the reasons for discontinuance.

j. A statement which describes the purposes, other than in payment for services rendered or supplies furnished, for which your funds are expended or will be expended.

k. A schedule indicating the name and position of each officer, director, trustee, etc., of the organization and the relationship, if any, by blood, marriage, adoption, or employment, of each such person to the creator of the organization (if a trust), to any person who has made a substantial contribution to the organization, or to a corporation controlled (by ownership of 50 percent or more of voting stock or 50 percent or more of value of all stock), directly or indirectly, by such creator or contributor. The schedule shall also indicate the time devoted to position and compensation (including salary and expense account allowance), if any, of each officer, director, trustee, etc., of the organization.

l. A copy of each lease, if any, in which you are the lessee or lessor of property (real, personal, gas, oil, or mineral) or in which you own an interest under such lease, together with copies of all agreements with other parties for development of the property.

SIGNATURE AND VERIFICATION

Under penalties of perjury, I declare that I have examined this application, including accompanying statements, and to the best of my knowledge and belief it is true, correct, and complete.

Date

Signature of officer

Title

THE COAST FOUNDATION, INC.

DICKINSON, TEXAS

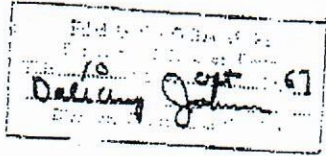
FORM 1023 - Page 2 - Question 10

- a. Duplicate copies of articles of incorporation attached.
- b. Duplicate copies of bylaws attached.
- c. Corporation has no assets or liabilities as of date of filing.
- d. None
- e. Article seven of articles of incorporation makes provision for distributions of assets upon dissolution.
- f. The primary purpose for which this corporation was formed is to make specific gifts to Rice University, Houston, Texas.
- g. No fund-raising activities are planned beyond contributions from incorporators.
- h. See item 10 f.
- i. None
- j. See item 10 f.

k.	<u>Name</u>	<u>Position</u>	<u>Relationship</u>
	Walter G. Hall	Director	
	Helen Hall	Director	Wife
	Walter G. Hall, Jr.	Director	Son
	Charles F. Hall	Director	Son
	Samuel L. Hall	Director	Son

Each of the directors named above receives no compensation for part-time activities.

- 1. None



ARTICLES OF INCORPORATION
OF
THE COAST FOUNDATION, INC.

We, the undersigned natural persons of the age of twenty-one (21) years or more, at least two of whom are citizens of the State of Texas, acting as incorporators of a corporation under the Texas Non-Profit Corporation Act, do hereby adopt the following Articles of Incorporation for such Corporation:

ARTICLE ONE

The name of the Corporation is:
THE COAST FOUNDATION, INC.

ARTICLE TWO

The Corporation is a non-profit Corporation.

ARTICLE THREE

The period of its duration is fifty (50) years.

ARTICLE FOUR

The sole and exclusive purpose for which the corporation is organized is to promote education and charity by receiving contributions of real and personal property and by paying over such contributions and/or the income or other proceeds therefrom to educational and charitable institutions and organizations as shall be designated by the Directors of the corporation and which shall be tax exempt organizations and institutions as defined by Section 501 (c) (3) of the United States Internal Revenue Code of 1954 (or the corresponding provisions of any future United States Internal Revenue Code).

ARTICLE FIVE

No part of the net earnings of the corporation shall inure to the benefit of any Director of the corporation or to the benefit of any person having a personal and private interest in the activities of the corporation.

ARTICLE SIX

Neither the corporation nor its officers acting in their official corporate capacity may at any time:

- (1) Engage in any activity that does not further the stated purposes of the corporation.
- (2) Attempt to influence legislation by propaganda or otherwise.
- (3) Directly or indirectly participate in or intervene in (including the publishing or distributing of statements) any political campaign on behalf of or in opposition to any candidate for public office.
- (4) Commit any act or engage in any activity which is prohibited of a tax exempt corporation by the United States Internal Revenue Code.

ARTICLE SEVEN

Upon the dissolution of the corporation, all of its assets shall be distributed in fee simple to such educational and charitable organizations and institutions as shall be designated by the Directors of the corporation, each of which shall be tax exempt organizations and institutions as defined by Section 501 (c) (3) of the United States Internal Revenue Code of 1954 (or the corresponding provisions of any future United States Internal Revenue Code).

ARTICLE EIGHT

The corporation shall have no members.

ARTICLE NINE

The street address of the initial registered office of the corporation is 2801 Main Street, Dickinson, Texas, and the name of the initial registered agent at such address is Walter G. Hall.

ARTICLE TEN

The number of directors constituting the initial Board of Directors of the corporation is five, and the names and addresses of the persons who are to serve as the initial directors are:

Walter G. Hall
1220 Coryell
League City, Texas

Helen Hall
1220 Coryell
League City, Texas

Walter G. Hall, Jr.
204 Old Bayou Drive
Dickinson, Texas

Charles F. Hall
1911 Liberty
League City, Texas

Samuel L. Hall
2001 Columbia Pike
Apartment 209
Arlington, Virginia

The name and street address of each incorporator is:

Walter G. Hall
1220 Coryell
League City, Texas


Helen Hall
1220 Coryell
League City, Texas

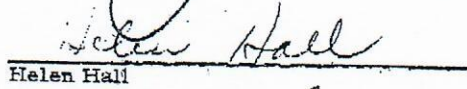
Walter G. Hall, Jr.
204 Old Bayou Drive
Dickinson, Texas

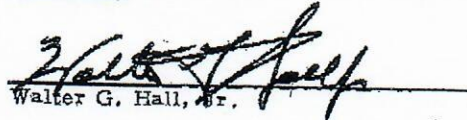
Charles F. Hall
1911 Liberty
League City, Texas

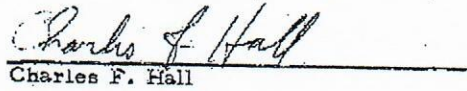
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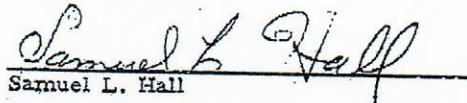
IN WITNESS WHEREOF, we have hereunto set our hands this
26th day of September, 1967.


Walter G. Hall


Helen Hall


Walter G. Hall, Jr.


Charles F. Hall


Samuel L. Hall

PROPOSED
BY-LAWS

OF

THE COAST FOUNDATION, INC.

ARTICLE I
(Meetings)

Section 1. The Directors of THE COAST FOUNDATION, INC. shall meet annually on the first Monday in November at the Citizens State Bank Building in Dickinson, Texas, (unless prior to such date the Directors shall have designated some other day in November for the current annual meeting) for the election of officers and the transacting of other business.

Section 2. A special meeting of the Corporation may be called at any time by the Board of Directors or by the President.

Section 3. A simple majority of the Directors shall constitute a quorum at any meeting of the Corporation.

ARTICLE II
(Officers)

Section 1. Officers shall be elected by ballot at each annual meeting during November, and the vote of a majority of the Directors present at such meeting shall be necessary for election. The term of the Officers shall commence on January 1 after election and continue for one year.

Section 2. Any vacancy in any office or of the Board of Directors occurring during the term thereof shall be filled for the remainder of such term by appointment of the Board of Directors.

Section 3. In the event that a vacancy exists on the Board of Directors and the same is not filled within 60 days after the occurrence of such vacancy, the then duly qualified and serving Probate Judge of Galveston County, Texas, shall serve as a Director of the Corporation to fill such vacancy until such time as a replacement shall be designated

by the Board of Directors. In the event of the inability of such Probate Judge to serve or if he should refuse to serve, then such vacancy shall be filled by such person as shall be designated by the then serving President of Rice University of Houston, Texas.

ARTICLE I I I
(Powers)

Section 1. The Corporation, its Officers and Directors, shall have all such powers as are necessary to carry out the purposes of the Corporation and to perform the functions of their respective offices.

Section 2. The Corporation, among other powers, shall have the power to own, buy, sell, trade and exchange real and personal property and to borrow money.

Section 3. Neither the Corporation nor its Officers acting in their official corporate capacity may at any time:

- A. Engage in any activity that does not further the stated purposes of the corporation.
- B. Attempt to influence legislation by propaganda or otherwise.
- C. Directly or indirectly participate in or intervene in (including the publishing or distributing of statements) any political campaign on behalf of or in opposition to any candidate for public office.
- D. Commit any act or engage in any activity which is prohibited of a tax exempt corporation by the United States Internal Revenue Code.

ARTICLE I V
(Amendments)

These By-Laws may be amended at any time by majority vote of the Board of Directors.