

1922887

ARTICLES OF INCORPORATION

OF

ESSENTIAL ECONOMICS

FILED

In the office of the Secretary of State  
of the State of California

JUN 21 1995

ARTICLE I

The name of the corporation is:

**ESSENTIAL ECONOMICS**

ARTICLE II

(a) This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for charitable and public purposes. Such purposes for which this corporation is organized are exclusively charitable and educational within the meaning of Sections 501(c)(3), 2055, and 2522 of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law) (hereinafter the "Code") and meeting the requirements for exemption provided by Sections 214 and 23701d of the California Revenue and Taxation Code.

(b) The specific educational and charitable purposes for which this corporation is organized are to promote, sponsor, and finance proposals, projects, activities, and programs that further the economic principles taught by Henry George and/or that effectively apply Georgist principles in addressing contemporary socioeconomic problems.

(c) Notwithstanding any other provisions 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 under Section 501(c)(3) of the Code; or (ii) by a corporation contributions to which are deductible under Section 170(c)(2) of the Code.

ARTICLE III

The name and address in the State of California of this corporation's initial agent for service of process is:

Harry Valasek  
9446 Morcado Circle  
La Mesa, California 91941

*Bill Jones*  
BILL JONES, Secretary of State

#### ARTICLE IV

(a) This corporation is not organized, nor shall it be operated, for pecuniary gain or profit, and it does not contemplate the distribution of gains, profits, or dividends to the members thereof or to any private shareholder, as defined for the purposes of Section 501(c)(3) of the Code, or to any individual.

(b) No substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise attempting, to influence legislation; provided, however, that this corporation may engage in such activities in accordance with and to the extent provided for in Section 501(h) of the Code. This corporation shall not participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of (or in opposition to) any candidate for public office.


(c) The property, assets, profits, and net income of this corporation are dedicated irrevocably to the purposes set forth in Article II above, and no part of the net earnings of this corporation shall ever inure to the benefit of any director, trustee, officer, private shareholder, or member, or to the benefit of any individual.

(d) Upon the winding up and dissolution of this corporation, after paying or adequately providing for the debts and obligations of the corporation, the remaining assets of this corporation shall be distributed to one or more non-profit funds, foundations or corporations organized and operated exclusively for educational and charitable purposes, and which have established tax-exempt status under Section 501(c)(3) of the Code and qualified for exemption from taxation under Section 23701d of the California Revenue and Taxation Code.

(e) Notwithstanding any provision contained in these Articles or in any other governing instrument of this corporation, this corporation is required, during any period and to the extent that it is a private foundation described in Section 509 of the Code, to distribute its income for each taxable year at such times and in such manner as not to subject the corporation to tax under Section 4942 of the Code. In addition, this corporation shall not, during any period and to the extent that it is a private foundation described in Section 509 of the Code, (i) engage in any act of self-dealing (as


defined in Section 4941(d) of the Code); (ii) retain any excess business holding (as defined in Section 4943(c) of the Code); (iii) make any investments in such manner as to subject the corporation to tax under Section 4944 of the Code; or (iv) make any taxable expenditures (as defined in Section 4945(d) of the Code).

Dated: June 19, 1995

  
Harry Valasek

The undersigned declares I am the person who executed the foregoing Articles of Incorporation and that this instrument is the act and deed of the undersigned.

Dated: June 19, 1995

  
Harry Valasek